

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL  
DISTRICT NO. 6

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COMPREHENSIVE FINANCIAL ANNUAL REPORT  
AND  
SUPPLEMENTAL INFORMATION  
YEAR ENDED JUNE 30, 2008  
WITH  
REPORT OF CERTIFIED PUBLIC ACCOUNTANTS



## INTRODUCTORY SECTION

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STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

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Year Ended June 30, 2008

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STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

OFFICIAL ROSTER  
June 30, 2008

Board of Education

Karen Ransom	Board President
Jim Conyers	Board Vice President
Timothy Cummins	Board Secretary
Evelyn Benny	Board Member
Patrick Montoya	Board Member

School Officials

Randy Allison	Superintendent
Randy Bondow	Director of Finance
Anna Redding	Business Manager
Linelle Sharrard	Director, Curriculum
Lena Benally	Director, Federal Programs

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**FINANCIAL SECTION**

**FISCAL YEAR 2008**

**JULY 1, 2007 THROUGH JUNE 30, 2008**

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# KEYSTONE ACCOUNTING, LLC

CERTIFIED PUBLIC ACCOUNTANTS

4801 N Butler, Ste. 8101  
Farmington, NM 87401

[keystone@keystoneacct.com](mailto:keystone@keystoneacct.com)

Telephone (505) 566-1900  
Fax (505) 566-1911

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## INDEPENDENT AUDITORS' REPORT

Hector H. Balderas, State Auditor  
And the Board of Education of  
Bloomfield Municipal School District No. 6

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Bloomfield Municipal School District No. 6, as of and for the year ended June 30, 2008, which collectively comprise Bloomfield Municipal School District No. 6's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of Bloomfield Municipal School District No. 6's nonmajor governmental presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2008, as listed in the table of contents. These financial statements are the responsibility of the Bloomfield Municipal School District No. 6's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Bloomfield Municipal School District No. 6, as of June 30, 2008, and the respective changes in financial position thereof and the respective budgetary comparisons of the General Fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the Bloomfield Municipal School District No. 6, as of June 30, 2008, and the respective changes in financial position thereof and the respective budgetary comparisons for the major capital projects funds, debt service fund, and all nonmajor governmental funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated November 12, 2008, on our consideration of the Bloomfield Municipal School District No. 6's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in assessing the results of our audit.

# KEYSTONE ACCOUNTING, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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Telephone (505) 566-1900  
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Hector H. Balderas, State Auditor  
And the Board of Education of  
Bloomfield Municipal School District No. 6

The management's discussion and analysis information on pages 8 through 16 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the basic financial statements, and the combining and individual fund financial statements and budgetary comparisons. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A- 133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the financial statements. The additional schedules listed as "other supplemental information" in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Keystone Accounting, LLC*  
November 12, 2008

**MANAGEMENT'S  
DISCUSSION AND ANALYSIS**

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

MANAGEMENT DISCUSSION AND ANALYSIS  
June 30, 2008

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Our discussion and analysis of the District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2008.

**FINANCIAL HIGHLIGHTS**

State revenues accounted for \$24.0 million or 61.2% of total revenues, and Federal and Local revenues accounted for \$15.2 million or 38.8%.

The general fund reported a positive fund balance in excess of \$0.8 million.

On July 20, 2007 the New Mexico Finance Authority purchased \$20.0 million of the District's bond issue that was approved by voters on February 6, 2007. The total bond issue was for \$20.0 million and all bonds have now been sold.

Outlays for capital assets were \$10.3 million and included new construction and renovations at various sites throughout the district.

**USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT**

This comprehensive annual financial report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the District as a whole, and then proceed to provide an increasingly detailed look at specific financial activities.

**REPORTING THE SCHOOL DISTRICT AS A WHOLE**

**The Statement of Net Assets and Statement of Activities**

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the District as a whole and about its activities in a manner that helps to answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector corporations. All of the current year's revenue and expenses are taken into consideration regardless of when cash is received or paid.

These two statements report the District's net assets and changes in them. The change in net assets provides the reader a tool to assist in determining whether the District's financial health is improving or deteriorating. The reader will need to consider other non-financial factors such as property tax base, current property tax laws, student enrollment growth, and facility conditions in arriving at their conclusion regarding the overall health of the District.



STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

MANAGEMENT DISCUSSION AND ANALYSIS  
June 30, 2008

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REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

Our analysis of the District's major funds begins on page 20. The fund financial statements begin on page 25 and provide detailed information about the most significant funds - not the District as a whole. Some funds are required to be established by State statute, while many other funds are established by the District to help manage money for particular purposes and compliance with various grant provisions. The District's governmental funds use different accounting approaches as further described in the notes to the financial statements.

Governmental Funds

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-view of the District's general governmental operations and the basic services it provides. Governmental fund information helps you determine whether there are more or less financial resources available to spend in the near future to finance the District's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the basic financial statements.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by approximately \$29.3 million at the close of the most recent fiscal year.

A significant portion of the District's net assets reflects its investment in capital assets less any related debt used to acquire those assets that is still outstanding. The District uses capital assets to provide services; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6**

**MANAGEMENT DISCUSSION AND ANALYSIS  
June 30, 2008**

An analysis of fiscal year 2008 follows:

	Net Assets	
	<u>2008</u>	<u>2007</u>
Current Assets	\$ 28,109,770	\$ 17,051,023
Capital Assets	<u>62,297,737</u>	<u>55,474,879</u>
Total Assets	<u>90,407,507</u>	<u>72,525,902</u>
 Current Liabilities		
Current Liabilities	1,928,081	2,474,294
Long Term Liabilities	<u>59,149,189</u>	<u>42,001,816</u>
Total Liabilities	<u>61,077,270</u>	<u>44,476,110</u>
 Net Assets:		
Invested in Capital		
Assets, net of debt	3,148,548	13,473,063
Restricted	25,009,497	13,458,065
Unrestricted	<u>1,172,193</u>	<u>1,118,664</u>
Total Net Assets	<u>\$ 29,330,238</u>	<u>\$ 28,049,792</u>

An additional portion of the District's net assets (77%) represents resources subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets may be used to meet the District's ongoing activities.

	Changes in Net Assets	
	<u>2008</u>	<u>2007</u>
Revenues		
Program Revenues		
Charges for Services	\$ 730,138	\$ 660,162
Operating grants	6,959,770	5,975,946
Capital grants and contributions	<u>813,659</u>	<u>1,896,907</u>
Total Program Revenues	<u>8,503,567</u>	<u>8,533,015</u>
General Revenues		
Property Taxes	8,427,673	6,871,782
Grants and contributions not restricted	22,000,813	20,049,631
Investment Earnings	<u>148,438</u>	<u>180,702</u>
Total General Revenues	<u>30,576,924</u>	<u>27,102,115</u>
Total Revenues	<u>39,080,491</u>	<u>35,635,130</u>

(continued)

**STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6**

**MANAGEMENT DISCUSSION AND ANALYSIS  
June 30, 2008**

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<b>Expenses</b>		
Instruction	18,125,278	16,033,151
Support Services - Students	2,615,060	2,640,112
Support Services - Instruction	667,857	794,191
Support Services - General Administration	781,176	736,574
Support Services - School Administration	3,855,193	3,368,434
Central Services	556,394	494,817
Operations & Maintenance of Plant	5,736,928	5,098,485
Student Transportation	1,396,272	1,391,657
Food Services	1,588,403	1,548,031
Community Services	1,133	4,763
Bond interest paid	<u>2,391,083</u>	<u>1,843,393</u>
Total governmental activities	<u>37,714,777</u>	<u>33,953,608</u>
Loss on asset disposal	<u>(85,268)</u>	<u>(109,916)</u>
Change in Net Assets	<u>\$ 1,280,446</u>	<u>\$ 1,571,606</u>

**Governmental Activities**

Net assets of the District's governmental activities increased by \$1,280,446 due to increases in salary, benefits and construction of the new high school offset by increases primarily in revenues from the State Equalization Guarantee. Unrestricted net assets reflect a positive balance of \$1,172,193.

The property tax laws in New Mexico create the need to periodically seek voter approval for additional capital outlay funds. Tax revenue generated from the 2-mill levy provided approximately \$2.2 million for fiscal year 2008. School districts such as ours are dependent upon property taxes as a primary source of revenue to maintain facilities district-wide.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The table below reflects the cost of program services and the net cost of those services after taking into account the program revenues for the governmental activities. The increase in net cost is attributed to increases in salaries, benefits and construction of the new high school for 2008. General revenues, including tax revenue, investment earnings, and unrestricted State entitlements must support the net cost of program services.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

MANAGEMENT DISCUSSION AND ANALYSIS  
June 30, 2008

	<u>Net Cost of Services 2008</u>	<u>Net Cost of Services 2007</u>
Instruction	\$ (14,783,499)	\$ (12,414,485)
Support Services - Students	(1,972,541)	(1,894,303)
Support Services - Instruction	(552,516)	(620,804)
Support Services - General Administration	(646,265)	(575,766)
Support Services - School Administration	(3,189,391)	(2,633,041)
Central Services	(477,686)	(426,608)
Operations & Maintenance of Plant	(4,925,373)	(4,395,671)
Student Transportation	262,072	(237,299)
Food Services	(533,955)	(375,117)
Community Services	(973)	(4,106)
Bond interest paid	(2,391,083)	(1,843,393)
Total governmental activities	<u>\$ (29,211,210)</u>	<u>\$ (25,420,593)</u>

THE DISTRICT'S FUNDS

The District's governmental funds (as presented on the balance sheet on page 20) reported a combined fund balance of \$26,617,597. The schedule below indicates the fund balance by type as of June 30, 2008. The Capital Project funds had the most significant increase due to the sale of \$20,000,000 of bonds in July 2007.

	<u>Fund Balance June 30, 2008</u>	<u>Fund Balance June 30, 2007</u>
General	\$ 806,773	\$ 692,284
Debt Service	5,561,712	4,747,039
Capital Projects	19,865,389	8,843,208
Other Governmental	383,723	470,947
Total	<u>\$ 26,617,597</u>	<u>\$ 14,753,478</u>

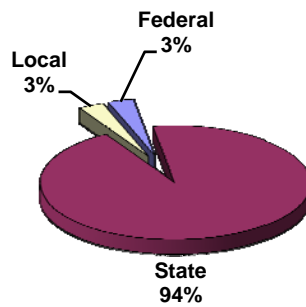
STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

MANAGEMENT DISCUSSION AND ANALYSIS  
June 30, 2008

General Fund

The District's general fund balance increase is primarily due to repayment of temporary loans from reimbursable type funds after June 30, 2007. The tables and graphs that follow assist in illustrating the financial activities and balance of the general fund (as presented on pages 24-25).

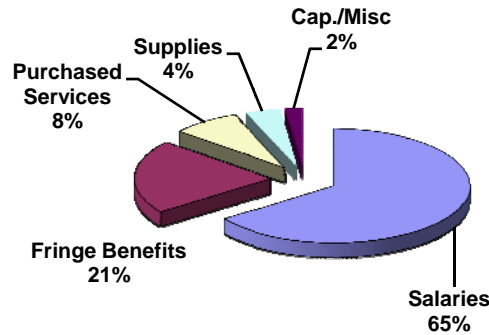
**Sources of Revenues FY 2008**



Federal	\$ 752,397
State	23,120,504
Local	<u>709,383</u>
Total	<u>\$ 24,582,284</u>

As the graph below illustrates, the largest portions of general fund expenditures are for salaries and fringe benefits. The District is a service entity and as such is labor intensive.

**Expenditures for FY 2008**



STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

MANAGEMENT DISCUSSION AND ANALYSIS  
June 30, 2008

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Salaries & Wages	\$ 15,984,828
Fringe Benefits	4,969,870
Purchased Services	2,001,910
Supplies	1,012,014
Capital Outlay	310,809
Miscellaneous	<u>188,364</u>
Total	<u>\$ 24,467,795</u>

Revenues exceeded expenditures during the fiscal year resulting in an increase to the fund balance.

#### Other Funds

The District's debt service fund balance increased by \$814,673 primarily due to over collection of property tax revenues in the prior year and a decrease in the amount of bonds retired in the current year. The revenues of the fund are property taxes, calculated by the county and state officials. The expenses of the fund include debt principal and interest payments as well as treasurer fees.

The bond building fund increase in fund balance is primarily due to the sale of \$20,000,000 of bonds on July 20, 2007 and offset by continued construction of the new high school.

Other governmental funds consist of special revenue funds. The increase in fund balance is the result of increased revenues from the school tax levy.

#### General Fund Budget Information

The District's budget is prepared in accordance with New Mexico State of Education law and is based on the cash basis of accounting, utilizing cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

The District's actual revenues were \$892,133 higher than planned in the original budget with increases in Impact Aid, a state grant for new buses and a special adjustment from the state equalization guarantee. The final budget for expenditures was \$249,704 over the original budget primarily due to an increase in bus purchases. Other appropriations required changes in functional categories due to spending patterns. The District utilizes input from the budget committee, the Superintendent, Director of Finance, Principals, Directors, Supervisors, and community members to assist in the development of the annual budget. The budget committee, consisting of District staff, parents and community members, meets during the budget process. The site and department budgets are reviewed periodically to ensure management becomes aware of any significant variations during the year.

#### Capital Assets

The District has \$62.2 million invested in capital assets net of depreciation all in governmental activities. Detailed information regarding capital asset activity is included on page 48.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

MANAGEMENT DISCUSSION AND ANALYSIS  
June 30, 2008

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The District, on February 6, 2007 passed a Public School Capital Improvement Tax (2-mill) for property tax years 2007 through 2010. The funds are used for a wide range of projects including renovations, building and equipment maintenance, furniture, technology, etc. For the fiscal year ended June 30, 2007 the tax provided \$2.2 million in revenues.

#### Debt

At June 30, 2008, the District had \$58,860,000 in outstanding bonds payable. The District paid \$2,825,000 on bond principal repayments and \$2,120,374 on bond interest payments during the fiscal year. On July 20, 2007 the New Mexico Finance Authority purchased \$20.0 million of the District's bond issue that was approved by voters on February 6, 2007. The total bond issue was for \$20.0 million and all bonds have now been sold. Future bond issues will be done on an opportunistic basis.

The continuation of the 2-mill levy without increasing the tax burden on current taxpayers is something that is a positive in terms of no new taxes to the taxpayer. A detailed summary of long term debt is provided on page 50.

#### Restrictions and Other Limitations

With the continued proceeds from the last bond issue of \$20.0 million and the passage of the 2-mill levy, the District is provided the necessary funds to maintain its facilities. The District's financial position is very sound as of June 30, 2008; however, the future financial stability is not without challenges.

The first challenge is for management to ensure resources can be preserved as long as possible. Maintaining membership numbers is of vital importance in generating revenues necessary to continue educational programs. Loss of students will result in less revenue, which would cause the District to scale down the number of employees, facilities currently utilized and possibly educational programs offered.

The second challenge facing the District is based on the state's economy. The District's funding is determined by a cumbersome calculation that distributes the monies appropriated to public education by the state legislature. Continued mandates by the state and federal government, which are not totally funded, will increase pressure on budget decisions.

#### CONTACTING THE BLOOMFIELD SCHOOL DISTRICT

This financial report is designed to provide our community, taxpayers, investors and creditors with an overview of the Bloomfield School District financial condition and to provide accountability for the funds the District receives. If you have questions about our report, please contact:

Executive Director of Finance and Business Services  
Bloomfield School District  
325 N. Bergin Lane  
Bloomfield, NM 87413

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## **BASIC FINANCIAL STATEMENTS**

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

STATEMENT OF NET ASSETS  
June 30, 2008

	<u>Governmental Activities</u>
 <u>ASSETS</u>	
Cash and cash equivalents	\$ 26,527,889
Receivables:	
Delinquent property taxes receivable	102,335
Grant	502,491
Other receivables	190
Due from other governments	534,911
Deferred bond issuance costs	419,916
USDA commodities inventory	9,230
Food inventory	12,808
Non-current:	
Non-depreciable assets	12,738,650
Depreciable capital assets, net	<u>49,559,087</u>
Total assets	<u>90,407,507</u>
 <u>LIABILITIES</u>	
Accounts payable	373,640
Accrued liabilities	712,329
Deferred grant revenue	582,454
Compensated absences	259,657
Noncurrent liabilities:	
Due within one year	2,825,000
Due in more than one year	<u>56,324,189</u>
Total liabilities	<u>61,077,269</u>
 <u>NET ASSETS</u>	
Invested in capital assets, net of related debt	3,148,548
Restricted:	
Debt service	5,098,675
Capital projects	19,888,784
Inventories	22,038
Unrestricted	<u>1,172,193</u>
Total net assets	<u>\$ 29,330,238</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

STATEMENT OF ACTIVITIES  
Year Ended June 30, 2008

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Governmental Activities</u>
Primary government:					
Governmental activities:					
Instruction	\$ 18,125,278	\$ 211,495	\$ 2,564,032	\$ 566,252	\$ (14,783,499)
Support Services - Students	2,615,060	190,891	369,931	81,697	(1,972,541)
Support Services - Instruction	667,857	-	94,476	20,865	(552,516)
Support Services - General Administration	781,176	-	110,506	24,405	(646,265)
Support Services - School Administration	3,855,193	-	545,362	120,440	(3,189,391)
Central Services	556,394	-	78,708	-	(477,686)
Operations & Maintenance of Plant	5,736,928	-	811,555	-	(4,925,373)
Student Transportation	1,396,272	-	1,658,344	-	262,072
Food Services	1,588,403	327,752	726,696	-	(533,955)
Community Services	1,133	-	160	-	(973)
Bond interest paid	<u>2,391,083</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,391,083)</u>
 Total governmental activities	 <u>\$ 37,714,777</u>	 <u>\$ 730,138</u>	 <u>\$ 6,959,770</u>	 <u>\$ 813,659</u>	 <u>(29,211,210)</u>
 General revenues:					
Property Taxes:					
					535,095
					5,672,528
					2,220,050
					22,000,813
					<u>148,438</u>
					 Total general revenues
					<u>30,576,924</u>
					 Loss on asset disposal
					<u>(85,268)</u>
					 Change in net assets
					1,280,446
					<u>28,049,792</u>
					<u>\$ 29,330,238</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

GOVERNMENTAL FUNDS  
Balance Sheet  
June 30, 2008

	General Fund	Impact Aid Special Education Fund	Impact Aid Indian Education Fund	Technology for Education Fund	Debt Service Fund	Bond Building Fund	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>								
Pooled cash and investments	\$ 958,204	\$ 111,023	\$ 212,117	\$ 110,920	\$ 5,185,303	\$ 18,884,093	\$ 1,066,229	\$ 26,527,889
Receivables:								
Delinquent property taxes	4,713	-	-	-	69,331	-	28,291	102,335
Grant	-	-	-	-	-	-	502,491	502,491
Other receivables	100	-	-	-	-	-	90	190
Due from other governments	33,910	-	-	-	363,720	-	137,281	534,911
USDA commodities inventory	-	-	-	-	-	-	9,230	9,230
Food inventory	-	-	-	-	-	-	12,808	12,808
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>\$ 996,927</u>	<u>\$ 111,023</u>	<u>\$ 212,117</u>	<u>\$ 110,920</u>	<u>\$ 5,618,354</u>	<u>\$ 18,884,093</u>	<u>\$ 1,756,420</u>	<u>\$ 27,689,854</u>
<u>LIABILITIES AND FUND BALANCE</u>								
Liabilities:								
Accounts payable	\$ 171,080	\$ -	\$ -	\$ 974	\$ -	\$ 96,402	\$ 105,184	\$ 373,640
Accrued liabilities	15,339	-	-	-	-	-	17,052	32,391
Deferred revenue:								
Federal, state, and local grants	-	111,023	212,117	109,946	-	-	149,368	582,454
Delinquent property taxes	3,735	-	-	-	56,642	-	23,395	83,772
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	<u>190,154</u>	<u>111,023</u>	<u>212,117</u>	<u>110,920</u>	<u>56,642</u>	<u>96,402</u>	<u>294,999</u>	<u>1,072,257</u>
Fund balance:								
Reserved:								
Retirement of long-term debt	-	-	-	-	5,561,712	-	-	5,561,712
Inventories	-	-	-	-	-	-	22,038	22,038
Unreserved reported in:								
General fund	806,773	-	-	-	-	-	-	806,773
Special revenue funds	-	-	-	-	-	-	361,685	361,685
Capital projects funds	-	-	-	-	-	18,787,691	1,077,698	19,865,389
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total fund balance	<u>806,773</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,561,712</u>	<u>18,787,691</u>	<u>1,461,421</u>	<u>26,617,597</u>
Total liabilities and fund balance	<u>\$ 996,927</u>	<u>\$ 111,023</u>	<u>\$ 212,117</u>	<u>\$ 110,920</u>	<u>\$ 5,618,354</u>	<u>\$ 18,884,093</u>	<u>\$ 1,756,420</u>	<u>\$ 27,689,854</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

RECONCILIATION OF THE BALANCE SHEET - ALL  
GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET ASSETS  
June 30, 2008

Amounts reported for governmental activities in the statement of net assets are different because:

Fund balances - total governmental funds	\$ 26,617,597
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:	62,297,737
Other assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	83,772
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	<u>(59,668,868)</u>
Net assets of governmental activities	<u>\$ 29,330,238</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2008

	<u>General Fund</u>	<u>Impact Aid Special Education Fund</u>	<u>Impact Aid Indian Education Fund</u>	<u>Technology for Education Fund</u>	<u>Debt Service Fund</u>	<u>Bond Building Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:								
Federal sources:								
Public Law 874	\$ 599,580	\$ 96,657	\$ 125,880	\$ -	\$ -	\$ -	\$ -	\$ 822,117
Department of Defense	50,057	-	-	-	-	-	-	50,057
Federal flowthrough grants	82,785	-	-	-	-	-	1,873,187	1,955,972
Federal direct grants	19,975	-	-	-	-	-	1,266,826	1,286,801
Food and milk reimbursements	-	-	-	-	-	-	649,805	649,805
USDA Commodities	-	-	-	-	-	-	76,891	76,891
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total federal revenues	752,397	96,657	125,880	-	-	-	3,866,709	4,841,643
State sources:								
State equalization guarantee	21,121,895	-	-	-	-	-	-	21,121,895
Transportation	1,658,344	-	-	-	-	-	-	1,658,344
State instructional material	336,351	-	-	-	-	-	-	336,351
State grant	3,914	-	-	30,331	-	-	799,964	834,209
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total state revenues	23,120,504	-	-	30,331	-	-	799,964	23,950,799
Local sources:								
Grant	-	-	-	-	-	-	25,958	25,958
District school tax levy	536,266	-	-	-	5,689,021	-	2,226,267	8,451,554
Fees and activities	81,004	-	-	-	-	-	649,134	730,138
Earnings from investments	92,113	-	-	-	107,812	792,289	77,695	1,069,909
Miscellaneous	-	-	-	-	-	-	6,744	6,744
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total local revenues	709,383	-	-	-	5,796,833	792,289	2,985,798	10,284,303
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total revenue	24,582,284	96,657	125,880	30,331	5,796,833	792,289	7,652,471	39,076,745

(continued)

The notes to the financial statements are an integral part of this statement.

	General <u>Fund</u>	Impact Aid Special Education <u>Fund</u>	Impact Aid Indian Education <u>Fund</u>	Technology for Education <u>Fund</u>	Debt Service <u>Fund</u>	Bond Building <u>Fund</u>	Other Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
Expenditures:								
Current:								
Instruction	14,382,644	14,622	34,096	974	-	-	1,930,339	16,362,675
Support Services - Students	1,926,072	-	64,879	-	-	-	369,806	2,360,757
Support Services - Instruction	506,457	-	298	9,127	-	-	79,856	595,738
Support Services - General Administration	607,114	1,325	1,726	-	19,997	-	75,048	705,210
Support Services - School Administration	2,143,445	80,710	24,881	-	-	-	1,231,257	3,480,293
Central Services	465,268	-	-	20,230	16,789	-	-	502,287
Operations & Maintenance of Plant	2,872,279	-	-	-	-	1,303,024	1,003,734	5,179,037
Student Transportation	1,260,491	-	-	-	-	-	-	1,260,491
Food Services	-	-	-	-	-	-	1,433,938	1,433,938
Community Services	-	-	-	-	-	-	1,023	1,023
Capital outlay	304,025	-	-	-	-	8,990,851	1,048,322	10,343,198
Debt service:								
Principal retirement	-	-	-	-	2,825,000	-	-	2,825,000
Bond interest paid	-	-	-	-	2,120,374	-	-	2,120,374
Bond issuance costs	-	-	-	-	-	42,605	-	42,605
Total expenditures	<u>24,467,795</u>	<u>96,657</u>	<u>125,880</u>	<u>30,331</u>	<u>4,982,160</u>	<u>10,336,480</u>	<u>7,173,323</u>	<u>47,212,626</u>
Excess (deficiency) of revenues over expenditures	114,489	-	-	-	814,673	(9,544,191)	479,148	(8,135,881)
Other sources:								
Sale of bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,000,000</u>	<u>-</u>	<u>20,000,000</u>
Net change in fund balance	114,489	-	-	-	814,673	10,455,809	479,148	11,864,119
Fund balance at beginning of the year	<u>692,284</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,747,039</u>	<u>8,331,882</u>	<u>982,273</u>	<u>14,753,478</u>
Fund balance at end of the year	<u>\$ 806,773</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,561,712</u>	<u>\$ 18,787,691</u>	<u>\$ 1,461,421</u>	<u>\$ 26,617,597</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES

Year Ended June 30, 2008

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balance - total governmental funds	\$ 11,864,119
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current year	6,908,126
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(23,881)
The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, and similar, items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(17,144,529)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	<u>(323,389)</u>
Change in net assets of governmental activities	<u>\$ 1,280,446</u>

The notes to the financial statements are an integral part of this statement.



**STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6**

**GENERAL FUND  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008**

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Public Law 874	\$ 496,015	\$ 496,015	\$ 599,580	\$ 103,565
Department of Defense	47,000	47,000	50,057	3,057
Federal grant	40,000	40,000	82,785	42,785
Federal direct grant	<u>23,000</u>	<u>23,000</u>	<u>19,975</u>	<u>(3,025)</u>
Total federal revenues	<u>606,015</u>	<u>606,015</u>	<u>752,397</u>	<u>146,382</u>
State sources:				
State equalization guarantee	20,923,525	20,923,525	21,121,895	198,370
Transportation	1,257,861	1,575,411	1,760,730	185,319
State instructional material	293,095	325,249	346,072	20,823
State grant	<u>3,000</u>	<u>3,000</u>	<u>3,914</u>	<u>914</u>
Total state revenues	<u>22,477,481</u>	<u>22,827,185</u>	<u>23,232,611</u>	<u>405,426</u>
Local sources:				
District school tax levy	489,842	489,842	524,550	34,708
Fees and activities	81,000	81,000	81,004	4
Earnings from investments	<u>139,999</u>	<u>139,999</u>	<u>95,908</u>	<u>(44,091)</u>
Total local revenues	<u>710,841</u>	<u>710,841</u>	<u>701,462</u>	<u>(9,379)</u>
Total revenues	<u>\$ 23,794,337</u>	<u>\$ 24,144,041</u>	<u>\$ 24,686,470</u>	<u>\$ 542,429</u>

(continued)

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

GENERAL FUND  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Expenditures:				
Current:				
Instruction	\$ 14,045,091	\$ 14,411,897	\$ 14,353,505	\$ 58,392
Support Services - Students	1,831,919	1,929,936	1,924,353	5,583
Support Services - Instruction	682,324	585,576	517,632	67,944
Support Services - General Administration	589,444	622,644	613,356	9,288
Support Services - School Administration	2,043,252	2,144,701	2,144,453	248
Central Services	528,932	466,182	465,184	998
Operation & Maintenance of Plant	2,842,906	2,899,416	2,857,797	41,619
Student Transportation	1,257,861	1,271,386	1,271,372	14
Other Support Services	153,870	153,870	-	153,870
Total current expenses	23,975,599	24,485,608	24,147,652	337,956
Capital outlay:				
Equipment	544,156	383,851	304,025	79,826
Total expenditures	24,519,755	24,869,459	24,451,677	417,782
Excess (deficiency) of revenues over expenditures	(725,418)	(725,418)	234,793	960,211
Beginning cash balance budgeted	725,418	725,418	-	(725,418)
Fund balance at beginning of the year	-	-	692,284	692,284
Fund balance at end of the year	\$ -	\$ -	927,077	\$ 927,077
RECONCILIATION TO GAAP BASIS:				
Change in receivables			(3,793)	
Change in grant receivable			(112,108)	
Change in property tax receivable			(676)	
Change in due from other governments			11,220	
Change in payables			(30,001)	
Change in accrued liabilities			13,883	
Change in deferred property taxes			1,171	
			\$ 806,773	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

IMPACT AID SPECIAL EDUCATION SPECIAL REVENUE FUND  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>Revenues:</b>				
Federal sources:				
Public Law 874	\$ -	\$ 101,962	\$ 105,718	\$ 3,756
<b>Expenditures:</b>				
Current:				
Instruction	-	17,750	14,622	3,128
Support Services - General Administration	-	1,400	1,325	75
Support Services - School Administration	-	82,812	80,710	2,102
	-	101,962	96,657	5,305
 Total expenditures	-	101,962	96,657	5,305
 Excess of revenues over expenditures	-	-	9,061	9,061
 Fund balance at beginning of the year	-	-	-	-
 Fund balance at end of the year	\$ -	\$ -	9,061	\$ 9,061
 <b>RECONCILIATION TO GAAP BASIS:</b>				
Change in deferred revenue			(9,061)	
			\$ -	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

IMPACT AID INDIAN EDUCATION SPECIAL REVENUE FUND  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Federal sources:				
Public Law 874	\$ -	\$ 26,882	\$ 149,704	\$ 122,822
<b>Expenditures:</b>				
Current:				
Instruction	32,454	35,304	34,096	1,208
Support Services - Students	104,515	102,315	64,879	37,436
Support Services - Instruction	60	1,160	298	862
Support Services - General Administration	2,137	2,587	1,726	861
Support Services - School Administration	<u>22,245</u>	<u>46,927</u>	<u>24,881</u>	<u>22,046</u>
Total expenditures	<u>161,411</u>	<u>188,293</u>	<u>125,880</u>	<u>62,413</u>
Excess (deficiency) of revenues over expenditures	(161,411)	(161,411)	23,824	185,235
Beginning cash balance budgeted	161,411	161,411	-	(161,411)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	23,824	<u>\$ 23,824</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in deferred revenue			<u>(23,824)</u>	
			<u>\$ -</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

TECHNOLOGY FOR EDUCATION SPECIAL REVENUE FUND  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
State sources:				
State grant	<u>\$ -</u>	<u>\$ 51,055</u>	<u>\$ 147,112</u>	<u>\$ 96,057</u>
<b>Expenditures:</b>				
Current:				
Support Services - Instruction	-	11,062	9,127	1,935
Central Services	<u>-</u>	<u>39,993</u>	<u>20,230</u>	<u>19,763</u>
Total expenditures	<u>-</u>	<u>51,055</u>	<u>29,357</u>	<u>21,698</u>
Excess of revenues over expenditures	-	-	117,755	117,755
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	117,755	<u>\$ 117,755</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			(6,835)	
Change in payables			(974)	
Change in deferred revenue			<u>(109,946)</u>	
			<u>\$ -</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

AGENCY FUNDS  
Statement of Fiduciary Assets and Liabilities  
June 30, 2008

ASSETS

Pooled cash and investments	\$	<u>259,833</u>
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LIABILITIES

Deposits held for others	\$	<u>259,833</u>
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The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO**  
**BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6**

Notes to the Financial Statements  
June 30, 2007

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STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

Notes to the Financial Statements  
June 30, 2007

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I. SUMMARY OF ALL SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Bloomfield Municipal School District (District) is a special purpose government corporation governed by an elected five-member Board of Education. The Board of Education is the basic level of government, which has oversight responsibility and control over all activities related to the public school education in the City of Bloomfield, New Mexico and the surrounding areas. The District is responsible for all activities related to public elementary and secondary school education within its jurisdiction. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

The District's financial statements include all entities over which the Board of Education exercises oversight responsibility. Oversight responsibility includes such aspects as appointment of governing body members, designation of management, the ability to significantly influence operations, and accountability for fiscal matters. Based upon the application of these criteria, no component units or fiduciary units were included in the financial statements.

GAAP requires that financial statements present the District (primary government) and its component units. The district does not have any component units that are required to be presented in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units, an amendment of GASB Statement No. 14*.

1. Blended Component Units

The District does not have any component units reported as blended component units.

2. Discretely Presented Component Units

The District does not have any component units reported as blended component units.

The summary of significant accounting policies of the District is presented to assist in the understanding of the Association's financial statements. The financial statements and notes are the representation of Bloomfield Municipal School District's management who is responsible for their integrity and objectivity. The financial statements of the Association conform to Generally Accepted Accounting Principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.



STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

Notes to the Financial Statements  
June 30, 2007

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the school district. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues, net of estimated refunds and estimated uncollectable amounts, in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

Notes to the Financial Statements  
June 30, 2007

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

The government reports the following major governmental funds:

**General Fund** – The general fund is the government’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

**Impact Aid Special Education / Impact Aid Indian Education** – To provide financial assistance to local educational agencies (LEA’S) where enrollments or availability of revenue are adversely affected by Federal activities, i.e. where the tax base of a district is reduced through the Federal acquisition of real property (Section 2), where there is a significant number of children who reside on Federal (including Indian) lands and/or children whose parents are employed on Federal property or in the Uniformed Services (Section 3(a) and 3 (b); where there is a significant decrease (Section 3(c)) or a sudden and substantial increase (Section 4) in school enrollment as the result of Federal activities; to provide disaster assistance for reduced or increased operating costs (Section 7(a)), for replacing or repairing damaged or destroyed supplies, equipment, and books, and for repairing minor damage to facilities. Funding authorized by Public Law 81-874.

**Technology For Education** – State funding to provide financial assistance to school districts to improve educational opportunities for all students to close the technology gap between schools and the workplace through enhancement of computer education. The funding is provided by state resources and supplements the federal funding for the Technology Literacy Challenge grant. The creation of the fund is authorized by NMSA 1978 22-15A-1 TO 22-15A-10.

**Debt Service Fund** – The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

**Bond Building Fund** – This fund provides financing for the construction of buildings, the purchase of equipment, and the acquisition and improvement of land. Funding is provided by the sale of general obligation bonds, which have been approved by the voters of the district.

STATE OF NEW MEXICO  
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Notes to the Financial Statements  
June 30, 2007

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Additionally, the government reports the following fund types:

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources – which are legally restricted to expenditures for specified purposes.

Capital Projects Funds – Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Fiduciary Funds – Fiduciary Funds are the agency funds used to account for financial resources used by the student activity groups for which the District has stewardship

Similar to private-sector standards of accounting and financial reporting issued prior to November 30, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. The government has elected not to follow subsequent private-sector guidance.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities, and Net Assets or Equity

1. *Deposits and investments*

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the investment of the District's funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, and money market accounts. The District is also allowed to invest in United States Government obligations. All funds for the District must follow the above investment policies.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the school district. Deposits may be made to the extent that they are insured by an agency of the United States or by collateral deposited as security or by bond given by the financial institution.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

Notes to the Financial Statements  
June 30, 2007

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Assets or Equity (continued)

The rate of interest in non-demand interest-bearing accounts shall be set by the State Board of Finance, but in no case shall the rate of interest be less than one hundred percent of the asked price on United States treasury bills of the same maturity on the day of deposit.

Excess of funds may be temporarily invested in securities which are issued by the State or by the United States government, or by their departments or agencies, and which are either direct obligations of the State or the United States or are backed by the full faith and credit of those governments.

2. *Receivables and payables*

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

The District’s property taxes are levied each year on the assessed valuation of property located in the School District as of the preceding January 1st. Mill levy rates are set by the State of New Mexico each year for the General Fund, SB – 9 Capital Improvements Fund, and Debt Service Fund. Taxes are payable in two equal installments on November 10th and April 10th following the levy and become delinquent after 30 days.

Under GASB Statement 33, property taxes are impressed non-exchange revenue. Assets from impressed non-exchange transactions are reported when the School District has an enforceable legal claim to the asset. The enforceable legal claim date for property taxes is the assessment date. Taxes are payable in two equal installments on November 10 and April 10th following the levy and become delinquent after 30 days. Therefore, the School District has recorded a delinquent tax receivable and revenue for taxes received within the sixty days following year-end. A receivable and deferred revenue have been recorded for uncollected delinquent taxes. On the government-wide financial statements, the district has recorded delinquent property taxes receivable and revenue for taxes assessed as of year-end that have not be collected, as prescribed in GASB 34. An allowance for refunds and uncollectibles has not been recorded.

3. *Inventories*

USDA Commodities are recorded at estimated costs. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

STATE OF NEW MEXICO  
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Notes to the Financial Statements  
June 30, 2007

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Assets or Equity (continued)

4. *Capital assets*

Capital assets, which include property, plant, and equipment (software), are reported in the applicable governmental-wide financial statements. Beginning July 1, 2006, the threshold for defining Capital assets by the government was raised from \$1,000 to assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. The costs of library books are not depreciated unless the individual cost is in excess of \$5,000. Software costs have been included with the cost of computer equipment and are capitalized with that equipment. The District does not develop software for internal use or any other use.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest on construction projects has not been capitalized.

Property, plant, and equipment of the primary government are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40-50
Building improvements	20
Land Improvements	10-20
Vehicles	5-7
Office equipment	5
Computer equipment	3-5

5. *Compensated absences*

It is the School District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Twelve-month employees that are full time are entitled to two weeks paid vacation per year. Vacation days may not accrue from one year to the next without the prior approval of the superintendent, and is accrued when incurred in the government-wide financial statements. Sick leave days are allotted to employees at the beginning of the year. An employee that terminates his, or her, employment is entitled to reimbursement for unused leave up to the date of termination and after the following restrictions. Any unused sick days accumulated over 55 days, and less than 201 days, will reimbursed at the amount of 20% of the current daily pay rate of the eligible employee. An employee that gives 180 days notice of employment termination is entitled to receive 50% of his, or her, current pay rate for any unused sick leave earned in the last year of employment, and the remaining unused sick days will be reimbursed according to the 20% stipulation.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

Notes to the Financial Statements  
June 30, 2007

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Assets or Equity (continued)

6. *Long-term obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discounts. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as capital projects expenditures.

7. *Fund balance*

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

8. *Net assets*

Net assets are presented on the statement of net assets and may be presented in any of three components.

a. *Invested in capital assets, net of related debt*

This component of net assets consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. That portion of the debt is included in restricted for capital projects.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

Notes to the Financial Statements  
June 30, 2007

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Assets or Equity (continued)

b. Restricted net assets

Net assets are reported as being restricted when the restriction is either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the government to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation.

c. Unrestricted net assets

Unrestricted net assets consist of net assets that do not meet the definition of “invested in capital assets, net of related debt” or “restricted.”

In the governmental environment, net assets often are designated to indicate that management does not consider them to be available for general operations. In contrast to restricted net assets, these types of constraints on resources are internal and management can remove or modify them. However, enabling legislation established by the reporting government should not be construed as an internal constraint.

9. *Indirect Costs*

The District’s General Fund receives indirect cost reimbursements from the various federal programs it administers. These reimbursements are for expenses incurred in performing administrative functions on behalf of the Special Revenue Funds. They are shown as expenditures in the Special Revenue Funds, and as other special federal revenue in the General Fund.

10. *Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

11. *Revenues*

State Equalization Guarantee: School districts in the State of New Mexico receive a ‘state equalization guarantee distribution’ which is defined as “that amount of money distributed to each school district to insure that the school district’s operating revenue, including its local and federal revenues as defined (in Chapter 22, Section 825, NMSA 1978) is at least equal to the school district’s program cost”.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

Notes to the Financial Statements  
June 30, 2007

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Assets or Equity (continued)

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education, 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$21,121,895 in state equalization guarantee distributions during the year ended June 30, 2008.

Transportation Distribution: School districts in the State of New Mexico received student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$1,658,344 in transportation distributions during the year ended June 30, 2008.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.” The details of the \$62,297,737 difference are as follows:

Capital assets	\$ 126,305,895
Accumulated depreciation	<u>(64,008,158)</u>
Net adjustment to increase fund balance - total governmental funds to arrive at net assets - governmental activities	<u>\$ 62,297,737</u>



STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

Notes to the Financial Statements  
June 30, 2007

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS  
(continued)

A. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities  
(continued)

Another element of the reconciliation states “other assets are not available to pay to current-period expenditures and therefore are deferred in the funds.” The details of the \$83,772 difference are as follows:

Property taxes receivable	\$	<u>83,772</u>
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The final adjustment in the reconciliation indicates that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The \$59,668,868 difference is detailed as follows:

Bonds payable	\$	(58,860,000)
Accrued interest payable		(679,938)
Accrued vacation payable		(259,657)
Bond premiums		(382,900)
Amortization of bond premiums		93,711
Bond issue costs		547,242
Amortization of bond issue costs		<u>(127,326)</u>
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	\$	<u>(59,668,868)</u>

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities  
(continued)

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$6,908,126 difference are as follows:

Capital outlay	\$	10,343,198
Depreciation expense		<u>(3,435,072)</u>
Net adjustment to changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	\$	<u>6,908,126</u>

STATE OF NEW MEXICO  
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Notes to the Financial Statements  
June 30, 2007

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS  
(continued)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities  
(continued)

The second element in the reconciliation indicates “revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.” The adjustment of \$23,881 is detailed as follows:

Reduction in revenue:	
Deferred property taxes in 2007	\$ (107,653)
Amounts to be included in revenue:	
Deferred property taxes in 2008	<u>83,772</u>
Net adjustment to change in net assets of governmental activities for revenues that are not recorded in the funds	<u>\$ (23,881)</u>

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$17,144,529 difference are as follows:

Principal repayments:	
General obligation debt	\$ 2,825,000
Proceeds of bonds	(20,000,000)
Amortization of bond premium	27,627
Bond issuance costs	42,605
Amortization of bond issuance costs	<u>(39,761)</u>
Net adjustment to decrease change in net assets of governmental activities	<u>\$ (17,144,529)</u>

**STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6**

Notes to the Financial Statements  
June 30, 2007

**II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS  
(continued)**

**B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities  
(continued)**

The final element of that reconciliation states that “Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.” The details of this \$323,389 difference are as follows:

Accrued interest:	
June 30, 2008	\$ (679,938)
June 30, 2007	448,990
Compensated absences:	
June 30, 2008	(259,657)
June 30, 2007	252,484
Loss on asset disposal	<u>(85,268)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	
	<u>\$ (323,389)</u>

**III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Budgetary Information**

Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are prepared by management and are approved by the local Board of Education and the Public School Budget and Planning Unit of the Department of Education. Auxiliary student activity accounts are not budgeted.

These budgets are prepared on the Non-GAAP cash basis, excluding encumbrances, and secure appropriation of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year. The budget process in the State of New Mexico requires that the beginning cash balance be appropriated in the budget of the subsequent fiscal year. Such appropriated balance is legally restricted and is therefore presented as a reserved portion of fund balance.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

Notes to the Financial Statements  
June 30, 2007

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III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (continued)

A. Budgetary Information (continued)

Actual expenditures may not exceed the budget on a line item basis, i.e., each budgeted expenditure must be within budgeted amounts. Budgets may be amended in two ways. If a budget transfer is necessary within a major category called a 'series', this may be accomplished with only local Board of Education approval. If a transfer between 'series' or a budget increase is required, approval must also be obtained from Public School Finance Division.

The budgetary information presented in these financial statements has been amended in accordance with the above procedures.

The School District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In April or May, the superintendent submits to the Board of Education a proposed operating budget of the fiscal year commencing the following July. The operating budget includes proposed expenditures and the means of financing them, and has approval by the Department of Education.
2. In May or June, the budget is approved by the Board of Education.
3. The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called for.
4. The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Department of Education.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds.
6. Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Encumbrances are treated the same way for GAAP purposes and for Budget purposes.

**STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6**

Notes to the Financial Statements  
June 30, 2007

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (continued)

A. Budgetary Information (continued)

The Board of Education may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. The appropriated budget for the year ended June 30, 2008 was properly amended by the Board through the year. New Mexico state law prohibits a Governmental Agency to exceed an individual line item. These amendments resulted in the following changes:

	<u>Original Budget</u>	<u>Final Budget</u>
General Fund	\$ 24,519,755	\$ 24,869,459
Special Revenue Fund	4,786,742	8,013,030
Debt Service Fund	9,270,052	9,270,052
Capital Projects Fund	32,775,771	33,060,230
Totals	\$ 71,352,320	\$ 75,212,771

B. Deficit fund equity

There were two deficit fund balances as of June 30, 2008. The fund balance deficit of \$2,320 in the Transportation Fund and \$90,168 in the Special Capital Outlay – State Capital Projects Fund will be covered by the Operational Fund.

IV. DETAILED NOTES ON ALL FUNDS

A. Cash and Temporary Investments

At June 30, 2008, the carrying amount of the District's deposits was \$26,787,710 and the bank balance was \$28,575,154. Of this balance \$100,000 was covered by federal depository insurance and \$21,011,237 was covered by collateral held in joint safekeeping by a third party. The remaining \$7,463,917 was not covered by pledged collateral is comprised of amounts in excess of those required to be collateralized under State law.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

Notes to the Financial Statements  
June 30, 2007

IV. DETAILED NOTES ON ALL FUNDS (continued)

A. Cash and Temporary Investments (continued)

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. New Mexico State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the District for at least one half of the amount on deposit with the institution. The statement listed below will meet the State of New Mexico Office of the State Auditor's requirement in reporting the uninsured portion of the deposits. As of June 30, 2008, \$7,463,917 of the District's bank balance of \$28,575,154 was exposed to custodial risk as follows:

Uninsured and uncollateralized	\$	7,463,917
Uninsured and collateral held by pledging bank's trust dept not in the District's name		21,011,237
Total uninsured		28,475,154
Insured (FDIC)		100,000
Total deposits	\$	28,575,154
State of New Mexico collateral requirement:		
50% of uninsured public fund bank deposits	\$	14,237,577
Pledged security		21,011,237
Over collateralization	\$	6,773,660

The collateral pledged is listed on Page 124 of this report. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, district or political subdivision of the State of New Mexico.

According to the Federal Deposit Insurance Authority, public unit deposits are funds owned by the schools. Time deposits, savings deposits and interest bearing "Now" accounts of a public unit in an institution in the same state will be insured up to \$100,000 in aggregate and separate from the \$100,000 coverage for public unit demand deposits at the same institution.

STATE OF NEW MEXICO  
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Notes to the Financial Statements  
June 30, 2007

IV. DETAILED NOTES ON ALL FUNDS (continued)

B. Receivables

Receivables as of year-end for the government's individual major funds and non-major funds in the aggregate, including the following:

	<u>General</u>	Impact Aid Special <u>Education</u>	Impact Aid Indian <u>Education</u>	Debt <u>Service</u>	Bond <u>Building</u>	Other Governmental <u>Funds</u>
Receivables:						
Delinquent property taxes	\$ 4,713	\$ -	\$ -	\$ 69,331	\$ -	\$ 28,291
Grant	-	-	-	-	-	502,491
Other	100	-	-	-	-	90
Due from other:						
Governments	<u>33,910</u>	<u>-</u>	<u>-</u>	<u>363,720</u>	<u>-</u>	<u>137,281</u>
Total	<u>\$ 38,723</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 433,051</u>	<u>\$ -</u>	<u>\$ 668,153</u>

An allowance for doubtful accounts has not been established. All receivables are expected to be collectible.

Governmental funds reported deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Grant drawdowns prior to meeting all eligibility requirements		
P.L. 81-874 Special Ed	\$ -	\$ 111,023
P.L. 81-874 Indian Ed	-	212,117
Technology for Education	-	109,946
Other Governmental Funds	-	149,368
Delinquent property taxes		
General Fund	3,735	-
Debt Service Fund	56,642	-
Other Governmental Funds	<u>23,395</u>	<u>-</u>
Total deferred/unearned revenue for governmental funds	<u>\$ 83,772</u>	<u>\$ 582,454</u>

**STATE OF NEW MEXICO  
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Notes to the Financial Statements  
June 30, 2007

IV. DETAILED NOTES ON ALL FUNDS (continued)

C. Capital Assets

Capital asset activity for the year ended June 30, 2008 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Adjustments</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>					
<b>Capital assets, not being depreciated:</b>					
Land	\$ 3,886,527	\$ -	\$ -	\$ -	\$ 3,886,527
Construction in progress	<u>1,796,994</u>	<u>8,852,123</u>	<u>-</u>	<u>(1,796,994)</u>	<u>8,852,123</u>
Total capital assets, not being depreciated	<u>\$ 5,683,521</u>	<u>\$ 8,852,123</u>	<u>\$ -</u>	<u>\$ (1,796,994)</u>	<u>\$ 12,738,650</u>
<b>Capital assets, being depreciated:</b>					
Land improvements	4,044,826	645,993	-	-	4,690,819
Buildings and improvements	96,698,814	279,125	-	1,796,994	98,774,933
Equipment	<u>9,781,107</u>	<u>565,957</u>	<u>(245,571)</u>	<u>-</u>	<u>10,101,493</u>
Total capital assets being depreciated	110,524,747	1,491,075	(245,571)	1,796,994	113,567,245
<b>Less accumulated depreciation for:</b>					
Land improvements	(914,757)	(210,907)	-	-	(1,125,664)
Buildings and improvements	(52,897,233)	(2,624,232)	160,303	-	(55,361,162)
Equipment	<u>(6,921,399)</u>	<u>(599,933)</u>	<u>-</u>	<u>-</u>	<u>(7,521,332)</u>
Total accumulated depreciation	<u>(60,733,389)</u>	<u>(3,435,072)</u>	<u>160,303</u>	<u>-</u>	<u>(64,008,158)</u>
Total capital assets being depreciated, net	<u>\$ 49,791,358</u>	<u>\$ (1,943,997)</u>	<u>\$ (85,268)</u>	<u>\$ 1,796,994</u>	<u>\$ 49,559,087</u>

Depreciation has been allocated to the functions by the following amounts:

<u>Depreciation Allocation to Functions</u>	
Instruction	\$ 1,762,603
Support Services - Students	254,303
Support Services - Instruction	64,946
Support Services - General Administration	75,966
Support Services - School Administration	374,900
Central Services	54,107
Operations & Maintenance of Plant	557,891
Student Transportation	135,781
Food Services	154,465
Community Services	<u>110</u>
Total Depreciation Expense	<u>\$ 3,435,072</u>



STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

Notes to the Financial Statements  
June 30, 2007

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IV. DETAILED NOTES ON ALL FUNDS (continued)

C. Capital Assets (continued)

The Schedule of Capital Assets Used by Source, and the Schedule of Changes in Capital Assets by Function and Activity have not been prepared because the detailed information is unavailable.

Depreciation expense was not charged to functions/programs of the District because the detail information was not available.

Construction commitments

The District is involved in several long-term construction projects as part of their master plan for upgrading the district buildings. The amount of \$19,865,389 in the capital projects fund designated for subsequent years expenditures are committed for funding these projects. Interest on construction projects is not capitalized.

D. Inter-Fund Receivables and Payables

There were not any inter-fund receivables or payables at June 30, 2008.

E. Inter-Fund Transfers

There were not any inter-fund transfers made during the year ended June 30, 2008.

F. Accrued Liabilities

Payroll liabilities	\$ 32,391
Accrued interest payable	<u>679,938</u>
	<u>\$ 712,329</u>

**STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6**

Notes to the Financial Statements  
June 30, 2007

IV. DETAILED NOTES ON ALL FUNDS (continued)

G. Long-Term Debt

General Obligation Bonds

General Obligation Bonds – The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. Bonds are direct obligations and pledge the full faith and credit of the District. The bonds will be paid from taxes levied against property owners living within the School District boundaries. The details of the bonds and notes as of June 30, 2008 are as follows:

<u>General Obligations Bonds</u>		<u>Amount</u>	<u>Interest Rates</u>	<u>June 30, 2008</u>	<u>Within One Year</u>
Series	1998	\$ 5,000,000	4.10% to 5.30%	\$ 2,075,000	\$ 725,000
Series	1999	2,000,000	4.00% to 4.50%	1,000,000	200,000
Series	2000	6,000,000	5.35% to 6.85%	300,000	300,000
Series	2001	3,000,000	3.90% to 5.30%	1,850,000	250,000
Series	2002	5,200,000	4.00% to 5.50%	4,700,000	100,000
Series	2003	3,000,000	1.40% to 4.02%	2,475,000	100,000
Series	2004	3,800,000	1.40% to 4.02%	3,800,000	125,000
Series	2005A	6,785,000	2.50% to 4.00%	4,835,000	25,000
Series	2005B	5,000,000	3.25% to 4.125%	4,025,000	300,000
Series	2006	15,000,000	4.00% to 5.50%	13,800,000	400,000
Series	2007	20,000,000	3.63% to 4.06%	20,000,000	300,000
<b>Total</b>		<u>\$ 74,785,000</u>		<u>\$ 58,860,000</u>	<u>\$ 2,825,000</u>

Balances shown for bonds and notes do not include unamortized premiums or deferred amounts on refinancing.

Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>General Obligation Bonds</u>			
<u>Year Ending</u>			<u>Total</u>
<u>June 30.</u>	<u>Principal</u>	<u>Interest</u>	<u>Requirements</u>
2009	\$ 2,825,000	\$ 2,311,147	\$ 5,136,147
2010	3,475,000	2,181,181	5,656,181
2011	2,550,000	2,060,114	4,610,114
2012	2,875,000	1,956,867	4,831,867
2013	3,275,000	1,841,119	5,116,119
2014 - 2018	19,585,000	7,035,204	26,620,204
2019 - 2023	24,275,000	2,468,602	26,743,602
<b>Total</b>	<u>\$ 58,860,000</u>	<u>\$ 19,854,234</u>	<u>\$ 78,714,234</u>

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

Notes to the Financial Statements  
June 30, 2007

IV. DETAILED NOTES ON ALL FUNDS (continued)

G. Long-Term Debt (continued)

Changes in long term debt – During the year ended June 30, 2008 the following changes occurred in liabilities reported in the general obligation bonds account group:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Amount Due Within One Year</u>
Compensated absences:					
Compensated vacation	\$ 136,153	\$ 109,305	\$ 111,294	\$ 134,164	\$ 134,164
Compensated sick leave	<u>116,331</u>	<u>166,710</u>	<u>157,548</u>	<u>125,493</u>	<u>125,493</u>
Total Compensated absences	252,484	276,015	268,842	259,657	259,657
Bonds payable	<u>41,685,000</u>	<u>20,000,000</u>	<u>2,825,000</u>	<u>58,860,000</u>	<u>2,825,000</u>
	<u>\$ 41,937,484</u>	<u>\$ 20,276,015</u>	<u>\$ 3,093,842</u>	<u>\$ 59,119,657</u>	<u>\$ 3,084,657</u>

	Balance
	<u>June 30, 2008</u>
Bonds payable	\$ 58,860,000
Unamortized:	
Bond premiums	<u>289,189</u>
Total non-current liabilities	<u>\$ 59,149,189</u>

The liability of compensated absences is liquidated with resources from the general fund and several special revenue funds. The liquidation of bonds payable is done with resources from the debt service fund.

V. OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injury to employees; and natural disasters. The New Mexico Public Schools Insurance Authority (NMSIA) was formed on April 5, 1985 under the New Mexico Public Schools Insurance Authority Act, Chapter 22, Section 2 of the New Mexico Statutes Annotated (NMSA 1978), as amended, as an insurance fund to provide health, disability and life insurance coverage (benefits coverage), and property, casualty and workers' compensation insurance coverage (risk coverage) to participating public schools, school board members, public school employees, and retirees within the State of New Mexico. The District is one of 91 members that participate in NMPSIA. Participation in NMPSIA is mandatory for all K-12 public schools except those with enrollment exceeding 60,000 students. Participation is voluntary for other public education institutions. The District pays an annual premium to the pool for its general insurance coverage. The agreement for formation of NMPSIA provides that the pool will be self-sustaining through member premiums. NMPSIA establishes self insured retentions by line of coverage and procures insurance or reinsurance, where indicated, in excess of the self insured retention on a per occurrence basis. NMPSIA will publish its own financial report for the year ended June 30, 2008.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

Notes to the Financial Statements  
June 30, 2007

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V. OTHER INFORMATION (continued)

B. Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

The government is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the government's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the government.

C. Employee Retirement Plan

Plan Description - Substantially all of the District's full-time employees participate in a public employee retirement system authorized under the Educational Retirement Act (Chapter 22, Article 11, NMSA 1978). The Educational Retirement Board (ERB) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members (certified teachers, and other employees of State public school districts, colleges and universities) and beneficiaries. ERB issues a separate, publicly available financial report that includes the financial statements and required supplementary information for the plan. That report may be obtained by writing to:

ERB  
P.O. Box 26129  
Santa Fe, New Mexico 87502-6129  
[www.nmerb.org](http://www.nmerb.org)

Funding Policy - Plan members are required to contribute 7.42% of their gross salary. Bloomfield Municipal School District is required to contribute 10.95% of the gross covered salary. Effective July 1, 2008, plan members are required to contribute 7.9% of their gross salary. The employer contribution will increase .75% each year until July 1, 2011 when the employer contribution will be 13.9%. The contribution requirements of plan members and the District are established in Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of legislature. The District's contributions to the ERB for the years ended June 30, 2008, 2007 and 2006 were \$1,940,639, \$1,683,520, and \$1,490,345 respectively, equal to the amount of the required contribution for the year. The contribution rates will increase each year as follows:

<u>Fiscal Year</u>	<u>Employer Contribution</u>	<u>Employee Contribution</u>
2008-2009	11.650%	7.900%
2009-2010	12.460%	7.900%
2010-2011	13.150%	7.900%
2011-2012	13.900%	7.900%

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

Notes to the Financial Statements  
June 30, 2007

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V. OTHER INFORMATION (continued)

D. Post-Retirement Health Care Benefits

Plan Description – Bloomfield Municipal School District No. 6’s contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

Eligible retirees are:

- 1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the RHCA plan on the person’s behalf unless that person retires before the employer’s RHCA effective date, in which the event the time period required for employee and employer contributions shall become the period of time between the employer’s effective date and the date of retirement;
- 2) retirees defined by the Act who retired prior to July 1, 1990;
- 3) former legislators who served at least two years; and
- 4) former governing authority members who served at least four years.

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to:

Retiree Health Care Authority  
4308 Carlisle NE, Suite 104  
Albuquerque, NM 87107

Funding Policy – The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service based subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer’s RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at [www.nmrhca.state.nm.us](http://www.nmrhca.state.nm.us).

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

Notes to the Financial Statements  
June 30, 2007

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V. OTHER INFORMATION (continued)

D. Post-Retirement Health Care Benefits (continued)

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. The statute requires each participating employer to contribute 1.3% of each participating employee's annual salary; each participating employee is required to contribute .65% of their salary. Employers joining the program after January 1, 1998 are also required to make a surplus-amount contribution to the RHCA based on one of two formulas at agreed-upon intervals.

The RHCA plan is financed on a pay-as-you-go basis. The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the contributions can be changed by the New Mexico State Legislature.

Bloomfield Municipal School District No. 6's contributions to the RHCA for the years ended June 30, 2008, 2007 and 2006 were \$231,452, \$215,623 and \$206,232, respectively, which equal the required contributions for each year.

E. School District Cash Flows

The District operates on primarily on reimbursement grants. The District must support the expenditures of these grants with monies from the unrestricted operating monies. Operating on a reimbursement basis for these grants in its self does not adversely affect the District's ability to operate effectively. However, the time it takes to receive reimbursement, if extensive, does significantly affect the District cash flows and the ability to deliver educational services to the community in an effective manner. The delay in receiving reimbursements has been progressively increasing through this and the previous two years. The current trend will adversely affect the District in subsequent years.

**STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6**

Notes to the Financial Statements  
June 30, 2007

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V. OTHER INFORMATION (continued)

F. Joint Powers Agreement

Participants:	Bloomfield Municipal School District No. 6 City of Bloomfield
Operation Responsibility:	Both parties
Description:	For the purposes of constructing, maintaining, and operating a swimming pool facility for the students and the public. Bloomfield Municipal School District No. 6 will responsible for constructing and insuring the facility. The City of Bloomfield will be the fiscal agent of the facility and will maintain and operate the facility.
Period:	January 10, 2005 to January 10, 2030. Renewable for 2 additional 5 year terms
Project Cost:	Bloomfield Municipal Schools agrees to provide location and pay for construction costs in addition to carrying property damage insurance.
Association Contributions:	Initial: Construction costs in the amount of \$3,212,000 Annually: Undetermined.
Audit Responsibility:	City of Bloomfield
Reporting Responsibility:	Revenues are collected and recorded by the City and are shared and recorded by both parties. Expenses are incurred and recorded by both parties.

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**GENERAL FUNDS**

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

GENERAL FUND  
Combining Balance Sheet  
June 30, 2008

	General Funds			Total General <u>Fund</u>
	<u>Operational Fund</u>	Transportation <u>Fund</u>	Instructional Materials <u>Fund</u>	
<b><u>ASSETS</u></b>				
Pooled cash and investments	\$ 906,646	\$ 89	\$ 51,469	\$ 958,204
Receivables:				
Delinquent property taxes	4,713	-	-	4,713
Other receivables	100	-	-	100
Due from other governments	33,910	-	-	33,910
 Total assets	\$ 945,369	\$ 89	\$ 51,469	\$ 996,927
<b><u>LIABILITIES AND FUND BALANCE</u></b>				
Liabilities:				
Accounts payable	\$ 136,994	\$ 1,090	\$ 32,996	\$ 171,080
Accrued liabilities	14,020	1,319	-	15,339
Deferred revenue:				
Delinquent property taxes	3,735	-	-	3,735
 Total liabilities	154,749	2,409	32,996	190,154
Fund balance:				
Unreserved and reported in:				
Undesignated	790,620	(2,320)	18,473	806,773
 Total liabilities and fund balance	\$ 945,369	\$ 89	\$ 51,469	\$ 996,927

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

GENERAL FUND  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2008

	General Funds			Total General Fund
	Operational Fund	Transportation Fund	Instructional Materials Fund	
<b>Revenues:</b>				
Federal sources:				
Public Law 874	\$ 599,580	\$ -	\$ -	\$ 599,580
Department of Defense	50,057	-	-	50,057
Federal flowthrough grants	82,785	-	-	82,785
Federal direct grants	19,975	-	-	19,975
	752,397	-	-	752,397
Total federal revenues				
State sources:				
State equalization guarantee	21,121,895	-	-	21,121,895
Transportation	-	1,658,344	-	1,658,344
State instructional material	-	-	336,351	336,351
State grant	3,914	-	-	3,914
	21,125,809	1,658,344	336,351	23,120,504
Total state revenues				
Local sources:				
District school tax levy	536,266	-	-	536,266
Fees and activities	81,004	-	-	81,004
Earnings from investments	92,113	-	-	92,113
	709,383	-	-	709,383
Total local revenues				
	22,587,589	1,658,344	336,351	24,582,284
Total revenue				
<b>Expenditures:</b>				
Current:				
Instruction	14,059,449	-	323,195	14,382,644
Support Services - Students	1,926,072	-	-	1,926,072
Support Services - Instruction	503,807	-	2,650	506,457
Support Services - General Administration	607,114	-	-	607,114
Support Services - School Administration	2,143,445	-	-	2,143,445
Central Services	465,268	-	-	465,268
Operations & Maintenance of Plant	2,872,279	-	-	2,872,279
Student Transportation	-	1,260,491	-	1,260,491
Capital outlay	-	304,025	-	304,025
	22,577,434	1,564,516	325,845	24,467,795
Total expenditures				
Excess of revenues over expenditures	10,155	93,828	10,506	114,489
Fund balance at beginning of the year	780,465	(96,148)	7,967	692,284
Fund balance at end of the year	\$ 790,620	\$ (2,320)	\$ 18,473	\$ 806,773

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

OPERATIONAL FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
<b>Federal sources:</b>				
Public Law 874	\$ 496,015	\$ 496,015	\$ 599,580	\$ 103,565
Department of Defense	47,000	47,000	50,057	3,057
Federal grant	40,000	40,000	82,785	42,785
Federal direct grant	<u>23,000</u>	<u>23,000</u>	<u>19,975</u>	<u>(3,025)</u>
Total federal revenues	<u>606,015</u>	<u>606,015</u>	<u>752,397</u>	<u>146,382</u>
<b>State sources:</b>				
State equalization guarantee	20,923,525	20,923,525	21,121,895	198,370
State grant	<u>3,000</u>	<u>3,000</u>	<u>3,914</u>	<u>914</u>
Total state revenues	<u>20,926,525</u>	<u>20,926,525</u>	<u>21,125,809</u>	<u>199,284</u>
<b>Local sources:</b>				
District school tax levy	489,842	489,842	524,550	34,708
Fees and activities	81,000	81,000	81,004	4
Earnings from investments	<u>139,999</u>	<u>139,999</u>	<u>95,908</u>	<u>(44,091)</u>
Total local revenues	<u>710,841</u>	<u>710,841</u>	<u>701,462</u>	<u>(9,379)</u>
Total revenues	<u>22,243,381</u>	<u>22,243,381</u>	<u>22,579,668</u>	<u>336,287</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Instruction	13,775,727	14,074,946	14,062,080	12,866
Support Services - Students	1,831,919	1,929,936	1,924,353	5,583
Support Services - Instruction	640,895	579,580	514,982	64,598
Support Services - General Administration	589,444	622,644	613,356	9,288
Support Services - School Administration	2,043,252	2,144,701	2,144,453	248
Central Services	528,932	466,182	465,184	998
Operation & Maintenance of Plant	2,842,906	2,899,416	2,857,797	41,619
Other Support Services	<u>153,870</u>	<u>153,870</u>	<u>-</u>	<u>153,870</u>
Total current expenses	22,406,945	22,871,275	22,582,205	289,070
<b>Capital outlay:</b>				
Equipment	<u>544,156</u>	<u>79,826</u>	<u>-</u>	<u>79,826</u>
Total expenditures	<u>22,951,101</u>	<u>22,951,101</u>	<u>22,582,205</u>	<u>368,896</u>
Excess (deficiency) of revenues over expenditures	(707,720)	(707,720)	(2,537)	705,183
Beginning cash balance budgeted	707,720	707,720	-	(707,720)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>780,465</u>	<u>780,465</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>777,928</u>	<u>\$ 777,928</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in receivables			(3,793)	
Change in property tax receivable			(676)	
Change in due from other governments			11,220	
Change in payables			(10,432)	
Change in accrued liabilities			15,202	
Change in deferred property taxes			<u>1,171</u>	
			<u>\$ 790,620</u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

TRANSPORTATION FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
Transportation	\$ 1,257,861	\$ 1,575,411	\$ 1,760,730	\$ 185,319
 Expenditures:				
Current:				
Student Transportation	1,257,861	1,271,386	1,271,372	14
Capital outlay:				
Equipment	<u>-</u>	<u>304,025</u>	<u>304,025</u>	<u>-</u>
Total expenditures	<u>1,257,861</u>	<u>1,575,411</u>	<u>1,575,397</u>	<u>14</u>
Excess of revenues over expenditures	-	-	185,333	185,333
Fund balance (deficit) at beginning of the year	<u>-</u>	<u>-</u>	<u>(96,148)</u>	<u>(96,148)</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	89,185	<u>\$ 89,185</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(102,386)	
Change in payables			12,200	
Change in accrued liabilities			<u>(1,319)</u>	
			<u>\$ (2,320)</u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

INSTRUCTIONAL MATERIALS FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State instructional material	\$ 293,095	\$ 325,249	\$ 346,072	\$ 20,823
Expenditures:				
Current:				
Instruction	269,364	336,951	291,425	45,526
Support Services - Instruction	41,429	5,996	2,650	3,346
Total expenditures	<u>310,793</u>	<u>342,947</u>	<u>294,075</u>	<u>48,872</u>
Excess (deficiency) of revenues over expenditures	(17,698)	(17,698)	51,997	69,695
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	7,967	7,967
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	59,964	<u>\$ 59,964</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(9,722)	
Change in payables			<u>(31,769)</u>	
			<u>\$ 18,473</u>	

**NONMAJOR GOVERNMENTAL FUNDS**

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2008

	<b>Special Revenue Funds</b>			
	<u>Food Service</u>	<u>Athletics</u>	<u>Activities</u>	<u>Title I</u>
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
<b><u>ASSETS</u></b>				
Pooled cash and investments	\$ 238,252	\$ 24,878	\$ 112,032	\$ (185,957)
Receivables:				
Delinquent property taxes	-	-	-	-
Grant	-	-	-	185,957
Other receivables	90	-	-	-
Due from other governments	-	-	-	-
USDA commodities inventory	9,230	-	-	-
Food inventory	12,808	-	-	-
	<u>\$ 260,380</u>	<u>\$ 24,878</u>	<u>\$ 112,032</u>	<u>\$ -</u>
<b><u>LIABILITIES AND FUND BALANCE</u></b>				
Liabilities:				
Accounts payable	\$ -	\$ 5,359	\$ -	\$ -
Accrued liabilities	8,208	-	-	-
Deferred revenue:				
Federal, state, and local grants	-	-	-	-
Delinquent property taxes	-	-	-	-
	<u>8,208</u>	<u>5,359</u>	<u>-</u>	<u>-</u>
Fund balance:				
Reserved:				
Inventories	22,038	-	-	-
Unreserved and reported in:				
Special revenues funds	230,134	19,519	112,032	-
Capital projects funds	-	-	-	-
	<u>252,172</u>	<u>19,519</u>	<u>112,032</u>	<u>-</u>
	<u>\$ 260,380</u>	<u>\$ 24,878</u>	<u>\$ 112,032</u>	<u>\$ -</u>

(continued)



STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2008

	Special Revenue Funds			
	Javits Gifted & Talented <u>Fund</u>	Entitlement IDEA-B <u>Fund</u>	Competitive IDEA-B <u>Fund</u>	Preschool IDEA-B <u>Fund</u>
<u>ASSETS</u>				
Pooled cash and investments	\$ -	\$ (18,847)	\$ 298	\$ (5,744)
Receivables:				
Delinquent property taxes	-	-	-	-
Grant	-	39,620	-	6,805
Other receivables	-	-	-	-
Due from other governments	-	-	-	-
USDA commodities inventory	-	-	-	-
Food inventory	-	-	-	-
	-	-	-	-
Total assets	\$ -	\$ 20,773	\$ 298	\$ 1,061
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts payable	\$ -	\$ 18,811	\$ -	\$ 1,061
Accrued liabilities	-	1,962	-	-
Deferred revenue:				
Federal, state, and local grants	-	-	298	-
Delinquent property taxes	-	-	-	-
	-	-	-	-
Total liabilities	-	20,773	298	1,061
Fund balance:				
Reserved:				
Inventories	-	-	-	-
Unreserved and reported in:				
Special revenues funds	-	-	-	-
Capital projects funds	-	-	-	-
	-	-	-	-
Total fund balance	-	-	-	-
Total liabilities and fund balance	\$ -	\$ 20,773	\$ 298	\$ 1,061

(continued)

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2008

	Special Revenue Funds			
	Fresh Fruits and Vegetables <u>Fund</u>	Enhancing Education <u>Fund</u>	Title V <u>Fund</u>	Title III English Language <u>Fund</u>
<u>ASSETS</u>				
Pooled cash and investments	\$ 8,281	\$ 238	\$ (1,480)	\$ (14,506)
Receivables:				
Delinquent property taxes	-	-	-	-
Grant	-	7,788	1,480	16,812
Other receivables	-	-	-	-
Due from other governments	-	-	-	-
USDA commodities inventory	-	-	-	-
Food inventory	-	-	-	-
	-	-	-	-
Total assets	\$ 8,281	\$ 8,026	\$ -	\$ 2,306
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts payable	\$ -	\$ 8,026	\$ -	\$ 2,306
Accrued liabilities	-	-	-	-
Deferred revenue:				
Federal, state, and local grants	8,281	-	-	-
Delinquent property taxes	-	-	-	-
	-	-	-	-
Total liabilities	8,281	8,026	-	2,306
Fund balance:				
Reserved:				
Inventories	-	-	-	-
Unreserved and reported in:				
Special revenues funds	-	-	-	-
Capital projects funds	-	-	-	-
	-	-	-	-
Total fund balance	-	-	-	-
Total liabilities and fund balance	\$ 8,281	\$ 8,026	\$ -	\$ 2,306

(continued)

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2008

	Special Revenue Funds			
	Title II Teacher Quality <u>Fund</u>	Title IV Drug Free Schools <u>Fund</u>	Johnson O'Malley <u>Fund</u>	Title XIX Medicaid <u>Fund</u>
<u>ASSETS</u>				
Pooled cash and investments	\$ (65,868)	\$ (5,129)	\$ (34,162)	\$ 75,707
Receivables:				
Delinquent property taxes	-	-	-	-
Grant	65,868	5,129	34,515	-
Other receivables	-	-	-	-
Due from other governments	-	-	-	-
USDA commodities inventory	-	-	-	-
Food inventory	-	-	-	-
	-	-	-	-
Total assets	\$ -	\$ -	\$ 353	\$ 75,707
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	353	-
Deferred revenue:				
Federal, state, and local grants	-	-	-	75,707
Delinquent property taxes	-	-	-	-
	-	-	353	75,707
Total liabilities	-	-	353	75,707
Fund balance:				
Reserved:				
Inventories	-	-	-	-
Unreserved and reported in:				
Special revenues funds	-	-	-	-
Capital projects funds	-	-	-	-
	-	-	-	-
Total fund balance	-	-	-	-
Total liabilities and fund balance	\$ -	\$ -	\$ 353	\$ 75,707

(continued)

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2008

	Special Revenue Funds			
	Indian Ed Formula Grant <u>Fund</u>	Teacher Quality Enhancement <u>Fund</u>	It's Your Choice <u>Fund</u>	PNM Foundation <u>Fund</u>
<b><u>ASSETS</u></b>				
Pooled cash and investments	\$ -	\$ (17,984)	\$ -	\$ 3,988
Receivables:				
Delinquent property taxes	-	-	-	-
Grant	6,484	49,244	-	-
Other receivables	-	-	-	-
Due from other governments	-	-	-	-
USDA commodities inventory	-	-	-	-
Food inventory	-	-	-	-
	-	-	-	-
Total assets	\$ 6,484	\$ 31,260	\$ -	\$ 3,988
<b><u>LIABILITIES AND FUND BALANCE</u></b>				
Liabilities:				
Accounts payable	\$ 6,484	\$ 31,260	\$ -	\$ -
Accrued liabilities	-	-	-	-
Deferred revenue:				
Federal, state, and local grants	-	-	-	3,988
Delinquent property taxes	-	-	-	-
	-	-	-	-
Total liabilities	6,484	31,260	-	3,988
Fund balance:				
Reserved:				
Inventories	-	-	-	-
Unreserved and reported in:				
Special revenues funds	-	-	-	-
Capital projects funds	-	-	-	-
	-	-	-	-
Total fund balance	-	-	-	-
Total liabilities and fund balance	\$ 6,484	\$ 31,260	\$ -	\$ 3,988

(continued)

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2008

	Special Revenue Funds			
	Burlington Res/Meridian Oil <u>Fund</u>	Incentives for School Improvement <u>Fund</u>	Indian Education Act <u>Fund</u>	Beginning Teacher Mentoring <u>Fund</u>
<u>ASSETS</u>				
Pooled cash and investments	\$ 1,653	\$ 58,542	\$ (2,946)	\$ 887
Receivables:				
Delinquent property taxes	-	-	-	-
Grant	-	-	3,299	-
Other receivables	-	-	-	-
Due from other governments	-	-	-	-
USDA commodities inventory	-	-	-	-
Food inventory	-	-	-	-
	-	-	-	-
Total assets	\$ 1,653	\$ 58,542	\$ 353	\$ 887
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	353	-
Deferred revenue:				
Federal, state, and local grants	1,653	58,542	-	887
Delinquent property taxes	-	-	-	-
	-	-	-	-
Total liabilities	1,653	58,542	353	887
Fund balance:				
Reserved:				
Inventories	-	-	-	-
Unreserved and reported in:				
Special revenues funds	-	-	-	-
Capital projects funds	-	-	-	-
	-	-	-	-
Total fund balance	-	-	-	-
Total liabilities and fund balance	\$ 1,653	\$ 58,542	\$ 353	\$ 887

(continued)

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2008

	<b>Special Revenue Funds</b>			
	Breakfast for Elementary Students <u>Fund</u>	Communities of Academic Partnership <u>Fund</u>	Schools on the Rise <u>Fund</u>	Libraries GO Bond <u>Fund</u>
<b><u>ASSETS</u></b>				
Pooled cash and investments	\$ -	\$ (51,481)	\$ -	\$ (4,398)
Receivables:				
Delinquent property taxes	-	-	-	-
Grant	-	51,481	-	4,676
Other receivables	-	-	-	-
Due from other governments	-	-	-	-
USDA commodities inventory	-	-	-	-
Food inventory	-	-	-	-
	-	-	-	-
Total assets	\$ -	\$ -	\$ -	\$ 278
<b><u>LIABILITIES AND FUND BALANCE</u></b>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 278
Accrued liabilities	-	-	-	-
Deferred revenue:				
Federal, state, and local grants	-	-	-	-
Delinquent property taxes	-	-	-	-
	-	-	-	-
Total liabilities	-	-	-	278
Fund balance:				
Reserved:				
Inventories	-	-	-	-
Unreserved and reported in:				
Special revenues funds	-	-	-	-
Capital projects funds	-	-	-	-
	-	-	-	-
Total fund balance	-	-	-	-
Total liabilities and fund balance	\$ -	\$ -	\$ -	\$ 278

(continued)

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2008

	<b>Special Revenue Funds</b>		
	<b>Gear Up</b>	<b>BP America</b>	<b>Total Nonmajor</b>
	<b>Fund</b>	<b>Production</b>	<b>Special Revenue</b>
<u>ASSETS</u>		<u>Fund</u>	<u>Funds</u>
Pooled cash and investments	\$ (5,426)	\$ 12	\$ 110,840
Receivables:			
Delinquent property taxes	-	-	-
Grant	23,333	-	502,491
Other receivables	-	-	90
Due from other governments	-	-	-
USDA commodities inventory	-	-	9,230
Food inventory	-	-	12,808
	-	-	12,808
Total assets	\$ 17,907	\$ 12	\$ 635,459
<u>LIABILITIES AND FUND BALANCE</u>			
Liabilities:			
Accounts payable	\$ 11,731	\$ -	\$ 85,316
Accrued liabilities	6,176	-	17,052
Deferred revenue:			
Federal, state, and local grants	-	12	149,368
Delinquent property taxes	-	-	-
	-	-	-
Total liabilities	17,907	12	251,736
Fund balance:			
Reserved:			
Inventories	-	-	22,038
Unreserved and reported in:			
Special revenues funds	-	-	361,685
Capital projects funds	-	-	-
	-	-	-
Total fund balance	-	-	383,723
Total liabilities and fund balance	\$ 17,907	\$ 12	\$ 635,459

(continued)

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2008

	<u>Capital Projects Funds</u>		Total Nonmajor Governmental <u>Funds</u>
	Special Capital Outlay - State <u>Fund</u>	Capital Improvements SB-9 <u>Fund</u>	
<u>ASSETS</u>			
Pooled cash and investments	\$ (90,168)	\$ 1,045,557	\$ 1,066,229
Receivables:			
Delinquent property taxes	-	28,291	28,291
Grant	-	-	502,491
Other receivables	-	-	90
Due from other governments	-	137,281	137,281
USDA commodities inventory	-	-	9,230
Food inventory	-	-	12,808
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ (90,168)</u>	<u>\$ 1,211,129</u>	<u>\$ 1,756,420</u>
<u>LIABILITIES AND FUND BALANCE</u>			
Liabilities:			
Accounts payable	\$ -	\$ 19,868	\$ 105,184
Accrued liabilities	-	-	17,052
Deferred revenue:			
Federal, state, and local grants	-	-	149,368
Delinquent property taxes	-	23,395	23,395
	<hr/>	<hr/>	<hr/>
Total liabilities	-	43,263	294,999
Fund balance:			
Reserved:			
Inventories	-	-	22,038
Unreserved and reported in:			
Special revenues funds	-	-	361,685
Capital projects funds	(90,168)	1,167,866	1,077,698
	<hr/>	<hr/>	<hr/>
Total fund balance	(90,168)	1,167,866	1,461,421
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balance	<u>\$ (90,168)</u>	<u>\$ 1,211,129</u>	<u>\$ 1,756,420</u>



STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2008

	Special Revenue Funds				
	Food Service Fund	Athletics Fund	Activities Fund	Title I Fund	Javits Gifted & Talented Fund
<b>Revenues:</b>					
Federal sources:					
Federal flowthrough grants	\$ -	\$ -	\$ -	\$ 760,811	\$ 1,597
Federal direct grants	-	-	-	-	-
Food and milk reimbursements	649,805	-	-	-	-
USDA Commodities	76,891	-	-	-	-
	726,696	-	-	760,811	1,597
Total federal revenues					
State sources:					
State grant	162,025	-	-	-	-
Local sources:					
Grant	-	-	-	-	-
District school tax levy	-	-	-	-	-
Fees and activities	327,752	190,891	130,491	-	-
Earnings from investments	8,922	-	47,403	-	-
Miscellaneous	-	-	-	-	-
	336,674	190,891	177,894	-	-
Total local revenues					
Total revenue					
	1,225,395	190,891	177,894	760,811	1,597
<b>Expenditures:</b>					
Current:					
Instruction	-	172,128	163,521	574,458	1,575
Support Services - Students	-	-	-	84,946	-
Support Services - Instruction	-	-	-	51	-
Support Services - General Administration	-	-	-	12,340	22
Support Services - School Administration	-	-	-	89,016	-
Operations & Maintenance of Plant	-	-	-	-	-
Food Services	1,334,176	-	-	-	-
Community Services	-	-	-	-	-
Capital outlay	-	11,579	-	-	-
	1,334,176	183,707	163,521	760,811	1,597
Total expenditures					
Excess (deficiency) of revenues over expenditures	(108,781)	7,184	14,373	-	-
Fund balance (deficit) at beginning of the year	360,953	12,335	97,659	-	-
Fund balance (deficit) at end of the year	\$ 252,172	\$ 19,519	\$ 112,032	\$ -	\$ -

(continued)

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2008

	Special Revenue Funds				
	Entitlement	Competitive	Preschool	Fresh Fruits	Enhancing
	IDEA-B Fund	IDEA-B Fund	IDEA-B Fund	and Vegetables Fund	Education Fund
Revenues:					
Federal sources:					
Federal flowthrough grants	\$ 770,318	\$ -	\$ 68,736	\$ -	\$ 8,026
Federal direct grants	-	-	-	-	-
Food and milk reimbursements	-	-	-	-	-
USDA Commodities	-	-	-	-	-
	770,318	-	68,736	-	8,026
State sources:					
State grant	-	-	-	-	-
Local sources:					
Grant	-	-	-	-	-
District school tax levy	-	-	-	-	-
Fees and activities	-	-	-	-	-
Earnings from investments	-	-	-	-	-
Miscellaneous	-	-	-	-	-
	-	-	-	-	-
Total local revenues	-	-	-	-	-
Total revenue	770,318	-	68,736	-	8,026
Expenditures:					
Current:					
Instruction	505,718	-	27,740	-	8,026
Support Services - Students	235,297	-	1,707	-	-
Support Services - Instruction	-	-	1,308	-	-
Support Services - General Administration	10,929	-	928	-	-
Support Services - School Administration	17,351	-	37,053	-	-
Operations & Maintenance of Plant	-	-	-	-	-
Food Services	-	-	-	-	-
Community Services	1,023	-	-	-	-
Capital outlay	-	-	-	-	-
	-	-	-	-	-
Total expenditures	770,318	-	68,736	-	8,026
Excess (deficiency) of revenues over expenditures	-	-	-	-	-
Fund balance (deficit) at beginning of the year	-	-	-	-	-
Fund balance (deficit) at end of the year	\$ -	\$ -	\$ -	\$ -	\$ -

(continued)

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2008

	Special Revenue Funds				
	Title V Fund	Title III English Language Fund	Title II Teacher Quality Fund	Title IV Drug Free Schools Fund	Johnson O'Malley Fund
<b>Revenues:</b>					
<b>Federal sources:</b>					
Federal flowthrough grants	\$ 3,646	\$ 40,062	\$ 205,137	\$ 14,854	\$ -
Federal direct grants	-	-	-	-	71,209
Food and milk reimbursements	-	-	-	-	-
USDA Commodities	-	-	-	-	-
<b>Total federal revenues</b>	<u>3,646</u>	<u>40,062</u>	<u>205,137</u>	<u>14,854</u>	<u>71,209</u>
<b>State sources:</b>					
State grant	-	-	-	-	-
<b>Local sources:</b>					
Grant	-	-	-	-	-
District school tax levy	-	-	-	-	-
Fees and activities	-	-	-	-	-
Earnings from investments	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<b>Total local revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total revenue</b>	<u>3,646</u>	<u>40,062</u>	<u>205,137</u>	<u>14,854</u>	<u>71,209</u>
<b>Expenditures:</b>					
<b>Current:</b>					
Instruction	1,350	35,556	172,722	489	28,210
Support Services - Students	-	-	-	14,162	22,647
Support Services - Instruction	2,246	2,306	4,950	-	61
Support Services - General Administration	50	518	2,812	203	972
Support Services - School Administration	-	1,682	24,653	-	19,319
Operations & Maintenance of Plant	-	-	-	-	-
Food Services	-	-	-	-	-
Community Services	-	-	-	-	-
Capital outlay	-	-	-	-	-
<b>Total expenditures</b>	<u>3,646</u>	<u>40,062</u>	<u>205,137</u>	<u>14,854</u>	<u>71,209</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-	-
Fund balance (deficit) at beginning of the year	-	-	-	-	-
Fund balance (deficit) at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2008

	Special Revenue Funds				
	Title XIX Medicaid Fund	Indian Ed Formula Grant Fund	Teacher Quality Enhancement Fund	It's Your Choice Fund	PNM Foundation Fund
<b>Revenues:</b>					
<b>Federal sources:</b>					
Federal flowthrough grants	\$ -	\$ -	\$ -	\$ -	\$ -
Federal direct grants	-	187,766	1,007,851	-	-
Food and milk reimbursements	-	-	-	-	-
USDA Commodities	-	-	-	-	-
<b>Total federal revenues</b>	<b>-</b>	<b>187,766</b>	<b>1,007,851</b>	<b>-</b>	<b>-</b>
<b>State sources:</b>					
State grant	-	-	-	-	-
<b>Local sources:</b>					
Grant	-	-	-	96	3,095
District school tax levy	-	-	-	-	-
Fees and activities	-	-	-	-	-
Earnings from investments	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<b>Total local revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>96</b>	<b>3,095</b>
<b>Total revenue</b>	<b>-</b>	<b>187,766</b>	<b>1,007,851</b>	<b>96</b>	<b>3,095</b>
<b>Expenditures:</b>					
<b>Current:</b>					
Instruction	-	136,207	-	96	3,095
Support Services - Students	-	10,498	-	-	-
Support Services - Instruction	-	2,559	34,214	-	-
Support Services - General Administration	-	2,563	32,236	-	-
Support Services - School Administration	-	35,939	929,886	-	-
Operations & Maintenance of Plant	-	-	-	-	-
Food Services	-	-	-	-	-
Community Services	-	-	-	-	-
Capital outlay	-	-	11,515	-	-
<b>Total expenditures</b>	<b>-</b>	<b>187,766</b>	<b>1,007,851</b>	<b>96</b>	<b>3,095</b>
Excess (deficiency) of revenues over expenditures	-	-	-	-	-
Fund balance (deficit) at beginning of the year	-	-	-	-	-
Fund balance (deficit) at end of the year	\$ -	\$ -	\$ -	\$ -	\$ -

(continued)

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2008

	Special Revenue Funds				
	Burlington Res/Meridia n Oil Fund	Incentives for School Improvement Fund	Indian Education Act Fund	Beginning Teacher Mentoring Fund	Breakfast for Elementary Students Fund
<b>Revenues:</b>					
Federal sources:					
Federal flowthrough grants	\$ -	\$ -	\$ -	\$ -	\$ -
Federal direct grants	-	-	-	-	-
Food and milk reimbursements	-	-	-	-	-
USDA Commodities	-	-	-	-	-
Total federal revenues	-	-	-	-	-
State sources:					
State grant	-	38,479	6,160	16,762	99,762
Local sources:					
Grant	12,779	-	-	-	-
District school tax levy	-	-	-	-	-
Fees and activities	-	-	-	-	-
Earnings from investments	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total local revenues	12,779	-	-	-	-
Total revenue	12,779	38,479	6,160	16,762	99,762
<b>Expenditures:</b>					
Current:					
Instruction	12,779	37,650	5,461	734	-
Support Services - Students	-	-	-	-	-
Support Services - Instruction	-	-	-	4,895	-
Support Services - General Administration	-	-	80	-	-
Support Services - School Administration	-	829	619	11,133	-
Operations & Maintenance of Plant	-	-	-	-	-
Food Services	-	-	-	-	99,762
Community Services	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	12,779	38,479	6,160	16,762	99,762
Excess (deficiency) of revenues over expenditures	-	-	-	-	-
Fund balance (deficit) at beginning of the year	-	-	-	-	-
Fund balance (deficit) at end of the year	\$ -	\$ -	\$ -	\$ -	\$ -

(continued)

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2008

	Special Revenue Funds					Total Nonmajor Special Revenue Funds
	Communities of Academic Partnership Fund	Schools on the Rise Fund	Libraries GO Bond Fund	Gear Up Fund	BP America Production Fund	
<b>Revenues:</b>						
<b>Federal sources:</b>						
Federal flowthrough grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,873,187
Federal direct grants	-	-	-	-	-	1,266,826
Food and milk reimbursements	-	-	-	-	-	649,805
USDA Commodities	-	-	-	-	-	76,891
<b>Total federal revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,866,709</b>
<b>State sources:</b>						
State grant	49,139	12,338	14,928	51,857	-	451,450
<b>Local sources:</b>						
Grant	-	-	-	-	9,988	25,958
District school tax levy	-	-	-	-	-	-
Fees and activities	-	-	-	-	-	649,134
Earnings from investments	-	-	-	-	-	56,325
Miscellaneous	-	-	-	-	-	-
<b>Total local revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,988</b>	<b>731,417</b>
<b>Total revenue</b>	<b>49,139</b>	<b>12,338</b>	<b>14,928</b>	<b>51,857</b>	<b>9,988</b>	<b>5,049,576</b>
<b>Expenditures:</b>						
<b>Current:</b>						
Instruction	-	-	-	32,836	9,988	1,930,339
Support Services - Students	-	-	-	549	-	369,806
Support Services - Instruction	-	12,338	14,928	-	-	79,856
Support Services - General Administration	3,834	-	-	-	-	67,487
Support Services - School Administration	45,305	-	-	18,472	-	1,231,257
Operations & Maintenance of Plant	-	-	-	-	-	-
Food Services	-	-	-	-	-	1,433,938
Community Services	-	-	-	-	-	1,023
Capital outlay	-	-	-	-	-	23,094
<b>Total expenditures</b>	<b>49,139</b>	<b>12,338</b>	<b>14,928</b>	<b>51,857</b>	<b>9,988</b>	<b>5,136,800</b>
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	(87,224)
Fund balance (deficit) at beginning of the year	-	-	-	-	-	470,947
Fund balance (deficit) at end of the year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 383,723

(continued)

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2008

	Capital Projects Funds		
	Special Capital	Capital	Total Nonmajor
	Outlay - State	Improvements	
	Fund	SB-9 Fund	Governmental Funds
<b>Revenues:</b>			
Federal sources:			
Federal flowthrough grants	\$ -	\$ -	\$ 1,873,187
Federal direct grants	-	-	1,266,826
Food and milk reimbursements	-	-	649,805
USDA Commodities	-	-	76,891
	-	-	3,866,709
<b>Total federal revenues</b>	-	-	3,866,709
State sources:			
State grant	184,453	164,061	799,964
	184,453	164,061	799,964
Local sources:			
Grant	-	-	25,958
District school tax levy	-	2,226,267	2,226,267
Fees and activities	-	-	649,134
Earnings from investments	-	21,370	77,695
Miscellaneous	-	6,744	6,744
	-	2,254,381	2,985,798
<b>Total local revenues</b>	-	2,254,381	2,985,798
<b>Total revenue</b>	184,453	2,418,442	7,652,471
<b>Expenditures:</b>			
Current:			
Instruction	-	-	1,930,339
Support Services - Students	-	-	369,806
Support Services - Instruction	-	-	79,856
Support Services - General Administration	-	7,561	75,048
Support Services - School Administration	-	-	1,231,257
Operations & Maintenance of Plant	148,174	855,560	1,003,734
Food Services	-	-	1,433,938
Community Services	-	-	1,023
Capital outlay	5,699	1,019,529	1,048,322
	153,873	1,882,650	7,173,323
<b>Total expenditures</b>	153,873	1,882,650	7,173,323
Excess (deficiency) of revenues over expenditures	30,580	535,792	479,148
Fund balance (deficit) at beginning of the year	(120,748)	632,074	982,273
Fund balance (deficit) at end of the year	\$ (90,168.0)	\$ 1,167,866	\$ 1,461,421

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## **BUDGETARY PRESENTATION**

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

NONMAJOR SPECIAL REVENUE FUNDS  
Year Ended June 30, 2008

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**FOOD SERVICES**

This program provides financing for the school breakfast and lunch program. Funding is provided from fees from patrons and USDA food reimbursements, under the National School Lunch Act of 1946, as amended, Public Law 79-396, Sections 2-12, 60 Stat. 230, 42 U.S.C. 1751 et seq.; 80 stat. 889, as amended; 84 stat. 270; and the Child Nutrition Act of 1966, as amended, Sections 4 and 10. Public Law 89-642, 80 stat. 886, 889, 42 U.S.C. 1773, 1779; Public Law 99-591, 100 stat. 3341; Public Law 100-71, 101 stat. 430.

**ATHLETICS**

This fund provides financing for school athletic activities. Funding is provided by fees from patrons.

**ACTIVITIES**

To account for revenue and expenditures associated with the District's non-instructional support activities (primarily after-school activities).

**TITLE I**

To help local education agencies (LEAs) and schools improve the teaching and learning of children failing, or most at-risk of failing, to meet challenging State academic standards. Funding authorization: Elementary and Secondary Education Act of 1965, Title I, Part A, 20 U.S.C. 6301 et seq.

**JAVITS GIFTED & TALENTED**

To stimulate research, development, training, and similar activities designed to build a nationwide capability in elementary and secondary schools to meet the special educational needs of gifted and talented students. To supplement the use of State and local funds for the education of gifted and talented students. Funded under the authority of Elementary and Secondary Education Act of 1965, as amended, Title V, Part D, Subpart 61, 108 Stat. 3820; 20 U.S.C. 8031

**IDEA-B ENTITLEMENT/COMPETITIVE**

The IDEA-B Entitlement/Competitive program is to provide grants to states, that flow-through to schools, to assist them in providing a free appropriate public education to all children with disabilities. The program is funded by the United States government, under the Individuals with Disabilities Education Act, Part B, Section 611-617, and part D, Section 674 as amended, 20 U.S.C. 1711-1417 and 1420.

**IDEA-B PRESCHOOL**

The Preschool program is for the purpose of enhancing Special Education for handicapped children from ages 3 to 5. The program is funded by the United States government, under the Individuals With Disabilities Act, Part B, Section 619, as amended, Public Laws 94-142, 99-457, 100-630, 101-497, and 101-476.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

NONMAJOR SPECIAL REVENUE FUNDS  
Year Ended June 30, 2008

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**FRESH FRUITS AND VEGETABLES**

To assist States, through cash grants, in providing free fresh fruits and vegetables to school children in designated participating schools beginning in school year 2004/2006. Authorization granted under National School Lunch Act, as amended, 42 U.S.C. 1769.

**ENHANCING EDUCATION**

The technology fund provides financing to purchase computers and software for a District-wide student information system and software licensing for computer labs within the District. The program is funded through the Office of Technology for the State of New Mexico. Authorized by the IASA Improving America School Act PL 103-382.

**TITLE V**

To assist State and Local educational agencies in the reform of elementary and secondary education. Authorized by the Elementary and Secondary Education Act of 1965, Title VI, as amended, 20 U.S.C. 7301-7373.

**TITLE III ENGLISH LANGUAGE**

To ensure that limited English proficient children (LEP) and youth, including immigrant children and youth, attain English proficiency and meet the same standards as all children and youth are expected to meet; to provide assistance to Native American, Native Hawaiian, Native American Pacific Islander, and Alaskan native children with certain modifications relative to the unique status of native American language under Federal Law; to develop to the extent possible, the native language skills of such children. The fund is authorized through the Elementary and Secondary Education Act (ESEA), as amended, Title III, Part A, Sections 3101,3129.

**TITLE II TEACHER QUALITY**

To provide grants to State Education Agencies (SEAs) on a formula basis to increase student academic achievement through strategies such as improving teacher and principal quality and increasing the number of highly qualified teachers in the classroom and highly qualified principals and assistant principals in schools and hold local educational agencies and schools accountable for improvements in the academic achievement. Authorization is granted through the Elementary and Secondary Education Act of 1965, as amended, Title II, Part A, Public Law 107-110.

**TITLE IV DRUG FREE SCHOOLS**

To offer a disciplined environment conducive to learning, by preventing violence in and around schools and strengthen programs that prevent the illegal use of alcohol, tobacco, and drugs, involve parents, and coordinated with related Federal, State, and community efforts and resources. Authorized by Elementary and Secondary Education Act, Title IV, Part A, Subpart 1, as amended. 20 U.S.C. 7111-7118.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

NONMAJOR SPECIAL REVENUE FUNDS  
Year Ended June 30, 2008

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**JOHNSON O'MALLEY**

The Johnson O'Malley project provides supplemental programs in special education and other special needs for New Mexico public schools where eligible Indian children are enrolled. Funding is provided by the Department of the Interior, Bureau of Indian Affairs, through the Navajo Tribe, under the Johnson O'Malley Act of April 16, 1934; as amended 25 U.S.C. 452, Public Law 93-638; 25 U.S.C. 455-457.

**TITLE XIX MEDICAID**

To provide financial assistance from the Federal government which flows-through the State of New Mexico to school districts, for payments of medical assistance on behalf of cash assistance recipients, children, pregnant women and the aged who meet income and resource requirements, and other categorically-eligible groups. The program is funded by the U.S. government under the Social Security Act, Title XIX, as amended; Public Laws 92-223, 92-602, 93-66, 93-233, 96-499, 97-35, 97-2248, 98-369, 99-272, 99-509, 100-93, 100-202, 100-203, 100-360, 100-436, 100-485, 100-647, 101-166, 101-234, 101-239, 101-508, 101-517, 102-234, 102-170, 102-394, 103-66, 103-112, 103-333, 104-91, 104-191, 104-193, 104-208, and 104-134; Balanced Budget Act of 1997, Public Law 105-33.

**INDIAN ED FORMULA GRANT**

The purpose of this program is to support projects which improve educational opportunities and achievement of Native American children. Funding is provided by the Federal Government, under the Elementary and Secondary Education Act of 1965, Title IX, Part A, Subpart 1, as amended, Public Law 103-382, 20 U.S.C. 7811-7818; 25 U.S.C. 2002.

**TEACHER QUALITY ENHANCEMENT**

To improve student achievement; improve the quality of the current and future teaching force by improving the preparation of prospective teachers and enhancing professional development activities; hold institutions of higher education accountable for preparing teachers who have the necessary teaching skills and are highly competent in the academic content areas in which the teachers plan to teach, such as mathematics, science, English, foreign language, history, economics, art, civics, Government, and geography, including training in the effective uses of technology in the classroom; and recruit highly qualified individuals, including individuals from other occupations, into the teaching force. Authorization granted under Higher Education Act of 1965, Title II, Part A, Public Law 105-244.

**IT'S YOUR CHOICE**

Contributions to assist the district in education of healthy food.

**STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6**

**NONMAJOR SPECIAL REVENUE FUNDS  
Year Ended June 30, 2008**

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**PNM FOUNDATION INC.**

Classroom innovation grant for the purpose of "Books 'N More." Authority for creation is a grant from PNM.

**BURLINGTON RES/MERIDIAN OIL**

The Burlington Resources grant/project provides funds to support non-instructional support activities for students. The project is funded by a grant from Burlington Oil and Gas, a subsidiary of Burlington Resources. The creation of the fund is authorized by NMSA 1978 22-89-14.

**INCENTIVE FOR SCHOOL IMPROVEMENTS**

These funds are used for school improvements, from lighting to encyclopedias. Funding is provided by the State of New Mexico. The creation of the fund is authorized by NMSA 1978 22-13A-5.

**INDIAN EDUCATION ACT**

To provide technical assistance to NM public schools, school districts and public charter schools with Native American student enrollment.

**BEGINNING TEACHER MENTORING**

Funds to assist school districts in the design, implementation, and evaluation of beginning teacher mentoring programs. Funding is provided through the 2000 legislative session, with appropriated funds from the General Appropriations Act.

**BREAKFAST FOR ELEMENTARY STUDENTS**

To provide elementary students with the nutrition necessary to facilitate learning.

**COMMUNITIES OF ACADEMIC PARTNERSHIP**

To improve academic achievement of students.

**SCHOOLS ON THE RISE**

To provide schools with addition funds for education materials.

**LIBRARIES GO BOND**

Funding made available to update and expand library collections.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

NONMAJOR SPECIAL REVENUE FUNDS  
Year Ended June 30, 2008

---

**GEAR UP**

To encourage eligible entities to provide supportive services to elementary and middle schools, and secondary school students who are at risk of dropping out of school; and information to students and their parents about the advantages of obtaining a postsecondary education and the college financing options for the students and their parents. Authorization granted through Higher Education Act, Title IV, Part A, Subpart 2, Chapter 2, 20 U.S.C. 1070a-21-1070a-28.

**BP AMERICA PRODUCTION**

To provide students with experiences and career awareness in wildlife, forestry, and environmental management operations.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

FOOD SERVICE SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Food and milk reimbursements	\$ 689,315	\$ 689,315	\$ 757,176	\$ 67,861
USDA Commodities	<u>          -</u>	<u>      76,891</u>	<u>      76,891</u>	<u>          -</u>
Total federal revenues	<u>      689,315</u>	<u>      766,206</u>	<u>      834,067</u>	<u>      67,861</u>
State sources:				
State grant	<u>      179,648</u>	<u>      179,648</u>	<u>      182,894</u>	<u>      3,246</u>
Local sources:				
Fees and activities	353,200	353,200	327,752	(25,448)
Earnings from investments	<u>      11,000</u>	<u>      11,000</u>	<u>      8,922</u>	<u>      (2,078)</u>
Total local revenues	<u>      364,200</u>	<u>      364,200</u>	<u>      336,674</u>	<u>      (27,526)</u>
Total revenues	1,233,163	1,310,054	1,353,635	43,581
Expenditures:				
Current:				
Food Services Operations	<u>      1,506,796</u>	<u>      1,583,687</u>	<u>      1,315,684</u>	<u>      268,003</u>
Excess (deficiency) of revenues over expenditures	(273,633)	(273,633)	37,951	311,584
Beginning cash balance budgeted	273,633	273,633	-	(273,633)
Fund balance at beginning of the year	<u>          -</u>	<u>          -</u>	<u>      360,953</u>	<u>      360,953</u>
Fund balance at end of the year	<u><u>          -</u></u>	<u><u>          -</u></u>	398,904	<u><u>      398,904</u></u>
RECONCILIATION TO GAAP BASIS:				
Change in inventory			(27,435)	
Change in grant receivable			(128,240)	
Change in payables			6,409	
Change in accrued liabilities			<u>      2,534</u>	
			<u><u>      252,172</u></u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

ATHLETICS SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Fees and activities	\$ 169,358	\$ 169,358	\$ 190,892	\$ 21,534
Expenditures:				
Current:				
Instruction	198,474	204,474	174,133	30,341
Capital outlay:				
Equipment	<u>20,000</u>	<u>14,000</u>	<u>11,579</u>	<u>2,421</u>
Total expenditures	<u>218,474</u>	<u>218,474</u>	<u>185,712</u>	<u>32,762</u>
Excess (deficiency) of revenues over expenditures	(49,116)	(49,116)	5,180	54,296
Beginning cash balance budgeted	49,116	49,116	-	(49,116)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>12,335</u>	<u>12,335</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	17,515	<u>\$ 17,515</u>
RECONCILIATION TO GAAP BASIS:				
Change in receivables			78	
Change in payables			<u>1,927</u>	
			<u>\$ 19,520</u>	



STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

ACTIVITIES SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Fees and activities	\$ 295,000	\$ 295,000	\$ 130,492	\$ (164,508)
Earnings from investments	<u>59,920</u>	<u>59,920</u>	<u>47,402</u>	<u>(12,518)</u>
Total revenues	354,920	354,920	177,894	(177,026)
Expenditures:				
Current:				
Instruction	<u>691,469</u>	<u>691,469</u>	<u>166,107</u>	<u>525,362</u>
Excess (deficiency) of revenues over expenditures	(336,549)	(336,549)	11,787	348,336
Beginning cash balance budgeted	336,549	336,549	-	(336,549)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>97,659</u>	<u>97,659</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	109,446	<u>\$ 109,446</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>2,585</u>	
			<u>\$ 112,031</u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

TITLE I SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ 834,284	\$ 852,978	\$ 886,259	\$ 33,281
Expenditures:				
Current:				
Instruction	506,455	640,099	589,514	50,585
Support Services - Students	210,524	93,424	85,223	8,201
Support Services - Instruction	1,000	1,000	51	949
Support Services - General Administration	14,549	14,549	12,340	2,209
Support Services - School Administration	101,756	103,906	89,016	14,890
Total expenditures	<u>834,284</u>	<u>852,978</u>	<u>776,144</u>	<u>76,834</u>
Excess of revenues over expenditures	-	-	110,115	110,115
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	110,115	<u>\$ 110,115</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(125,449)	
Change in payables			<u>15,334</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

JAVITS GIFTED & TALENTED SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ 2,153	\$ 1,584	\$ (569)
Expenditures:				
Current:				
Instruction	-	2,128	1,575	553
Support Services - General Administration	-	25	22	3
Total expenditures	-	2,153	1,597	556
Excess (deficiency) of revenues over expenditures	-	-	(13)	(13)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(13)	<u>\$ (13)</u>
RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			13	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

ENTITLEMENT IDEA-B SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ 740,397	\$ 1,112,406	\$ 796,112	\$ (316,294)
Expenditures:				
Current:				
Instruction	485,386	622,411	489,620	132,791
Support Services - Students	198,576	410,175	275,283	134,892
Support Services - General Administration	10,155	15,460	10,929	4,531
Support Services - School Administration	20,495	20,575	17,351	3,224
Community Services Operations	<u>25,785</u>	<u>43,785</u>	<u>4,041</u>	<u>39,744</u>
Total expenditures	<u>740,397</u>	<u>1,112,406</u>	<u>797,224</u>	<u>315,182</u>
Excess (deficiency) of revenues over expenditures	-	-	(1,112)	(1,112)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(1,112)	<u>\$ (1,112)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(25,794)	
Change in payables			25,487	
Change in accrued liabilities			<u>1,419</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

PRESCHOOL IDEA-B SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ 49,455	\$ 75,641	\$ 62,518	\$ (13,123)
Expenditures:				
Current:				
Instruction	7,539	27,725	26,857	868
Support Services - Students	38,620	6,000	1,528	4,472
Support Services - Instruction	2,000	2,000	1,309	691
Support Services - General Administration	1,296	1,296	927	369
Support Services - School Administration	-	38,620	37,053	1,567
Total expenditures	<u>49,455</u>	<u>75,641</u>	<u>67,674</u>	<u>7,967</u>
Excess (deficiency) of revenues over expenditures	-	-	(5,156)	(5,156)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(5,156)	<u>\$ (5,156)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			6,217	
Change in payables			<u>(1,061)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

ENHANCING EDUCATION SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>Revenues:</b>				
Federal sources:				
Federal grant	\$ -	\$ 8,138	\$ -	\$ (8,138)
<b>Expenditures:</b>				
Current:				
Instruction	-	8,026	-	8,026
Support Services - General Administration	-	112	-	112
Total expenditures	-	8,138	-	8,138
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	-	\$ -
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			7,788	
Change in payables			(8,026)	
Change in deferred revenue			238	
			\$ -	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

TITLE V SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Federal sources:				
Federal grant	\$ 3,954	\$ 5,078	\$ 2,582	\$ (2,496)
<b>Expenditures:</b>				
Current:				
Instruction	2,700	1,808	1,350	458
Support Services - Students	800	800	-	800
Support Services - Instruction	400	2,400	2,246	154
Support Services - General Administration	54	70	50	20
Total expenditures	<u>3,954</u>	<u>5,078</u>	<u>3,646</u>	<u>1,432</u>
Excess (deficiency) of revenues over expenditures	-	-	(1,064)	(1,064)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(1,064)	<u>\$ (1,064)</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			<u>1,064</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

TITLE III ENGLISH LANGUAGE SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ 35,506	\$ 44,090	\$ 31,272	\$ (12,818)
Expenditures:				
Current:				
Instruction	34,021	37,452	35,556	1,896
Support Services - Instruction	1,300	3,300	-	3,300
Support Services - General Administration	492	850	518	332
Support Services - School Administration	-	2,795	1,682	1,113
Total expenditures	<u>35,813</u>	<u>44,397</u>	<u>37,756</u>	<u>6,641</u>
Excess (deficiency) of revenues over expenditures	(307)	(307)	(6,484)	(6,177)
Beginning cash balance budgeted	307	307	-	(307)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(6,484)	<u>\$ (6,484)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			8,790	
Change in payables			<u>(2,306)</u>	
			<u>\$ -</u>	



STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

TITLE II TEACHER QUALITY SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ 214,384	\$ 205,557	\$ 213,024	\$ 7,467
Expenditures:				
Current:				
Instruction	194,895	172,808	172,722	86
Support Services - Instruction	16,680	5,209	4,950	259
Support Services - General Administration	2,809	2,825	2,812	13
Support Services - School Administration	-	24,715	24,653	62
Total expenditures	<u>214,384</u>	<u>205,557</u>	<u>205,137</u>	<u>420</u>
Excess of revenues over expenditures	-	-	7,887	7,887
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	7,887	<u>\$ 7,887</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>(7,887)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

TITLE IV DRUG FREE SCHOOLS SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ 15,962	\$ 16,545	\$ 17,495	\$ 950
Expenditures:				
Current:				
Instruction	489	489	489	-
Support Services - Students	15,254	15,829	14,162	1,667
Support Services - General Administration	219	227	203	24
Total expenditures	<u>15,962</u>	<u>16,545</u>	<u>14,854</u>	<u>1,691</u>
Excess of revenues over expenditures	-	-	2,641	2,641
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	2,641	<u>\$ 2,641</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>(2,641)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

JOHNSON O'MALLEY SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ 24,361	\$ 87,460	\$ 43,500	\$ (43,960)
Expenditures:				
Current:				
Instruction	445	33,019	27,857	5,162
Support Services - Students	13,344	23,811	22,647	1,164
Support Services - Instruction	-	2,500	61	2,439
Support Services - General Administration	334	1,204	972	232
Support Services - School Administration	<u>10,238</u>	<u>26,926</u>	<u>19,319</u>	<u>7,607</u>
Total expenditures	<u>24,361</u>	<u>87,460</u>	<u>70,856</u>	<u>16,604</u>
Excess (deficiency) of revenues over expenditures	-	-	(27,356)	(27,356)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(27,356)	<u>\$ (27,356)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			27,709	
Change in accrued liabilities			<u>(353)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

TITLE XIX MEDICAID SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget Positive <u>(Negative)</u>
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ 65,000	\$ 75,708	\$ 10,708
 Expenditures:				
Current:				
Support Services - Students	-	65,000	-	65,000
Excess of revenues over expenditures	-	-	75,708	75,708
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	75,708	<u>\$ 75,708</u>
 RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>(75,708)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

INDIAN ED FORMULA GRANT SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ 190,220	\$ 193,450	\$ 186,907	\$ (6,543)
Expenditures:				
Current:				
Instruction	137,021	141,763	137,958	3,805
Support Services - Students	15,095	10,525	10,498	27
Support Services - Instruction	-	2,559	-	2,559
Support Services - General Administration	2,608	2,657	2,563	94
Support Services - School Administration	35,496	35,946	35,939	7
Total expenditures	<u>190,220</u>	<u>193,450</u>	<u>186,958</u>	<u>6,492</u>
Excess (deficiency) of revenues over expenditures	-	-	(51)	(51)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(51)	<u>\$ (51)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			859	
Change in payables			<u>(808)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

TEACHER QUALITY ENHANCEMENT SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ 2,106,098	\$ 970,107	\$ (1,135,991)
Expenditures:				
Current:				
Support Services - Instruction	-	189,025	34,214	154,811
Support Services - General Administration	-	84,715	32,236	52,479
Support Services - School Administration	-	1,782,358	910,227	872,131
Total current expenses	-	2,056,098	976,677	1,079,421
Capital outlay:				
Equipment	-	50,000	11,515	38,485
Total expenditures	-	2,106,098	988,192	1,117,906
Excess (deficiency) of revenues over expenditures	-	-	(18,085)	(18,085)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(18,085)	<u>\$ (18,085)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			37,743	
Change in payables			<u>(19,658)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

IT'S YOUR CHOICE SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Local sources:				
Grant	\$ -	\$ 97	\$ 31	\$ (66)
 Expenditures:				
Current:				
Instruction	-	97	96	1
Excess (deficiency) of revenues over expenditures	-	-	(65)	(65)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(65)	<u>\$ (65)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			65	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

PNM FOUNDATION SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Grant	\$ -	\$ 3,320	\$ 3,900	\$ 580
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>3,320</u>	<u>3,232</u>	<u>88</u>
Excess of revenues over expenditures	-	-	668	668
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	668	<u>\$ 668</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			137	
Change in deferred revenue			<u>(805)</u>	
			<u>\$ -</u>	



STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

BURLINGTON RES/MERIDIAN OIL SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Grant	\$ -	\$ 14,432	\$ 13,730	\$ (702)
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>14,432</u>	<u>12,779</u>	<u>1,653</u>
Excess of revenues over expenditures	-	-	951	951
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	951	<u>\$ 951</u>
 RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>(951)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

INCENTIVES FOR SCHOOL IMPROVEMENT SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ 83,625	\$ 72,076	\$ (11,549)
Expenditures:				
Current:				
Instruction	-	72,004	37,650	34,354
Support Services - Instruction	-	8,502	-	8,502
Support Services - School Administration	-	3,119	828	2,291
Total expenditures	-	83,625	38,478	45,147
Excess of revenues over expenditures	-	-	33,598	33,598
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	33,598	<u>\$ 33,598</u>
RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>(33,598)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

INDIAN EDUCATION ACT SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ 8,333	\$ 2,861	\$ (5,472)
Expenditures:				
Current:				
Instruction	-	7,418	5,108	2,310
Support Services - General Administration	-	115	80	35
Support Services - School Administration	-	800	619	181
Total expenditures	-	8,333	5,807	2,526
Excess (deficiency) of revenues over expenditures	-	-	(2,946)	(2,946)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	(2,946)	\$ (2,946)
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			3,299	
Change in accrued liabilities			(353)	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

BEGINNING TEACHER MENTORING SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>Revenues:</b>				
State sources:				
State grant	\$ -	\$ 17,650	\$ 24,837	\$ 7,187
<b>Expenditures:</b>				
Current:				
Instruction	-	775	734	41
Support Services - Instruction	-	5,067	4,895	172
Support Services - School Administration	-	11,808	11,133	675
Total expenditures	-	17,650	16,762	888
Excess of revenues over expenditures	-	-	8,075	8,075
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	8,075	\$ 8,075
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			(7,188)	
Change in deferred revenue			(887)	
			\$ -	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

BREAKFAST FOR ELEMENTARY STUDENTS SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ 99,762	\$ 99,762	\$ 99,762	\$ -
 Expenditures:				
Current:				
Food Services Operations	<u>99,762</u>	<u>99,762</u>	<u>99,762</u>	<u>-</u>
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
 RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>-</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

COMMUNITIES OF ACADEMIC PARTNERSHIP SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ 52,885	\$ 138,639	\$ 85,754
Expenditures:				
Current:				
Support Services - General Administration	-	3,925	3,834	91
Support Services - School Administration	-	48,960	47,928	1,032
Total expenditures	-	52,885	51,762	1,123
Excess of revenues over expenditures	-	-	86,877	86,877
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	86,877	\$ 86,877
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(89,500)	
Change in payables			500	
Change in accrued liabilities			2,123	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

SCHOOLS ON THE RISE SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ 15,847	\$ 13,829	\$ (2,018)
Expenditures:				
Current:				
Instruction	-	1,100	-	1,100
Support Services - Instruction	-	14,747	12,337	2,410
Total expenditures	-	15,847	12,337	3,510
Excess of revenues over expenditures	-	-	1,492	1,492
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	1,492	<u>\$ 1,492</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(1,492)	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

LIBRARIES GO BOND SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ 26,020	\$ 10,252	\$ (15,768)
 Expenditures:				
Current:				
Support Services - Instruction	-	26,020	14,650	11,370
Excess (deficiency) of revenues over expenditures	-	-	(4,398)	(4,398)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(4,398)	<u>\$ (4,398)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			4,676	
Change in payables			<u>(278)</u>	
			<u>\$ -</u>	



STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

GEAR UP SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>Revenues:</b>				
State sources:				
State grant	\$ -	\$ 71,218	\$ 70,759	\$ (459)
<b>Expenditures:</b>				
Current:				
Instruction	-	37,746	16,988	20,758
Support Services - Students	-	5,000	549	4,451
Support Services - School Administration	-	28,472	19,341	9,131
Total expenditures	-	71,218	36,878	34,340
Excess of revenues over expenditures	-	-	33,881	33,881
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	33,881	<u>\$ 33,881</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			(18,901)	
Change in payables			(8,804)	
Change in accrued liabilities			(6,176)	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

BP AMERICA PRODUCTION SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Grant	\$ -	\$ 10,000	\$ 10,000	\$ -
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>10,000</u>	<u>9,988</u>	<u>12</u>
Excess of revenues over expenditures	-	-	12	12
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	12	<u>\$ 12</u>
 RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>(12)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

CAPITAL PROJECTS FUNDS  
Year Ended June 30, 2008

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**BOND BUILDING FUND**

This fund provides financing for the construction of buildings, the purchase of equipment, and the acquisition and improvement of land. Funding is provided by the sale of general obligation bonds, which have been approved by the voters of the district.

**SPECIAL CAPITAL OUTLAY - STATE**

This fund provides financing for special appropriation monies received from the State of New Mexico under Chapter 367, Laws of 1993.

**SB – 9 CAPITAL IMPROVEMENTS**

This fund provides financing for the purchase of equipment and capital improvements to School District property. Funding is received from a 2 mill property tax levy and interest earned on investments, under New Mexico Senate Bill 9.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

BOND BUILDING CAPITAL PROJECTS FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Earnings from investments	\$ 1,100,000	\$ 1,100,000	\$ 792,289	\$ (307,711)
Expenditures:				
Current:				
Operation & Maintenance of Plant	674,495	1,949,495	1,493,074	456,421
Capital outlay:				
Equipment	31,371	31,371	-	31,371
Construction in progress	29,488,435	28,213,435	9,877,751	18,335,684
Total capital outlay	<u>29,519,806</u>	<u>28,244,806</u>	<u>9,877,751</u>	<u>18,367,055</u>
Total expenditures	<u>30,194,301</u>	<u>30,194,301</u>	<u>11,370,825</u>	<u>18,823,476</u>
Excess (deficiency) of revenues over expenditures	(29,094,301)	(29,094,301)	(10,578,536)	18,515,765
Other sources:				
Sale of bonds	<u>20,000,000</u>	<u>20,000,000</u>	<u>20,000,000</u>	<u>-</u>
Net change in fund balance	(9,094,301)	(9,094,301)	9,421,464	18,515,765
Beginning cash balance budgeted	9,094,301	9,094,301	-	(9,094,301)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>8,331,882</u>	<u>8,331,882</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	17,753,346	<u>\$ 17,753,346</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>1,034,345</u>	
			<u>\$ 18,787,691</u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

SPECIAL CAPITAL OUTLAY - STATE CAPITAL PROJECTS FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ 398,000	\$ 618,398	\$ 184,453	\$ (433,945)
Expenditures:				
Current:				
Operation & Maintenance of Plant	-	230,398	153,831	76,567
Capital outlay:				
Equipment	<u>398,000</u>	<u>388,000</u>	<u>5,699</u>	<u>382,301</u>
Total expenditures	<u>398,000</u>	<u>618,398</u>	<u>159,530</u>	<u>458,868</u>
Excess of revenues over expenditures	-	-	24,923	24,923
Fund balance (deficit) at beginning of the year	<u>-</u>	<u>-</u>	<u>(120,748)</u>	<u>(120,748)</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>(95,825)</u>	<u>\$ (95,825)</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>5,657</u>	
			<u>\$ (90,168)</u>	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

CAPITAL IMPROVEMENTS SB-9 CAPITAL PROJECTS FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
State sources:				
State grant	\$ -	\$ 64,061	\$ 164,061	\$ 100,000
Local sources:				
District school tax levy	2,027,002	2,027,002	2,178,970	151,968
Earnings from investments	45,000	45,000	21,370	(23,630)
Miscellaneous	-	-	6,744	6,744
Total local revenues	2,072,002	2,072,002	2,207,084	135,082
Total revenues	2,072,002	2,136,063	2,371,145	235,082
<b>Expenditures:</b>				
Current:				
Support Services - General Administration	6,936	7,566	7,561	5
Operation & Maintenance of Plant	243,979	1,089,859	847,230	242,629
Total current expenses	250,915	1,097,425	854,791	242,634
Capital outlay:				
Land and improvements	265,593	59,083	428	58,655
Buildings and improvements	-	4,500	-	4,500
Equipment	62,082	202,582	174,707	27,875
Construction in progress	1,604,880	883,941	857,993	25,948
Total capital outlay	1,932,555	1,150,106	1,033,128	116,978
Total expenditures	2,183,470	2,247,531	1,887,919	359,612
Excess (deficiency) of revenues over expenditures	(111,468)	(111,468)	483,226	594,694
Beginning cash balance budgeted	111,468	111,468	-	(111,468)
Fund balance at beginning of the year	-	-	632,074	632,074
Fund balance at end of the year	\$ -	\$ -	1,115,300	\$ 1,115,300
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in property tax receivable			(4,056)	
Change in due from other governments			45,136	
Change in payables			5,269	
Change in deferred property taxes			6,217	
			\$ 1,167,866	

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

DEBT SERVICE FUND  
Year Ended June 30, 2008

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DEBT SERVICE FUND

The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

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STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

DEBT SERVICE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues:				
Local sources:				
District school tax levy	\$ 4,958,061	\$ 4,958,061	\$ 5,519,526	\$ 561,465
Earnings from investments	<u>150,000</u>	<u>150,000</u>	<u>107,812</u>	<u>(42,188)</u>
Total revenues	<u>5,108,061</u>	<u>5,108,061</u>	<u>5,627,338</u>	<u>519,277</u>
Expenditures:				
Current:				
Support Services - General Administration	18,839	19,999	19,997	2
Central Services	<u>156,748</u>	<u>156,748</u>	<u>16,789</u>	<u>139,959</u>
Total current expenses	<u>175,587</u>	<u>176,747</u>	<u>36,786</u>	<u>139,961</u>
Debt service:				
Principal retirement	2,825,000	2,825,000	2,825,000	-
Bond interest paid	2,133,061	2,131,901	2,120,374	11,527
Reserves	<u>4,136,404</u>	<u>4,136,404</u>	<u>-</u>	<u>4,136,404</u>
Total debt service	<u>9,094,465</u>	<u>9,093,305</u>	<u>4,945,374</u>	<u>4,147,931</u>
Total expenditures	<u>9,270,052</u>	<u>9,270,052</u>	<u>4,982,160</u>	<u>4,287,892</u>
Excess (deficiency) of revenues over expenditures	(4,161,991)	(4,161,991)	645,178	4,807,169
Beginning cash balance budgeted	4,161,991	4,161,991	-	(4,161,991)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>4,747,039</u>	<u>4,747,039</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	5,392,217	<u>\$ 5,392,217</u>
RECONCILIATION TO GAAP BASIS:				
Change in property tax receivable			(9,940)	
Change in due from other governments			162,942	
Change in deferred property taxes			<u>16,493</u>	
			<u>\$ 5,561,712</u>	

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**OTHER SUPPLEMENTAL INFORMATION**

**STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6**

**SCHEDULE OF CAPITAL ASSETS - BY SOURCE**

June 30, 2008

Capital assets:

Land and improvements	\$	8,577,346
Buildings and improvements		98,774,933
Equipment (software)		10,101,493
Construction in progress		<u>8,852,123</u>
 Total Capital assets	 \$	 <u><u>126,305,895</u></u>

Investment in Capital assets from:

General Fund	\$	3,040,354
Special revenue funds:		
Federal Projects		664,566
State Projects		4,216,038
Cafeteria		116,501
Athletics		11,579
Capital projects funds:		
Bond Building Fund		107,174,422
Public School Outlay		468,366
SB-9 Capital Improvements		5,852,163
Capital Outlay 20%		1,064,934
Energy Efficiency		80,102
Capital Outlay		246,213
State Grants Capital Outlay		3,294,324
Activities		58,333
Donated		<u>18,000</u>
 Total investment in Capital assets	 \$	 <u><u>126,305,895</u></u>

See accompanying notes.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

FIDUCIARY FUNDS

Schedule of Changes in Assets and Liabilities - All Agency Funds  
Year Ended June 30, 2008

Activity		Balance				Balance
Fund	<u>ASSETS</u>	<u>June 30, 2007</u>	<u>Receipts</u>	<u>Disbursements</u>		<u>June 30, 2008</u>
026	Bloomfield High School	\$ 119,454	\$ 180,285	\$ 176,060		\$ 123,679
095	Mesa Alta School	23,212	53,889	52,892		24,209
025	Blanco School	9,326	43,366	38,398		14,294
114	H. Hayes Scholarship	4,283	1,692	1,500		4,475
033	Central School	40,529	41,038	35,162		46,405
125	Naaba Ani School	13,356	15,922	19,044		10,234
030	Bloomfield Learning Center	27,477	9,629	8,130		28,976
001	Charlie Brown Secondary	<u>7,023</u>	<u>2,191</u>	<u>1,653</u>		<u>7,561</u>
	Pooled cash and investments	<u>\$ 244,660</u>	<u>\$ 348,012</u>	<u>\$ 332,839</u>		<u>\$ 259,833</u>
	 <u>LIABILITIES</u>					
	Deposits held for others	<u>\$ 244,660</u>	<u>\$ 348,012</u>	<u>\$ 332,839</u>		<u>\$ 259,833</u>

**STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6**

**SCHEDULE OF PLEDGED COLLATERAL  
June 30, 2008**

	<b>Citizens Bank</b>
Cash on deposit at June 30, 2008	\$ 28,575,154
Less FDIC coverage	<u>100,000</u>
Uninsured funds	<u>\$ 28,475,154</u>
50% collateral requirement	\$ 14,237,577
Pledged collateral	<u>21,011,237</u>
Excess of pledged collateral	<u>\$ 6,773,660</u>

Pledged collateral of financial institutions consists of the following at June 30, 2008

	<u>Maturity</u>	<u>CUSIP #</u>	<u>Market Value</u>
Citizens Bank:			
FHLB	12/17/2014	3133XNJ67	\$ 5,000,000
FHLB	1/1/2009	31377MKJ9	263,122
FHLB	8/25/2033	31393ULG6	1,716,572
FHLB	1/15/2018	31393VL58	2,249,110
FHLB	11/15/2016	31394KLX0	1,747,493
FHLB	12/15/2031	31394MZF0	2,101,254
FHLB	5/15/2028	31395GQY1	3,041,010
FHLB	12/25/2035	36202EGN3	2,374,796
FHLB	12/25/2033	94980DAA6	<u>2,517,880</u>
			<u>\$ 21,011,237</u>

The above securities are held at Federal Home Loan Bank in Dallas, TX.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

CASH RECONCILIATION  
June 30, 2008

	Beginning Cash	Receipts	Distributions	Other	Net Cash End of Period	Adjustments to the report	Total Cash on Report
Operations	\$ 424,678	\$ 22,579,693	\$ (22,582,205)	\$ 482,204	\$ 904,370	\$ 2,276	\$ 906,646
Transportation	6	1,760,730	(1,575,397)	(185,250)	89	-	89
Instructional Materials	1	346,073	(294,075)	(530)	51,469	-	51,469
Food Services	200,281	1,276,854	(1,238,793)	(90)	238,252	-	238,252
Athletics	19,101	191,032	(185,714)	(5)	24,414	464	24,878
Activity Funds	343,353	527,966	(498,945)	(509)	371,865	(259,833)	112,032
Federal Flowthrough Funds	8,890	2,010,848	(1,904,033)	(404,419)	(288,714)	-	(288,714)
Federal Direct Funds	445	1,531,643	(1,468,543)	283,156	346,701	-	346,701
Local Grants	4,086	17,661	(16,106)	-	5,641	-	5,641
State Flowthrough Funds	7,025	509,369	(268,916)	(135,954)	111,524	-	111,524
State Direct Funds	-	70,759	(36,878)	(39,307)	(5,426)	-	(5,426)
Local/State	-	10,000	(9,988)	(12)	-	-	-
Bond Building	9,462,629	20,792,289	(11,370,825)	-	18,884,093	-	18,884,093
Capital Outlay - State	909	184,453	(159,530)	(116,000)	(90,168)	-	(90,168)
HB-33 Capital Outlay	-	-	-	-	-	-	-
Capital Improvement SB - 9	446,332	2,371,145	(1,887,920)	116,000	1,045,557	-	1,045,557
Debt Service	4,383,377	5,627,338	(4,965,371)	-	5,045,344	-	5,045,344
Deferred Sick Leave	156,748	-	(16,789)	-	139,959	-	139,959
Agency Funds	-	-	-	-	-	259,833	259,833
<b>Total</b>	<b>\$ 15,457,861</b>	<b>\$ 59,807,853</b>	<b>\$ (48,480,028)</b>	<b>\$ (716)</b>	<b>\$ 26,784,970</b>	<b>\$ 2,740</b>	<b>\$ 26,787,710</b>

Account Name	Account Type	Bank Name	Bank Amount	Adjustments to report:	
Operational	Checking	Citizens Bank	\$ 1,167,196	Clearing accounts	\$ 2,276
Debt service	Checking	Citizens Bank	5,045,344	Referee cash	464
Capital	Checking	Citizens Bank	955,389	Agency funds	(259,833)
Building	Checking	Citizens Bank	18,884,093	Agency funds	259,833
Federal funds	Checking	Citizens Bank	90,135	Total adjustment to the report	\$ 2,740
Student nutrition	Checking	Citizens Bank	246,533	Adjustments to cash:	
Athletics	Checking	Citizens Bank	396,279	Bank Balance	\$ 28,575,154
Activities	Checking	Citizens Bank	545	Reconciling items	(1,787,444)
Payable clearing	Checking	Citizens Bank	1,675,494	Total adjustment to cash	\$ 26,787,710
Payroll clearing	Checking	Citizens Bank	114,146		
<b>Total</b>			<b>\$ 28,575,154</b>		

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**SINGLE AUDIT SECTION**

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND  
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

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# KEYSTONE ACCOUNTING, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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Farmington, NM 87401

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Hector H. Balderas, State Auditor  
and the Board of Education  
Bloomfield Municipal School District No. 6

We have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons for the general fund and major special revenue funds, and the combining and individual funds presented as supplemental information of Bloomfield Municipal School District No. 6 as of and for the year ended June 30, 2008, and have issued our report thereon dated November 12, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

## Internal Control Over Financial Reporting

In planning and performing our audit, we considered Bloomfield Municipal School District No. 6's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Bloomfield Municipal School District No. 6's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Bloomfield Municipal School District No. 6's internal control over financial reporting.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the Bloomfield Municipal School District No. 6's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Bloomfield Municipal School District No. 6's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

# KEYSTONE ACCOUNTING, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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Hector H. Balderas, State Auditor  
and the Board of Education  
Bloomfield Municipal School District No. 6

## Compliance and other matters

As part of obtaining reasonable assurance about whether Bloomfield Municipal School District No. 6's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of management, others within the Bloomfield Municipal School District No. 6, the State Auditor, the New Mexico Legislature, New Mexico Public Education Department, and applicable federal grantors, and is not intended to be and should not be used by anyone other than these specified parties.

*Keystone Accounting, LLC*

November 12, 2008

**REPORT ON COMPLIANCE WITH REQUIREMENT APPLICABLE TO  
EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

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## REPORT ON COMPLIANCE WITH REQUIREMENT APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Hector H. Balderas, State Auditor  
And the Board of Education  
Bloomfield Municipal School District No. 6

### Compliance

We have audited the compliance of Bloomfield Municipal School District No. 6 with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* (Revised May, 2008) that are applicable to each of its major federal programs for the year ended June 30, 2008. Bloomfield Municipal School District No. 6's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of finding and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Bloomfield Municipal School District No. 6's management. Our responsibility is to express an opinion on Bloomfield Municipal School's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Bloomfield Municipal School District No. 6's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Bloomfield Municipal School District No. 6's compliance with those requirements.

In our opinion, Bloomfield Municipal School District No. 6, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

### Internal Control Over Compliance

The management of Bloomfield Municipal School District No. 6 is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Bloomfield Municipal School District No. 6's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing an opinion on compliance and but not for the purpose of expressing an opinion on the effectiveness of the Bloomfield Municipal School District No. 6's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Bloomfield Municipal School District No. 6's internal control over compliance.

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Hector H. Balderas, State Auditor  
And the Board of Education  
Bloomfield Municipal School District No. 6

A *control deficiency* in the District's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the District's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the District's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, others within the Bloomfield Municipal School District No. 6, the State Auditor, the New Mexico Legislature, New Mexico Public Education Department, and applicable federal grantors, and is not intended to be and should not be used by anyone other than these specified parties.



November 12, 2008

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
Year Ended June 30, 2008

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A. PRIOR YEAR AUDIT FINDINGS

2007 – 1 DEPRECIATION NOT CALCULATED CORRECTLY

*Condition:* The accounting system is not calculated depreciation according to method and asset life entered into the system.

*Status:* Resolved. Not repeated in the current year.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2008

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A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the basic financial statements of Bloomfield Municipal School District No. 6.
2. There were no significant deficiencies disclosed during the audit of the financial statements in the Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Bloomfield Municipal School District No. 6 were disclosed during the audit.
4. There were no significant deficiencies disclosed during the audit of the major federal awards program in the Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133.
5. The auditors' report on compliance for the major federal award programs for Bloomfield Municipal School District No. 6 expresses an unqualified opinion.
6. There were no audit findings relative to the major federal award programs for Bloomfield Municipal School District No. 6 that is required to be reported in accordance with OMB Circular A-133.510(a).
7. The programs treated as major programs include: IDEA-B Cluster CFDA# 84.027 and 84.173, Impact Aid CFDA# 84.041, USDA Cluster CFDA#10.555 and 10.553, and Title I CFDA 84.010.
8. The threshold for distinguishing types A and B programs was \$300,000.
9. Bloomfield Municipal School District No. 6 was determined to be a high-risk auditee.

**STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2008**

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**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

No audit findings to report.

**C. AUDIT FINDINGS - MAJOR FEDERAL AWARD PROGRAMS AUDIT**

No audit findings to report.

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**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2008

<u>Federal Grantor/Pass - Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Agriculture:</u>			
Pass-Through Program From:			
New Mexico Department of Education:			
<u>Child Nutrition -- Cluster:</u>			
USDA National School Lunch Program	10.555	21000	\$ 439,864
USDA School Breakfast Program	10.553	21000	<u>209,941</u>
Total Child Nutrition Cluster			649,805
Pass-Through Program From:			
New Mexico Human Service Department:			
USDA Commodities Program	10.550	21000	<u>76,891</u>
Total U.S. Department of Agriculture			<u>726,696</u>
<u>U.S. Department of Defense:</u>			
Pass-Through Program From:			
National Guard Military Projects	12.401	11000	<u>50,057</u>
<u>U.S. Department of Interior</u>			
Pass-Through Programs From:			
Office of the Navajo Nation:			
Johnson O'Malley	15.130	24231	<u>71,209</u>

(continued)

See accompanying notes to the  
Schedule of Expenditures of Federal Awards.



STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2008

<u>Federal Grantor/Pass - Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>Special Education -- Cluster:</u>			
<u>U.S. Department of Education:</u>			
Pass-Through Programs From:			
New Mexico Department of Education:			
IDEA-B Entitlement	84.027	24106	\$ 770,318
IDEA-B Preschool	84.173	24109	<u>68,736</u>
Total U.S. Department of Education - Special Education (IDEA-B) Cluster			<u>839,054</u>
Direct Programs:			
P.L. 81-874 Special / Indian Education	84.041	24245	822,117
Indian Education Formula	84.060	25184	187,766
Teacher Quality	84.336	25202	<u>1,007,851</u>
Subtotal Direct Programs			<u>2,017,734</u>
Pass-Through Programs From:			
New Mexico Department of Education:			
Title I Basic Education Grant	84.010	24101	760,811
Javits for Gifted Education	84.206	24102	1,597
Technology Literacy Challenge	84.318	24133	8,026
Title VI Innovative Education	84.298	24150	3,646
Title III English Language	84.365	24153	40,062
Title II Improving Teacher Quality	84.367	24154	205,137
Title IV - Safe and Drug-Free Schools	84.186	24157	<u>14,854</u>
Subtotal Pass-Through Programs			<u>1,034,133</u>
Total U.S. Department of Education			<u>3,890,921</u>
Total Expenditures of Federal Awards			<u>\$ 4,738,883</u>

See accompanying notes to the  
Schedule of Expenditures of Federal Awards.

**STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6**

Notes To The Schedule Of Expenditures Of Federal Awards  
Year Ended June 30, 2008

1. Scope of audit pursuant to OMB Circular A-133

All federal grant operations of Bloomfield Municipal School District No. 6 (the "School District") are included in the scope of the Office of management and Budget ("OMB") Circular A-133 audit (the "Single Audit"). The Single Audit was performed in accordance with the provisions of the OMB Circular Compliance Supplement (Revised May 2008 the "Compliance Supplement"). Compliance testing of all requirements are described in the Compliance Supplement, was performed for the grants programs noted below. These programs represent all federal award programs and other grants with fiscal 2008 cash and non-cash expenditures to ensure coverage of at least 50% (HIGH risk auditee) of federally granted funds. Actual coverage is approximately 65% of total cash and non-cash federal award program expenditures. Total cash expenditures were in the amount of \$4,661,992 and all non-cash expenditures amounted to \$76,891.

Major Federal Award Program Description	Fiscal 2008 <u>Expenditure</u>
Cash assistance:	
Title I	\$ 760,811
Impact aid	822,117
IDEA-B Cluster	839,054
USDA	<u>649,805</u>
Total	<u>\$ 3,071,787</u>

The School District's federal programs Title I were considered high risk Type A program for the 2008 audit.

The U.S. Department of Education is the School District's oversight agency for single audit.

STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

Notes To The Schedule Of Expenditures Of Federal Awards  
Year Ended June 30, 2008

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2. Summary of significant accounting policies

Basis of presentation

The accompanying Schedule of Expenditure of Federal Awards includes all federal grants to the School District that had activity during the fiscal year ended June 30, 2008. This Statement has been prepared on the accrual basis of accounting. Grant revenues are recorded for financial reporting purposes when the School District has met the qualifications for the respective grant.

Accrued and deferred reimbursements

Various reimbursement procedures are used for Federal awards received by the School District. Consequently, timing differences between expenditures and program reimbursements can exist at the beginning and end of the year. Accrued balances at year end represent an excess of reimbursable expenditures over receipts to date. Deferred balance at year-end represent an excess of cash receipts over reimbursable expenditure to date. Generally, accrued or deferred balances covered by differences in the timing of cash receipts and expenditures will be reversed in the remaining grant period.

3. Audits performed by other entities

There were no other audits performed by other organizations on the School Districts federal grant programs in 2008.

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**REQUIRED DISCLOSURE**

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STATE OF NEW MEXICO  
BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

REQUIRED DISCLOSURES  
Year Ended June 30, 2008

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REQUIRED DISCLOSURE

The financial statements were prepared by the independent public accountants.

An exit conference was held November 12, 2008, during which the audit findings were discussed. The exit conference was attended by the following individuals:

BLOOMFIELD MUNICIPAL SCHOOL DISTRICT NO. 6

Karen Ransom  
Randy Allison  
Randy Bondow  
Anna Redding

Board Chairman  
Superintendent  
Director of Finance  
Business Manager

KEYSTONE ACCOUNTING, LLC

Terry Ogle, CPA

Partner