



STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**

**ANNUAL FINANCIAL REPORT**  
June 30, 2009

**De'Aun Willoughby CPA, PC**  
Certified Public Accountant  
Melrose, New Mexico



STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
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**FORT SUMNER MUNICIPAL SCHOOLS**  
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STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
Official Roster  
June 30, 2009

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**BOARD OF EDUCATION**

Laurie Pettigrew	President
Cheryl Butterfield	Vice-President
Ellen Vaughan	Secretary
Tom Wilton	Member
Vincent Rodriguez	Member

**SCHOOL OFFICIALS**

Patricia Miller	Superintendent
Leola Patterson	Business Manager

De'Aun Willoughby CPA, PC

Certified Public Accountant

P.O. Box 223 Melrose, NM 88124

(575) 253-4313

Independent Auditor's Report

Mr. Hector Balderas  
State Auditor of the State of New Mexico  
Board Members of the FORT SUMNER MUNICIPAL SCHOOLS

Mr. Balderas and Members of the Board

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of FORT SUMNER MUNICIPAL SCHOOLS, (District), as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2009, as listed in the table of contents. These financial statements are the responsibility of the District'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 with 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 District as of June 30, 2009, and the respective changes in financial position, thereof and the respective budgetary comparisons for 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 District as of June 30, 2009, and the respective changes in financial position, thereof and the respective budgetary comparisons for the major funds, capital project fund, debt service fund and all nonmajor 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 September 18, 2009, on our consideration of the District'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 *Governmental Auditing Standards* and should be considered in assessing the results of our audit.

The FORT SUMNER MUNICIPAL SCHOOLS has not presented the Management's Discussion and Analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be a part of, the basic financial statements and the combining and individual financial statements and budgetary comparisons presented as supplemental information.

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 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.

*De'Ann Willoughby CPA PC*

September 18, 2009



## **FINANCIAL SECTION**

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
 Government-Wide Statement of Net Assets  
 June 30, 2009

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current Assets	
Cash and Cash Equivalents	\$ 2,325,304
Taxes Receivable	2,630
Due From Grantor	115,706
Inventory	2,844
Total Current Assets	<u>2,446,484</u>
Noncurrent Assets	
Capital Assets	7,812,146
Less: Accumulated Depreciation	<u>(2,621,328)</u>
Total Noncurrent Assets	<u>5,190,818</u>
Total Assets	<u>7,637,302</u>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable	13,029
Accrued Interest	27,077
Deferred Revenue	711
Current Portion of Long-Term Debt	310,000
Total Current Liabilities	<u>350,817</u>
Noncurrent Liabilities	
Bonds and Notes, Net	1,661,434
Compensated Absences	11,592
Total Noncurrent Liabilities	<u>1,673,026</u>
Total Liabilities	<u>2,023,843</u>
<b>NET ASSETS</b>	
Invested in Capital Assets, Net of Related Debt	3,219,384
Restricted for:	
Capital Projects	1,113,678
Unrestricted	1,280,397
Total Net Assets	<u>\$ 5,613,459</u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
 Government-Wide Statement of Activities  
 For the Year Ended June 30, 2009

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental Activities</b>					
Instruction	\$ 3,044,155	\$ 47,000	\$ 291,757	\$ 0	\$ (2,705,398)
Support Service-Students	355,155	0	127,799	0	(227,356)
Support Services-Instruction	156,083	0	118,386	0	(37,697)
Support Services-General Administration	148,678	0	0	0	(148,678)
Support Services-School Administration	198,059	0	0	0	(198,059)
Central Services	129,310	0	8,474	0	(120,836)
Operation & Maintenance of Plant	694,328	0	13,909	0	(680,419)
Student Transportation	537,431	0	548,042	0	10,611
Food Services	175,072	31,956	120,229	0	(22,887)
Interest on Long-Term Obligations	66,768	0	0	0	(66,768)
Total Governmental Activities	<u>\$ 5,505,039</u>	<u>\$ 78,956</u>	<u>\$ 1,228,596</u>	<u>\$ 0</u>	<u>\$ (4,197,487)</u>
<b>General Revenues</b>					
Taxes					
Property Taxes, Levied for General Purposes				\$	23,425
Property Taxes, Levied for Debt Service					368,433
Property Taxes, Levied for Capital Projects					95,130
Federal and State aid not restricted to specific purpose					
General					3,813,975
Capital					119,689
Interest and investment earnings					51,033
Miscellaneous					7,636
Subtotal, General Revenues					<u>4,479,321</u>
Change in Net Assets					<u>281,834</u>
Net Assets - beginning					5,482,074
Restatement					<u>(150,449)</u>
Restated Beginning Net Assets					<u>5,331,625</u>
Net Assets - ending					<u>\$ 5,613,459</u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
GOVERNMENTAL FUNDS  
Balance Sheet  
June 30, 2009

	General Fund		
	Operational	Transportation	Instructional
	11000	13000	Material 14000
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 20,392	\$ 15,983	\$ 22,977
Receivables			
Taxes	129	0	0
Due From Grantor	0	0	0
Interfund Balance	115,706	0	0
Inventory	0	0	0
Total Assets	<u>\$ 136,227</u>	<u>\$ 15,983</u>	<u>\$ 22,977</u>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>Liabilities</b>			
Interfund Balance	\$ 0	\$ 0	\$ 0
Accounts Payable	10,751	350	82
Deferred Revenue	0	0	0
Total Liabilities	<u>10,751</u>	<u>350</u>	<u>82</u>
<b>Fund Balances</b>			
<b>Reserved for:</b>			
Inventory	0	0	0
Capital Improvements	0	0	0
Retirement of Long-Term Debt	0	0	0
<b>Unreserved, Undesignated, reported in:</b>			
General Fund	125,476	15,633	22,895
Special Revenue Funds	0	0	0
Capital Projects	0	0	0
Total Fund Balances	<u>125,476</u>	<u>15,633</u>	<u>22,895</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 136,227</u>	<u>\$ 15,983</u>	<u>\$ 22,977</u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
GOVERNMENTAL FUNDS  
Balance Sheet  
June 30, 2009

	Special Revenue		
	Title I 24101	IDEA, Part B Entitlement 24106	Florida Power & Light 29129
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 428,217
Receivables			
Taxes	0	0	0
Due From Grantor	26,410	35,539	0
Interfund Balance	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 26,410</u>	<u>\$ 35,539</u>	<u>\$ 428,217</u>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>Liabilities</b>			
Interfund Balance	\$ 26,410	\$ 35,539	\$ 0
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>26,410</u>	<u>35,539</u>	<u>0</u>
<b>Fund Balances</b>			
<b>Reserved for:</b>			
Inventory	0	0	0
Capital Improvements	0	0	0
Retirement of Long-Term Debt	0	0	0
<b>Unreserved, Undesignated, reported in:</b>			
General Fund	0	0	0
Special Revenue Funds	0	0	428,217
Capital Projects	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>428,217</u>
Total Liabilities and Fund Balances	<u>\$ 26,410</u>	<u>\$ 35,539</u>	<u>\$ 428,217</u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
 GOVERNMENTAL FUNDS  
 Balance Sheet  
 June 30, 2009

	<u>Capital Projects</u>		
	<u>Bond Building 31100</u>	<u>Debt Service 41000</u>	<u>Other Governmental Funds</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 1,113,678	\$ 376,507	\$ 347,550
Receivables			
Taxes	0	1,982	519
Due From Grantor	0	0	53,757
Interfund Balance	0	0	0
Inventory	0	0	2,844
Total Assets	<u>\$ 1,113,678</u>	<u>\$ 378,489</u>	<u>\$ 404,670</u>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>Liabilities</b>			
Interfund Balance	\$ 0	\$ 0	\$ 53,757
Accounts Payable	0	0	1,846
Deferred Revenue	0	0	711
Total Liabilities	<u>0</u>	<u>0</u>	<u>56,314</u>
<b>Fund Balances</b>			
<b>Reserved for:</b>			
Inventory	0	0	1,364
Capital Improvements	1,113,678	0	0
Retirement of Long-Term Debt	0	378,489	0
<b>Unreserved, Undesignated, reported in:</b>			
General Fund	0	0	0
Special Revenue Funds	0	0	220,416
Capital Projects	0	0	126,576
Total Fund Balances	<u>1,113,678</u>	<u>378,489</u>	<u>348,356</u>
Total Liabilities and Fund Balances	<u>\$ 1,113,678</u>	<u>\$ 378,489</u>	<u>\$ 404,670</u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
 GOVERNMENTAL FUNDS  
 Balance Sheet  
 June 30, 2009

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	Total Governmental Funds
	<u>                    </u>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 2,325,304
Receivables	
Taxes	2,630
Due From Grantor	115,706
Interfund Balance	115,706
Inventory	2,844
Total Assets	<u>\$ 2,562,190</u>
 <b>LIABILITIES AND FUND BALANCE</b>	
Liabilities	
Interfund Balance	\$ 115,706
Accounts Payable	13,029
Deferred Revenue	711
Total Liabilities	<u>129,446</u>
 Fund Balances	
Reserved for:	
Inventory	1,364
Capital Improvements	1,113,678
Retirement of Long-Term Debt	378,489
Unreserved, Undesignated, reported in:	
General Fund	164,004
Special Revenue Funds	648,633
Capital Projects	126,576
Total Fund Balances	<u>2,432,744</u>
 Total Liabilities and Fund Balances	 <u>\$ 2,562,190</u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
 Reconciliation of the Governmental Funds  
 Balance Sheet to the Statement of Net Assets  
 June 30, 2009

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Amounts reported for governmental activities in the Statement of Net Assets are different because:

Total Fund Balance - Governmental Funds	\$	2,432,744
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Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.

The cost of capital assets	\$	7,812,146	
Accumulated depreciation is		<u>(2,621,328)</u>	5,190,818

Long-term and certain other liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term and other liabilities at year end consist of :

Bond payable	(2,000,000)	
Issue Costs	31,740	
Accumulated Amortization	(3,174)	
Accrued Interest	(27,077)	
Compensated Absences	<u>(11,592)</u>	<u>(2,010,103)</u>

Total net assets - governmental activities	\$	<u><u>5,613,459</u></u>
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The notes to the financial statements are an integral part of this statement.



STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures and  
Changes in Fund Balance  
For the Year Ended June 30, 2009

	General Fund		
	Operational	Transportation	Instructional
	11000	13000	Material 14000
Revenues			
Property Taxes	\$ 23,425	\$ 0	\$ 0
Interest Income	19,684	0	0
Fees	11,204	0	0
State and Local Grants	3,813,975	548,042	50,886
Federal Grants	0	0	0
Miscellaneous	6,525	1,012	99
Total Revenues	<u>3,874,813</u>	<u>549,054</u>	<u>50,985</u>
Expenditures			
Current			
Instruction	2,374,202	0	29,690
Support Services-Students	252,923	0	0
Support Services-Instruction	66,608	0	1,721
Support Services-General Administration	139,935	0	0
Support Services-School Administration	198,058	0	0
Central Services	119,151	0	0
Operation & Maintenance of Plant	655,588	0	0
Student Transportation	2,501	533,421	0
Food Service	40,312	0	0
Capital Outlay	7,673	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Bond Issue Costs	0	0	0
Total Expenditures	<u>3,856,951</u>	<u>533,421</u>	<u>31,411</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>17,862</u>	<u>15,633</u>	<u>19,574</u>
Fund Balances at Beginning of Year	107,614	0	3,321
Restatement	0	0	0
Restated Beginning Fund Balance	<u>107,614</u>	<u>0</u>	<u>3,321</u>
Fund Balance End of Year	<u>\$ 125,476</u>	<u>\$ 15,633</u>	<u>\$ 22,895</u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures and  
Changes in Fund Balance  
For the Year Ended June 30, 2009

	Special Revenue		
	Title I	IDEA, Part B	Florida
	24101	Entitlement 24106	Power & Light 29129
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State and Local Grants	0	0	90,165
Federal Grants	89,287	82,611	0
Miscellaneous	0	0	0
Total Revenues	<u>89,287</u>	<u>82,611</u>	<u>90,165</u>
<b>Expenditures</b>			
Current			
Instruction	89,287	61,614	517
Support Services-Students	0	20,997	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Central Services	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service	0	0	0
Capital Outlay	0	0	26,929
Debt Service			
Principal	0	0	0
Interest	0	0	0
Bond Issue Costs	0	0	0
Total Expenditures	<u>89,287</u>	<u>82,611</u>	<u>27,446</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>62,719</u>
Fund Balances at Beginning of Year	0	0	365,498
Restatement	0	0	0
Restated Beginning Fund Balance	<u>0</u>	<u>0</u>	<u>365,498</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 428,217</u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures and  
Changes in Fund Balance  
For the Year Ended June 30, 2009

	<u>Capital Projects</u>		
	Bond Building 31100	Debt Service 41000	Other Governmental Funds
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 368,433	\$ 95,130
Interest Income	25,633	3,713	2,003
Fees	0	0	67,752
State and Local Grants	0	0	255,324
Federal Grants	0	0	231,970
Miscellaneous	0	0	0
Total Revenues	<u>25,633</u>	<u>372,146</u>	<u>652,179</u>
<b>Expenditures</b>			
Current			
Instruction	0	0	128,804
Support Services-Students	0	0	81,235
Support Services-Instruction	0	0	87,754
Support Services-General Administration	0	3,698	957
Support Services-School Administration	0	0	0
Central Services	0	0	6,980
Operation & Maintenance of Plant	0	0	35,924
Student Transportation	0	0	0
Food Service	0	0	134,761
Capital Outlay	60,391	0	118,942
Debt Service			
Principal	0	290,000	0
Interest	0	80,103	0
Bond Issue Costs	31,740	0	0
Total Expenditures	<u>92,131</u>	<u>373,801</u>	<u>595,357</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(66,498)</u>	<u>(1,655)</u>	<u>56,822</u>
Fund Balances at Beginning of Year	1,330,626	380,144	291,534
Restatement	(150,450)	0	0
Restated Beginning Fund Balance	<u>1,180,176</u>	<u>380,144</u>	<u>291,534</u>
Fund Balance End of Year	<u>\$ 1,113,678</u>	<u>\$ 378,489</u>	<u>\$ 348,356</u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
 GOVERNMENTAL FUNDS  
 Statement of Revenues, Expenditures and  
 Changes in Fund Balance  
 For the Year Ended June 30, 2009

	Total Governmental Funds
Revenues	
Property Taxes	\$ 486,988
Interest Income	51,033
Fees	78,956
State and Local Grants	4,758,392
Federal Grants	403,868
Miscellaneous	7,636
Total Revenues	<u>5,786,873</u>
Expenditures	
Current	
Instruction	2,684,114
Support Services-Students	355,155
Support Services-Instruction	156,083
Support Services-General Administration	144,590
Support Services-School Administration	198,058
Central Services	126,131
Operation & Maintenance of Plant	691,512
Student Transportation	535,922
Food Service	175,073
Capital Outlay	213,935
Debt Service	
Principal	290,000
Interest	80,103
Bond Issue Costs	31,740
Total Expenditures	<u>5,682,416</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>104,457</u>
Fund Balances at Beginning of Year	2,478,737
Restatement	(150,450)
Restated Beginning Fund Balance	<u>2,328,287</u>
Fund Balance End of Year	<u><u>\$ 2,432,744</u></u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
 Reconciliation of the Governmental Funds  
 Statement of Revenues, Expenditures and Changes in Fund Balance  
 To the Statement of Activities  
 June 30, 2009

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Net Change in Fund Balance-Governmental Funds \$ 104,457

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeds capital outlays in the period.

Depreciation expense	\$	(360,042)	
Capital Outlays		<u>213,935</u>	(146,107)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. 290,000

Bond issue costs are amortized in the Statement of Activities but are recorded as an expenditure in the year of issue on the Statement of Revenues, Expenditures and Changes in Fund Balances. The bond issue costs are amortized over the life of the bonds.

Issue Cost this year		31,740	
Amortization of Issue Cost this year		<u>(3,174)</u>	28,566

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.

Change in Accrued Interest			16,509
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Some expenses reported in the Statement of Activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Change in Compensated Absences			<u>(11,591)</u>
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Changes in Net Assets of Governmental Activities	\$		<u><u>281,834</u></u>
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The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
GENERAL FUND-11000  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ 21,780	\$ 21,780	\$ 23,566	\$ 1,786
Interest Income	20,000	20,000	19,684	(316)
Fees	0	0	11,204	11,204
State Grant	3,770,876	3,770,876	3,813,975	43,099
Miscellaneous	1	1	6,525	6,524
Total Revenues	<u>3,812,657</u>	<u>3,812,657</u>	<u>3,874,954</u>	<u>62,297</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	1,674,147	1,647,028	1,623,295	23,733
Employee Benefits	575,921	547,648	538,544	9,104
Professional & Tech Services	31,848	16,085	15,488	597
Purchased Property Services	2,000	2,000	525	1,475
Purchased Services	41,550	40,413	31,367	9,046
Supplies	53,677	167,981	167,660	321
Total Instruction	<u>2,379,143</u>	<u>2,421,155</u>	<u>2,376,879</u>	<u>44,276</u>
<b>Support Services-Students</b>				
Personnel Services	155,619	167,651	167,083	568
Employee Benefits	69,120	58,856	58,856	0
Professional & Tech Services	32,250	27,842	25,462	2,380
Purchased Services	1,000	1,000	7	993
Supplies	1,000	2,875	1,491	1,384
Total Support Services-Students	<u>258,989</u>	<u>258,224</u>	<u>252,899</u>	<u>5,325</u>
<b>Support Services-Instruction</b>				
Personnel Services	33,475	33,475	33,370	105
Employee Benefits	48,833	27,712	25,166	2,546
Professional & Tech Services	550	550	179	371
Supplies	1,000	9,877	7,892	1,985
Total Support Services-Instruction	<u>83,858</u>	<u>71,614</u>	<u>66,607</u>	<u>5,007</u>
<b>Support Services-General Administration</b>				
Personnel Services	81,000	81,000	80,334	666
Employee Benefits	26,607	26,607	26,053	554
Professional & Tech Services	25,000	26,000	25,674	326
Purchased Services	6,000	5,162	4,618	544
Supplies	2,000	2,000	1,836	164
Total Support Services-General Administration	<u>\$ 140,607</u>	<u>\$ 140,769</u>	<u>\$ 138,515</u>	<u>\$ 2,254</u>

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
GENERAL FUND-11000  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Support Services-School Administration				
Personnel Services	\$ 155,056	\$ 155,742	\$ 155,725	\$ 17
Employee Benefits	42,818	34,648	33,924	724
Professional & Tech Services	500	1,500	599	901
Supplies	300	8,610	7,810	800
Total Support Services-School Administration	<u>198,674</u>	<u>200,500</u>	<u>198,058</u>	<u>2,442</u>
Central Services				
Personnel Services	83,800	83,800	82,660	1,140
Employee Benefits	27,093	27,185	26,338	847
Professional & Tech Services	1,250	2,178	1,584	594
Supplies	250	8,600	8,569	31
Total Central Services	<u>112,393</u>	<u>121,763</u>	<u>119,151</u>	<u>2,612</u>
Operation & Maintenance of Plant				
Personnel Services	141,735	152,591	152,264	327
Employee Benefits	98,581	80,612	79,925	687
Professional & Tech Services	800	149	149	0
Purchased Property Services	210,000	177,922	175,744	2,178
Purchased Services	80,888	78,099	78,046	53
Supplies	188,068	182,622	174,482	8,140
Total Operation & Maintenance of Plant	<u>720,072</u>	<u>671,995</u>	<u>660,610</u>	<u>11,385</u>
Transportation				
Purchased Property Services	200	3,000	2,501	499
Total Transportation	<u>200</u>	<u>3,000</u>	<u>2,501</u>	<u>499</u>
Food Service				
Personnel Services	19,929	19,658	19,657	1
Employee Benefits	15,467	20,654	20,654	0
Total Food Service	<u>35,396</u>	<u>40,312</u>	<u>40,311</u>	<u>1</u>
Total Expenditures	<u>3,929,332</u>	<u>3,929,332</u>	<u>3,855,531</u>	<u>73,801</u>
Excess (Deficiency) of Revenues Over Expenditures	(116,675)	(116,675)	19,423	136,098
Cash Balance Beginning of Year	<u>116,675</u>	<u>116,675</u>	<u>116,675</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 136,098</u>	<u>\$ 136,098</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 19,423	
Net Change in Taxes Receivable			(141)	
Net Change in Accounts Payable			(1,420)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 17,862</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
TRANSPORTATION-13000  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
State Grants	\$ 560,562	\$ 560,562	\$ 548,042	\$ (12,520)
Miscellaneous	0	0	1,012	1,012
Total Revenues	<u>560,562</u>	<u>560,562</u>	<u>549,054</u>	<u>(11,508)</u>
<b>Expenditures</b>				
<b>Transportation</b>				
Personnel Services	116,782	116,994	116,994	0
Employee Benefits	79,734	66,149	66,149	0
Professional & Tech Services	10,368	788	788	0
Purchased Property Services	63,460	53,420	53,420	0
Other Purchased Services	277,751	289,803	289,803	0
Supplies	12,467	5,917	5,917	0
Total Transportation	<u>560,562</u>	<u>533,071</u>	<u>533,071</u>	<u>0</u>
Total Expenditures	<u>560,562</u>	<u>533,071</u>	<u>533,071</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	27,491	15,983	(11,508)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 27,491</u>	<u>\$ 15,983</u>	<u>\$ (11,508)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 15,983	
Net Change in Accounts Payable			<u>(350)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 15,633</u>	

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



STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
 INSTRUCTIONAL MATERIAL-14000  
 Statement of Revenues, Expenditures, and Changes in Cash Balance -  
 Budget and Actual (Budgetary Basis)  
 For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
State Grants	\$ 33,966	\$ 35,786	\$ 50,886	\$ 15,100
Miscellaneous	0	0	99	99
Total Revenues	<u>33,966</u>	<u>35,786</u>	<u>50,985</u>	<u>15,199</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Supplies	25,773	29,412	28,645	767
Property	3,233	1,045	1,045	0
Total Instruction	<u>29,006</u>	<u>30,457</u>	<u>29,690</u>	<u>767</u>
<b>Support Services-Instruction</b>				
Supplies	1,639	2,009	1,639	370
Total Support Services-Instruction	<u>1,639</u>	<u>2,009</u>	<u>1,639</u>	<u>370</u>
Total Expenditures	<u>30,645</u>	<u>32,466</u>	<u>31,329</u>	<u>1,137</u>
Excess (Deficiency) of Revenues Over Expenditures	3,321	3,320	19,656	16,336
Cash Balance Beginning of Year	<u>3,321</u>	<u>3,321</u>	<u>3,321</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 6,642</u>	<u>\$ 6,641</u>	<u>\$ 22,977</u>	<u>\$ 16,336</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 19,656	
Net Change in Accounts Payable			<u>(82)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 19,574</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-TITLE I-24101  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Federal Grant	\$ 90,828	\$ 90,828	\$ 60,535	\$ (30,293)
Total Revenues	<u>90,828</u>	<u>90,828</u>	<u>60,535</u>	<u>(30,293)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	60,080	60,080	59,877	203
Employee Benefits	29,839	29,839	29,201	638
Professional & Tech Services	909	909	208	701
Total Instruction	<u>90,828</u>	<u>90,828</u>	<u>89,286</u>	<u>1,542</u>
Total Expenditures	<u>90,828</u>	<u>90,828</u>	<u>89,286</u>	<u>1,542</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(28,751)	(28,751)
Cash Balance Beginning of Year	<u>2,341</u>	<u>2,341</u>	<u>2,341</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 2,341</u>	<u>\$ 2,341</u>	<u>\$ (26,410)</u>	<u>\$ (28,751)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (28,751)	
Net Change in Due from Grantor			26,410	
Net Change in Deferred Revenue			2,341	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-IDEA, PART B ENTITLEMENT-24106  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Federal Grant	\$ 74,876	\$ 115,730	\$ 77,467	\$ (38,263)
Total Revenues	<u>74,876</u>	<u>115,730</u>	<u>77,467</u>	<u>(38,263)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	0	27,446	27,446	0
Employee Benefits	24,391	13,803	11,079	2,724
Professional & Tech Services	0	62	62	0
Supplies	0	23,027	23,027	0
Total Instruction	<u>24,391</u>	<u>64,338</u>	<u>61,614</u>	<u>2,724</u>
<b>Support Services-Students</b>				
Personnel Services	10,362	10,362	10,362	0
Employee Benefits	9,470	10,185	10,185	0
Purchased Services	258	450	450	0
Total Support Services-Students	<u>20,090</u>	<u>20,997</u>	<u>20,997</u>	<u>0</u>
Total Expenditures	<u>44,481</u>	<u>85,335</u>	<u>82,611</u>	<u>2,724</u>
Excess (Deficiency) of Revenues Over Expenditures	30,395	30,395	(5,144)	(35,539)
Cash Balance Beginning of Year	<u>(30,395)</u>	<u>(30,395)</u>	<u>(30,395)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (35,539)</u>	<u>\$ (35,539)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (5,144)	
Net Change in Due from Grantor			<u>5,144</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-FLORIDA POWER & LIGHT-29129  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Local Grant	\$ 90,165	\$ 90,165	\$ 90,165	\$ 0
Total Revenues	<u>90,165</u>	<u>90,165</u>	<u>90,165</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	520	517	3
Total Instruction	<u>0</u>	<u>520</u>	<u>517</u>	<u>3</u>
Capital Outlay				
Purchased Services	0	282,439	26,929	255,510
Total Capital Outlay	<u>0</u>	<u>282,439</u>	<u>26,929</u>	<u>255,510</u>
Total Expenditures	<u>0</u>	<u>282,959</u>	<u>27,446</u>	<u>255,513</u>
Excess (Deficiency) of Revenues Over Expenditures	90,165	(192,794)	62,719	255,513
Cash Balance Beginning of Year	<u>365,498</u>	<u>365,498</u>	<u>365,498</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 455,663</u>	<u>\$ 172,704</u>	<u>\$ 428,217</u>	<u>\$ 255,513</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 62,719	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 62,719</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
Statement of Fiduciary Assets and Liabilities - Agency Funds  
For the Year Ended June 30, 2009

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	<u>Agency Funds</u>
Assets	
Cash and Cash Equivalents	\$ 105,463
Total Assets	<u>\$ 105,463</u>
Liabilities	
Deposits Held for Others	\$ 105,463
Total Liabilities	<u>\$ 105,463</u>

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

**NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Fort Sumner Municipal School (School), has been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued prior to November 30, 1989 that do not conflict with or contradict GASB pronouncements. The more significant of the School's accounting policies are described below.

**Financial Reporting Entity**

The District has been in existence since the early nineteen hundreds, and is currently operating under the provisions of the Public School District Code, Chapter 22, of the New Mexico Statutes Annotated, 1978 Compilation. The District operates with a local board of education - superintendent form of government and provides a supervised program of instruction designed to educate students at the elementary and secondary level.

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the District is considered a *primary government*, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the District may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges and issue bonded debt.

The District has no component units, defined by GASB Statement No. 14 as other legally separate organizations for which the elected District members are financially accountable. There are no other primary governments with which the School Board Members are financially accountable. There are no other primary governments with which the District has a significant relationship.

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The funds of the District are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate fund types. The fund classification and a description of each existing fund type follows below:

***Governmental Funds***

Governmental funds are used to account for the District's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets and the servicing of general long-term debt.

General Fund - The General Fund is the general operating fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds.

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

Debt Service Fund - The Debt Service Fund is used to account for the resources for, and the payment of, principal, interest and related costs.

Capital Projects Fund - The Capital Projects Fund is used to account for all resources for the acquisition of capital facilities by the District.

***Fiduciary Fund Type***

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the District. The Agency funds are accounted for using the economic resources measurement focus and accrual basis of accounting.

The Student Activity Fund, an agency fund, accounts for assets held by the District as an agent for the District organizations. These organizations exist with the explicit approval of and are subject to revocation by the District's Board of Education. This accounting reflects the District's agency relationship with the student activity organizations.

**Major Funds**

The District reports the following major governmental funds:

**General (11000) (13000) (14000)**

The General Fund consist of three sub funds. The first is the operational fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. The Transportation fund includes a state grant to provide transportation for students in the District. The Instructional Materials fund accounts for a state grant to provide text books for students in the District.

**Title I (24101).** To account for a program funded by a Federal grant to supplement the regular instructional program for educationally deprived students. Funding authorized by the Elementary and Secondary Act of 1965, Chapter I of Title I, as amended, Public Laws 100-297, 20 U.S.C. 2701. The fund was created by the authority of federal grant provisions.

**IDEA Entitlement (24106).** To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by the Individuals with Disabilities Education Act, Part B, Sections 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100-639, and 101-476, 20 U. S. C. 1411-1420. The fund was created by the authority of federal grant provisions.

**Florida Power & Light (29129)**

To account for resources and expenditures from a non-profit organization, Parents Reaching Out for the purpose of development and implementation of the School Parent Community Involvement Plan. The fund was created by grant provisions.

**Bond Building (31100)**

The revenues are derived from a School Building Bond Issue. The expenditures are restricted to major capital improvements.

**Debt Service (41000)**

To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The resources of this fund are generated by a tax levy based upon property values.

**Measurement Focus and Basis of Accounting**

***Government-Wide Financial Statements (GWFS)***

The Statement of Net Assets and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary Funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

The Statement of Net Assets and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirement of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions."

Program Revenues

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues. Program revenues include: 1) charges for services to students or applicants who purchase, use or directly benefit from the goods or services provided by the given function 2) program-specific operating grants and contributions, and 3) program specific capital grants and contributions.

***Fund Financial Statements (FFS)***

Governmental Funds

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 30 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Any effect of interfund activity has been eliminated from the district-wide financial statements.

Revenues

Taxes Ad valorem taxes are susceptible to full accrual on the government wide financial statements. Property Tax revenues recognize revenues net of estimated refunds and uncollectible accounts in the period for which the taxes are levied.



Grants Government mandated nonexchange transaction and voluntary nonexchange transactions. Recipients should recognize revenues in the period when all applicable eligibility requirements have been met and the resources are available.

Revenue Recognition for Grants

Eligibility requirements for government-mandated and voluntary nonexchange transaction comprise one or more of the following:

1. Required characteristics of recipients. The recipient has the characteristics specified by the provider (are required to be school districts).
2. Time requirements. Time requirements specified by enabling legislation or the provider have been met (period when the resources are required to be used).
3. Reimbursements. The provider offers resources on a reimbursement ("expenditure-driven") basis and the recipient has incurred allowable costs under the applicable program.
4. Contingencies. The provider's offer of resources is contingent upon a specified action of the recipient and that action has occurred (the recipient has raised the matching funds).

Other receipts Other receipts become measurable and available when cash is received by the District and are recognized as revenue at that time.

Entitlement and shared revenues (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met.

Other receipts become measurable and available when cash is received by the District and are recognized as revenue at that time.

Expenditures

Salaries are recorded as paid. Salaries for nine-month employees are paid prior to the end of the fiscal year and therefore are not accrued. Salaries for the twelve month employees payroll are accrued.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, etc.) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Basis of Budgeting

Formal budgetary integration is employed as a management control device during the year.

Budgets for the General, Special Revenue, Debt Service and Capital Projects Funds are adopted on a basis inconsistent with generally accepted accounting principles (GAAP). These budgets are prepared using the cash basis of accounting. Budgetary comparisons for the various funds in this report are on the non-GAAP budgetary basis.

The District follows the following procedures in establishing data reflected in the financial statements:

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1. Prior to April 15, (unless a later date is fixed by the Superintendent of Public Instruction) the local school board submits to the District Budget Planning Unit (SBPU) of the New Mexico Public Education Department an estimated budget for the District for the ensuing fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the New Mexico Public Education Department (PED) by the district shall contain headings and details as prescribed by law.
2. Prior to June 20, of each year, the proposed "operating" budget will be reviewed and approved by the SBPU and certified and approved by the local school board at the public hearing of which notice has been published by the local school board which fixed the estimated budget for the district for the ensuing fiscal year.
3. The "operating" budget will be used by the District until they have been notified that the budget has been approved by the SBPU and the local school board. The budget shall be integrated formally in to the accounting system. Encumbrances shall be used as an element for control and shall be integrated into the budget system.
4. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the SBPU.
5. No school board or officer or employee of the District shall make any expenditures or incur any obligation for the expenditures of public funds unless such expenditure or contractual obligation is made in accordance with an operating budget approved by the division. But this does not prohibit the transfer of funds between line items within a series of a budget.
6. Budget change requests are processed in accordance with Supplement I (Budget Preparation and Maintenance) of the *Manual of Procedures Public School Accounting and Budgeting*. Such changes are initiated by the District and approved by the SBPU.
7. Legal budget control for expenditures is by function.
8. Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget of the District has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.

#### Cash and Cash Equivalents

The District'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.

The District is authorized under the provisions of Chapter 6, Article 10, paragraph 10, NMSA 1978, to deposit its money in banks, savings and loan associations and/or credit unions whose accounts are insured by an agency of the United States.

#### Investments

All money not immediately necessary for the public uses of the District may be invested in :

- (a) bonds or negotiable securities of the United States, the state or any county, municipality or school district which has a taxable valuation of real property for the last preceding year of at least one million dollars (1,000,000) and has not defaulted in the payment of any interest or sinking fund obligation or failed to meet any bonds at maturity at any time within five years last preceding; or

(b) securities that are issued by the United States government or by its agencies or instrumentalities and that are either direct obligations of the United States or are backed by the full faith and credit of the United States government or agencies guaranteed by the United States government.

(c) in contracts with banks, savings and loan associations or credit unions for the present purchase and resale at a specified time in the future of specific securities at specified prices at a price differential representing the interest income to be earned by the investor. The contract shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with the investment. The contract shall be fully secured by obligations of the United States having a market value of at least one hundred two percent of the contract. The collateral required for investment in the contracts provided for in this subsection shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with investment.

#### Receivables and Payables

Receivables include property taxes, interfund loans that are expected to be paid back and amount due from state government agencies related to various grant agreements. Payables represent routine monthly bills for services rendered and products purchased and accrued salaries and benefits.

#### Property Taxes

The County collects the District's share of property taxes assessed. Property taxes attach an enforceable lien on property as of January 1st. Tax notices are sent by the County treasurer to property owners by November 1st of each year to be paid in whole or in two installments by November 10th and April 10th of each year. The County collects such taxes and distributes them to the District on a monthly basis. The District accounts for its share of property taxes in the General, Debt Service and Capital Projects Funds. Only those collections received are recorded as revenues for the budget presentation.

#### Elimination and Reclassifications of Certain Receivables and Payables

In the process of aggregating data for the Statement of Net Assets and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

#### Inventories and Prepaid Items

Purchased inventory is valued at the lower of cost (first-in, first-out) or market. Inventory in the Cafeteria Fund consists of purchased food and non-food items and United States Department of Agriculture (USDA) commodities. Commodities are shown at the USDA procurement cost. Costs are recorded as expenditures at the time individual inventory items are used (consumption method). Reported inventories are equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both District-wide and fund financial statements.

Capital Assets

Capital assets are recorded at historical costs and depreciated over their estimated useful lives (with no salvage value). Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Donated capital assets are recorded at their estimated fair market value on the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

If there are any construction projects funded by the NM Public School Facilities Authority they are included in the appropriate capital projects fund and in the capital assets.

Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Buildings & Improvements	20-50 Years
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	5-20 Years

Capital Leases

Capital leases are recorded at the inception of the leases as expenditures and other financing sources in governmental fund financial statement at the present value of the future minimum lease payments, using the stated or implicit interest rate in the leases. Lease payments are recorded as expenditures on the due date. Capital leases are recorded as a liability in the government-wide financial statement at the time of inception and the corresponding asset is recorded in the capital asset section on the balance sheet.

Short -Term Debt

Short-term debt results from borrowings characterized by anticipation notes, use of lines of credit, and similar loans. The District does not have any activity in short-term debt.

Long-Term Liabilities

For district-wide reporting, the costs associated with the bonds are recognized over the life of the bond. As permitted by GASB Statement No. 34 the amortization of the costs of bonds will be amortized prospectively from the date of adoption of GASB Statement No. 34.

Restricted Net Assets

For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net assets use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available it will first be applied to restricted resources.

Fund Balances of Fund Financial Statements

Reserved fund balance indicates that portion of fund equity which has been segregated for specific purposes.

Unreserved fund balance indicates that portion of fund equity which is available for budgeting in future periods.

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Interfund Transfers

In governmental funds, transfers should be reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers.

Deferred Revenue

The District reports deferred revenues on its Statement of Net Assets and Fund Balance Sheet. Deferred revenues arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the District has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized. Deferred revenues also occur in the fund financial statements when revenue is earned but is not available. The revenue becomes available if received within 30 days of the fiscal year end.

Compensated Absences

The District contracts all employees on an annual basis. A terminated employee is paid through the date of dismissal in accordance with their contract. Due to this practice, there are no compensated absences accrued.

Estimates

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

**NOTE B: CASH AND INVESTMENTS**

The District is required by New Mexico State Statute (Section 6-10-17) to be 50% collateralized. Following is a schedule calculating the requirement and disclosing the pledged securities.

**The Citizens Bank of Clovis**

<u>Name of Account</u>	<u>Balance Per Bank 06-30-09</u>	<u>Reconciled Balance</u>	<u>Type</u>
Operational Accounts Payable	\$ 530,166	\$ 5,207	Checking
Investment Account	2,237,240	2,237,240	Checking
Draw Account	490	0	Checking
Hot Lunch	81,067	71,895	Checking
High School	121,244	116,424	Checking
TOTAL Deposited	<u>2,970,207</u>	<u>\$ 2,430,766</u>	
Less: FDIC Coverage	<u>(2,970,207)</u>		
Uninsured Amount	0		
50% collateral requirement	0		
Pledged securities	<u>1,871,783</u>		
Over (Under) requirement	<u>\$ 1,871,783</u>		

The following securities are pledged

<u>Description</u>	<u>CUSIP #</u>	<u>Par/ Market Value</u>	<u>Maturity Date</u>	<u>Location</u>
GNMA II Pool #80444	36225CP67	\$ 254,699	08/20/30	* IB AFS
GNMA II Pool #80719	36225CYR1	144,904	06/20/33	* IB AFS
GNMA II Pool #4083	36202ERC5	1,472,180	02/20/38	* IB AFS
		<u>\$ 1,871,783</u>		

\* Independent Bank AFS  
Dallas TX

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**Custodial Credit Risk-Deposits**

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ 2,970,207
Collateralized:	
Collateral held by the pledging bank in District's name	0
Uninsured and uncollateralized	0
Total Deposits	<u>\$ 2,970,207</u>

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2009, none of District's bank balance of \$2,970,207 was exposed to custodial credit risk.

**NOTE C: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The composition of interfund balances is as follows:

<u>Receivable Fund</u>	<u>Payable Funds</u>			
	Title I	IDEA B Entitlement	Non Major Funds	Total
General Fund	\$ 26,410	\$ 35,539	\$ 53,757	\$ 115,706
Totals	<u>\$ 26,410</u>	<u>\$ 35,539</u>	<u>\$ 53,757</u>	<u>\$ 115,706</u>

The above interfund balances resulted from reimbursement grants. The shortfalls were covered by the General Fund. All transactions will be repaid within one year.

**NOTE E: TAXES RECEIVABLE**

Following is a schedule of property taxes receivable as of June 30, 2009:

	General Fund 11000	Debt Service 41000	Other Governmental Funds	Total
Property Taxes Receivable:				
Available	\$ 129	1,982	519	2,630
Unavailable	0	0	0	0
TOTAL Property Taxes Receivable	<u>\$ 129</u>	<u>\$ 1,982</u>	<u>\$ 519</u>	<u>\$ 2,630</u>

**NOTE F: DUE FROM GRANTOR**

Amounts due from other agencies and units of government were as follows as of June 30, 2009:

Federal Agencies	\$ 104,831
State Agencies	10,875
Total	<u>\$ 115,706</u>

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**NOTE G: DEFERRED REVENUES**

Revenues are deferred in accordance with the modified accrual basis of accounting for the fund financial statements. The following deferred revenues are measurable but do not represent available expendable resources for the Fund Financial Statements for the fiscal year ended June 30, 2009:

	General Fund 11000	Debt Service 41000	Other Governmental	Total
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Federal Revenues	0	0	711	711
<b>TOTAL Deferred Revenues</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 711</b>	<b>\$ 711</b>

**NOTE H: CAPITAL ASSETS**

Capital Assets Balances and Activity for the Year Ended June 30, 2009, is as follows:

	Balance 6/30/08	Increases	Decreases	Balance 6/30/09
<b>Governmental Activities</b>				
Capital Assets, not being Depreciated				
Land	\$ 0	\$ 0	\$ 0	\$ 0
Construction In Progress	0	92,131	0	92,131
Total Capital Assets, not being Depreciated	<u>0</u>	<u>92,131</u>	<u>0</u>	<u>92,131</u>
Capital Assets, being Depreciated				
Buildings & Improvements	5,675,093	130,980	0	5,806,073
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	<u>1,923,119</u>	<u>22,563</u>	<u>0</u>	<u>1,945,682</u>
Total Capital Assets, being Depreciated	<u>7,598,212</u>	<u>153,543</u>	<u>0</u>	<u>7,751,755</u>
Total Capital Assets	<u>\$ 7,598,212</u>	<u>\$ 245,674</u>	<u>\$ 0</u>	<u>\$ 7,843,886</u>
<b>Less Accumulated Depreciation</b>				
Buildings & Improvements	\$ 1,435,348	\$ 262,278	\$ 0	\$ 1,697,627
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	<u>825,937</u>	<u>97,764</u>	<u>0</u>	<u>923,701</u>
Total Accumulated Depreciation	<u>2,261,285</u>	<u>360,042</u>	<u>0</u>	<u>2,621,328</u>
Capital Assets, net	<u>\$ 5,336,927</u>	<u>\$ (114,368)</u>	<u>\$ 0</u>	<u>\$ 5,222,557</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 360,042
Total depreciation expenses	<u>\$ 360,042</u>

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**NOTE I: LONG TERM DEBT**

A summary of activity in the Long-Term Debt is as follows:

	Balance 6/30/08	Additions	Reductions	Balance 6/30/09	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General Obligation					
Bonds	\$ 2,290,000	\$ 0	\$ 290,000	\$ 2,000,000	\$ 310,000
Total Bonds	<u>2,290,000</u>	<u>0</u>	<u>290,000</u>	<u>2,000,000</u>	<u>310,000</u>
Other Liabilities					
Compensated					
Absences	13,259	13,200	14,867	11,592	0
Total Other	<u>13,259</u>	<u>13,200</u>	<u>14,867</u>	<u>11,592</u>	<u>0</u>
Liabilities					
Long-Term Liabilities	<u>\$ 2,303,259</u>	<u>\$ 13,200</u>	<u>\$ 304,867</u>	<u>\$ 2,011,592</u>	<u>\$ 310,000</u>

Payments on the general obligation bonds are made by the Debt Service Funds. The compensated absences liability will ultimately be liquidated by several of the District's governmental funds, with most being paid by the General Fund, Transportation Fund, Cafeteria Fund and Title I Fund.

The current portion of the compensated absences is estimated at zero since there are no anticipated retirements or terminations.

Reconciliation of Long-Term Debt disclosed in Note H to the Long-Term Debt reported in the Statement of Net Assets.

Above Balance	\$ 2,000,000
Issue Costs	(31,740)
Accumulated Amortization	3,174
Statement of Net Assets	<u>\$ 1,971,434</u>
Government Wide Statements	
Amount Reported as Current Amount Due	\$ 310,000
Amount Reported as Long-Term Due	1,661,434
Statement of Net Assets	<u>\$ 1,971,434</u>

General Obligation Bonds.

The following bonds were issued for the purpose of erecting, furnishing, remodeling and making additions to District buildings and improving District grounds. A tax is annually assessed, levied and collected upon all taxable property within the District for the purpose of providing the necessary funds to meet the interest and principal payments as they become due.

Series	Date of Issue	Original Amount	Interest Rate	Balance
1995	01/15/95	1,575,000	5.25% - 6.70%	\$ 0
2003	05/09/03	700,000	.910% - 2.6%	550,000
2007	11/16/07	1,500,000	3.570 %	1,450,000
				<u>\$ 2,000,000</u>



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The annual requirements to amortize the general obligation bonds including interest payments are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 310,000	\$ 57,607	\$ 367,607
2011	235,000	50,420	285,420
2012	240,000	44,052	284,052
2013	200,000	37,824	237,824
2014	205,000	31,504	236,504
2015-2018	810,000	56,385	866,385
	<u>\$ 2,000,000</u>	<u>\$ 277,792</u>	<u>\$ 2,277,792</u>

**NOTE J: COMMITMENTS**

The District is doing a campus wide remodel and improvement at an estimated cost of \$1.3 million.

**NOTE K: PENSION PLAN**

Substantially all of the (name of employer)'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 financial statements and required supplementary information for the plan. That report may be obtained by writing to ERB, P.O. Box 26129, Santa Fe, NM 87502. The report is also available on ERB's website at [www.nmerb.org](http://www.nmerb.org).

Plan members are required to contribute 7.9% of their gross salary. The District is required to contribute 11.65% of the gross covered 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 State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District's contributions to ERB for the fiscal years ending June 30, 2009, 2008, and 2007, were \$494,642, \$468,459 and \$425,940, respectively, which equal the amount of the required contributions for each fiscal year.

**NOTE L: RETIREE HEALTH CARE ACT CONTRIBUTIONS**

The District 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 the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

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).

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 1/1/98 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

The District's contributions to the RHCA for the years ended June 30, 2009, 2008 and 2007 were \$50,981, \$50,806 and \$47,231, respectively, which equal the required contributions for each year.

**NOTE M: RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS STATEMENTS**

The Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - all Governmental Fund Types is presented on the budgetary basis to provide a comparison of actual results with the budget. The major differences between the budget basis and GAAP (Generally Accepted Accounting Principles) basis are that:

- A. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- B. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).

The adjustments necessary to convert the results of operations for the year from GAAP basis to the budget basis for the governmental funds are presented on each individual Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).

Reconciliations are located at the bottom of each budget actual.

**NOTE N: INSURANCE COVERAGE**

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; error and omissions; and injuries to employees; and natural disasters. The District, as a New Mexico Public School, is insured through the New Mexico Public Schools Insurance Authority (NMPSIA). Annual premiums are paid by the District to NMPSIA for coverage provided in the following areas:

- Workers Compensation
- Property and Automobile Liability and Physical Damage
- Liability and Civil Rights and Personal Injury
- Contract School Bus Coverage; and
- Crime

**NOTE O: SURETY BOND**

The officials and certain employees of the District are covered by a surety bond as required by Section 12-6-7, NMSA, 1978 Compilation.

**NOTE P: JOINT POWERS AGREEMENT**

A joint powers agreement was entered into with the Regional Education Cooperative No. 6 (REC). The purpose of the agreement is to allow the submission of a consolidated application to the State Department of Education for certain funds granted to the State of New Mexico by the United States Department of Education under the Education of the Handicapped Act, Part B, PL 94-142 among others. The REC is the fiscal agent and responsible for the audit.

There are ten schools that participate in the REC, they are Dora, Elida, Floyd, Fort Sumner, Grady, House, Logan, Melrose, San Jon, and Texico. The agreement became effective on July 1, 1995 and is to remain in effect until the end of any fiscal year during which the school gives notice of intent to terminate.

The REC passed-through \$131,091, to the District for salaries and fringe benefits. As required by SAO 2.2.2.12 C (3) (d), the REC funds were reported as revenues and expenditures in the following special revenue funds:

24106	IDEA, Part B Entitlement
24107	IDEA, Part B Discretionary
24109	IDEA, Part B Preschool

The financial statements for the REC were prepared by another IPA. The audit report is available at the REC located at 1500 South Ave K, Station 9, Portales, New Mexico 88130.

**NOTE Q: RESTATEMENT**

The net assets and fund balance were restated by \$(150,449) to reclassify a loan from PSFA made to the District in the 05-06 fiscal year to repair the gym after the roof collapsed. The loan was originally classified as a state grant and should have been reported as a non-interest bearing loan. The loan was repaid in the 08-09 fiscal year.

**SUPPLEMENTAL INFORMATION RELATED TO  
MAJOR FUNDS**

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
 CAPITAL PROJECT FUND-BOND BUILDING-31100  
 Statement of Revenues, Expenditures, and Changes in Cash Balance -  
 Budget and Actual (Budgetary Basis)  
 For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Interest Income	\$ 10,000	\$ 10,000	\$ 25,633	\$ 15,633
Total Revenues	<u>10,000</u>	<u>10,000</u>	<u>25,633</u>	<u>15,633</u>
<b>Expenditures</b>				
<b>Capital Outlay</b>				
Professional & Tech Services	151,606	151,606	64,598	87,008
Construction Services	<u>1,000,000</u>	<u>1,189,020</u>	<u>27,533</u>	<u>1,161,487</u>
Total Capital Outlay	<u>1,151,606</u>	<u>1,340,626</u>	<u>92,131</u>	<u>1,248,495</u>
Total Expenditures	<u>1,151,606</u>	<u>1,340,626</u>	<u>92,131</u>	<u>1,248,495</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,141,606)	(1,330,626)	(66,498)	1,264,128
<b>Other Financing Sources</b>				
PSFA-Repay Loan	<u>0</u>	<u>0</u>	<u>(150,450)</u>	<u>(150,450)</u>
Total Other Sources	<u>0</u>	<u>0</u>	<u>(150,450)</u>	<u>(150,450)</u>
Net Change in Cash Balance	(1,141,606)	(1,330,626)	(216,948)	1,113,678
Cash Balance Beginning of Year	<u>1,330,626</u>	<u>1,330,626</u>	<u>1,330,626</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 189,020</u>	<u>\$ 0</u>	<u>\$ 1,113,678</u>	<u>\$ 1,113,678</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Net Change in Cash Balance			\$ (216,948)	
Net Change in Fund Balance			<u>150,450</u>	
Net Change in Fund Balance			<u>\$ (66,498)</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
DEBT SERVICE-41000  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Taxes	\$ 370,110	\$ 370,110	\$ 369,772	\$ (338)
Interest Income	4,000	4,000	3,713	(287)
Total Revenues	<u>374,110</u>	<u>374,110</u>	<u>373,485</u>	<u>(625)</u>
Expenditures				
Support Services-General Administration				
Professional & Tech Services	3,701	3,701	3,698	3
Total Support Services-General Administration	<u>3,701</u>	<u>3,701</u>	<u>3,698</u>	<u>3</u>
Debt Service				
Debt Service				
Principal	290,000	290,000	290,000	0
Interest	80,111	80,111	80,103	8
Total Debt Service	<u>370,111</u>	<u>370,111</u>	<u>370,103</u>	<u>8</u>
Total Expenditures	<u>373,812</u>	<u>373,812</u>	<u>373,801</u>	<u>11</u>
Excess (Deficiency) of Revenues Over Expenditures	298	298	(316)	(614)
Cash Balance Beginning of Year	<u>376,823</u>	<u>376,823</u>	<u>376,823</u>	<u>0</u>
Cash Balance End of Year	\$ <u>377,121</u>	\$ <u>377,121</u>	\$ <u>376,507</u>	\$ <u>(614)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (316)	
Net Change in Taxes Receivable			<u>(1,339)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>(1,655)</u>	

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

**SUPPLEMENTAL INFORMATION RELATED TO  
NON MAJOR FUNDS**

**NONMAJOR SPECIAL REVENUE FUNDS**

**Food Services (21000).** To account for revenue and expenditures associated with the school breakfast and lunch program. Funding is provided from fees from patrons and USDA food reimbursements. Authority for creation of this fund is NMSA 22-13-13.

**Athletics (22000).** To account for revenue and expenditures associated with the District's budgeted athletic activities. (NMAC 6.20.2).

**IDEA Part B, Discretionary (24107).** To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by the Individuals with Disabilities Education Act, Part B, Sections 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100-639, and 101-476, 20 U. S. C. 1411-1420. The fund was created by the authority of federal grant provisions.

**IDEA, Part B Preschool (24109).** To account for a program funded by a Federal grant to assist the District in providing a free appropriate public education to preschool disabled children aged three through five years. Funding authorized by the Individuals with Disabilities Education Act, Part B, Section 619, as amended, Public Laws 94-142, 99-457, 100-630, 101-497, 101-476, and 102-119. The fund was created by the authority of federal grant provisions.

**Education of Homeless (24113).** To account for a program funded by the U.S. Department of Education through the New Mexico Public Education Department to provide services for schools that have children and youth who were displaced by Hurricane Katrina. The students are entitled to the same services as any other student in the district, including transportation, special education, etc. The fund was created by the authority of federal grant provisions.

**Fresh Fruit & Vegetable Program (24118).** To account for a Federal grant to provide a variety of free fresh fruits and vegetables to children to help create a healthier school environment. Funding is authorized by the Agriculture, Rural Development, Food and Drug Administration and Related Agencies Act, signed in November 2005, Public Law 109-97.

**Enhancing Education through Technology (24149).** To account for revenues and expenditures received from a federal grant to be used to encourage elementary and secondary schools and community-based agencies to create, develop, and offer service learning opportunities for school-age youth. The fund was created by the authority of the National and Community Service Act of 1990, as amended.

**Teacher/Principal Training & Recruiting (24154).** 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 student academic achievement. Elementary and Secondary Education Act of 1965, as amended, Title II, Part A (PL 107-110).

**Safe & Drug Free Schools (24157).** 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. Elementary and Secondary Education Act, Title IV, Part A, Subpart 1, as amended. 20 USC 7111-7118.



**NONMAJOR SPECIAL REVENUE FUNDS**

**Title III Immigrant Grant (24163).** To account for the revenues and expenditures provided for daily tutoring in intensive English instruction in the area of reading. Funds are received through the New Mexico Department of Education. The fund was created by the authority of federal grant provisions. (PL 103-382).

**Title I Stimulus (24201).** To account for a program funded by a Federal grant to supplement the regular instructional program for educationally deprived students. Funding authorized by the American Recovery and Reinvestment Act of 2009. The fund was created by the authority of federal grant provisions.

**IDEA, Part B Entitlement Stimulus (24206).** To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by the American Recovery and Reinvestment Act of 2009. The fund was created by the authority of federal grant

**IDEA, Part B Preschool Stimulus (24209).** To account for a program funded by a Federal grant to assist the District in providing a free appropriate public education to preschool disabled children aged three through five years. Funding authorized by the American Recovery and Reinvestment Act of 2009. The fund was created by the authority of federal grant provisions.

**Rural Education Achievement Program (25233).** To provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools. Elementary and Secondary Education Act of 1965 (ESEA), Title VI, Part B, as amended.

**Ed Tech (27117).** To account for funds received from the Technology for Education Grant created by the 1994 State Legislation to establish funding of any costs associated with educational technology. Funding provided by the State of New Mexico. (NMSA 22-15A-1-10).

**Incentive for School Improvement (27138)** To account for revenues and expenditures from a state grant as part of the Incentives for School Improvement Act: awarded based on the improvement in CTBS 5/Terra Nova or New Mexico High School Competency Examination scores. The fund was created by state grant provisions. (NMSA 22-13 A-1).

**Beginning Teacher Mentoring Program (27154).** To account for revenues and expenditures from a state grant provided for tutoring and student enhancement activities in reading, math, and study skills for grades sixth through eight. The fund was created by state grant provisions.

**Classroom Breakfast (27155).** To account for revenues and expenditures from a state grant for the purpose of providing a free breakfast to elementary students. The fund was created by state grant provisions.

**Pilot Science (27160).** Grant funds provided by the NM PED Rural Education department to purchase materials to make a solar bicycle in our physics class.

**Technology Equity (27162).** To account for revenues and expenditures from a state grant for the school. The funding made available to update wiring and other items related to the infrastructure of the school. The fund was created by state grant provisions.

**Outdoor Classroom Interagency (27165).** To account for funds received from the Rural Education Bureau created by the 2007 State Legislation to establish funding of any costs associated with the teaching of classroom curriculum outdoors. Funding provided by the State of New Mexico (NMSA 22-13 A-1).

**NONMAJOR SPECIAL REVENUE FUNDS**

**Library GO Bonds (27170).** To account for revenues and expenditures from a state grant to provide for public school and juvenile detention libraries. The funding made available to update and expand library collections in order to circulate and provide access of materials to students and teachers. Funding provided by the State of New Mexico.

**Rural Revitalization (27503).** To account for revenues and expenditures from a state grant for discovery, development, and the use of resources of the community as part of the educational facilities of the school. The fund was created by state grant provisions.

**NM Outdoor Classroom (27504).** To account for revenues and expenditures from a state grant to increase outdoor education across the state. The fund was created by state grant provisions.

**School Library Material (27549).** To account for funds received from the New Mexico Public Education Department for purchasing library books. The fund was created by state grant provisions.

**Greenhouse (29107).** Funds donated by the Irrigation District to upgrade the heating and cooling system in the Greenhouse.

**School Based Health (29130).** To account for funds to provide health services to students. The fund is provided by PED and the State Grants.

**New Mexico/Microsoft Partners in Learning (29132).** To account for funds received from a settlement with Microsoft. Funds can be spent for technology. The fund was created by grant provisions.

**NONMAJOR CAPITAL PROJECTS FUND**

**Senate Bill Nine (31700)**

The revenues are derived from a district tax levy and matched by the state. Expenditures are restricted to capital improvements.

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Balance Sheet  
June 30, 2009

	Special Revenue		
	Food Service 21000	Athletics 22000	IDEA, Part B Discretionary 24107
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 71,895	\$ 11,011	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	1,097
Inventory	2,844	0	0
<b>Total Assets</b>	<b>\$ 74,739</b>	<b>\$ 11,011</b>	<b>\$ 1,097</b>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>Liabilities</b>			
Interfund Balance	\$ 0	\$ 0	\$ 1,097
Deferred Revenue	0	0	0
Payables	1,303	0	0
<b>Total Liabilities</b>	<b>1,303</b>	<b>0</b>	<b>1,097</b>
<b>Fund Balance</b>			
<b>Reserved for:</b>			
Inventory	1,364	0	0
<b>Unreserved, Undesignated</b>			
Special Revenue Funds	72,072	11,011	0
Capital Projects	0	0	0
<b>Total Fund Balance</b>	<b>73,436</b>	<b>11,011</b>	<b>0</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 74,739</b>	<b>\$ 11,011</b>	<b>\$ 1,097</b>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Balance Sheet  
June 30, 2009

	Special Revenue		
	IDEA, Part B Preschool 24109	Homeless Ed 24113	Fresh Fruits & Vegetables 24118
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	1,760	0	1,614
Inventory	0	0	0
<b>Total Assets</b>	<b>\$ 1,760</b>	<b>\$ 0</b>	<b>\$ 1,614</b>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>Liabilities</b>			
Interfund Balance	\$ 1,760	\$ 0	\$ 1,614
Deferred Revenue	0	0	0
Payables	0	0	0
<b>Total Liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balance</b>			
<b>Reserved for:</b>			
Inventory	0	0	0
<b>Unreserved, Undesignated</b>			
Special Revenue Funds	0	0	0
Capital Projects	0	0	0
<b>Total Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 1,760</b>	<b>\$ 0</b>	<b>\$ 1,614</b>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Balance Sheet  
June 30, 2009

	Special Revenue		
	E2T2-C 24149	Teacher Training 24154	Drug Free School & Community 24157
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes		0	0
Due From Grantor	10,868	11,724	0
Inventory	0	0	0
Total Assets	<u>\$ 10,868</u>	<u>\$ 11,724</u>	<u>\$ 0</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Interfund Balance	\$ 10,868	\$ 11,724	\$ 0
Deferred Revenue	0	0	0
Payables	0	0	0
Total Liabilities	<u>10,868</u>	<u>11,724</u>	<u>0</u>
Fund Balance			
Reserved for:			
Inventory	0	0	0
Unreserved, Undesignated			
Special Revenue Funds	0	0	0
Capital Projects	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 10,868</u>	<u>\$ 11,724</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Balance Sheet  
June 30, 2009

	Special Revenue		
	Title III 24163	Title I Stimulus 24201	IDEA, Part B Entitlement Stimulus 24206
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 711	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	8,596	7,204
Inventory	0	0	0
Total Assets	<u>\$ 711</u>	<u>\$ 8,596</u>	<u>\$ 7,204</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Interfund Balance	\$ 0	\$ 8,596	\$ 7,204
Deferred Revenue	711	0	0
Payables	0	0	0
Total Liabilities	<u>711</u>	<u>8,596</u>	<u>7,204</u>
Fund Balance			
Reserved for:			
Inventory	0	0	0
Unreserved, Undesignated			
Special Revenue Funds	0	0	0
Capital Projects	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 711</u>	<u>\$ 8,596</u>	<u>\$ 7,204</u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Balance Sheet  
June 30, 2009

	Special Revenue		
	IDEA, Part B PreSchool Stimulus 24209	REAP 25233	Tech for Education 27117
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 3,505
Receivables			
Taxes	0	0	0
Due From Grantor	19	0	0
Inventory	0	0	0
Total Assets	<u>\$ 19</u>	<u>\$ 0</u>	<u>\$ 3,505</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Interfund Balance	\$ 19	\$ 0	\$ 0
Deferred Revenue	0	0	0
Payables	0	0	0
Total Liabilities	<u>19</u>	<u>0</u>	<u>0</u>
Fund Balance			
Reserved for:			
Inventory	0	0	0
Unreserved, Undesignated			
Special Revenue Funds	0	0	3,505
Capital Projects	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>3,505</u>
Total Liabilities and Fund Balance	<u>\$ 19</u>	<u>\$ 0</u>	<u>\$ 3,505</u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Balance Sheet  
June 30, 2009

	Special Revenue		
	Incentives for School Improvement 27138	Teacher Mentoring 27154	Breakfast for Elem Students 27155
<b>ASSETS</b>			
Cash and Cash Equivalents	322	1,270	0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 322</u>	<u>\$ 1,270</u>	<u>\$ 0</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Interfund Balance	\$ 0	\$ 0	\$ 0
Deferred Revenue	0	0	0
Payables	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance			
Reserved for:			
Inventory	0	0	0
Unreserved, Undesignated			
Special Revenue Funds	322	1,270	0
Capital Projects	0	0	0
Total Fund Balance	<u>322</u>	<u>1,270</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 322</u>	<u>\$ 1,270</u>	<u>\$ 0</u>

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



STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Balance Sheet  
June 30, 2009

	Special Revenue		
	Pilot Science 27160	Technology Equity 27162	Outdoor Classroom Interagency 27165
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Interfund Balance	\$ 0	\$ 0	\$ 0
Deferred Revenue	0	0	0
Payables	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance			
Reserved for:			
Inventory	0	0	0
Unreserved, Undesignated			
Special Revenue Funds	0	0	0
Capital Projects	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Balance Sheet  
June 30, 2009

	Special Revenue		
	Library GO Bonds 27170	Rural Revitalization 27503	NM Outdoor Classroom 27504
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	7,875	3,000
Inventory	0	0	0
<b>Total Assets</b>	<b>\$ 0</b>	<b>\$ 7,875</b>	<b>\$ 3,000</b>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Interfund Balance	\$ 0	\$ 7,875	\$ 3,000
Deferred Revenue	0	0	0
Payables	0	0	0
<b>Total Liabilities</b>	<b>0</b>	<b>7,875</b>	<b>3,000</b>
Fund Balance			
Reserved for:			
Inventory	0	0	0
Unreserved, Undesignated			
Special Revenue Funds	0	0	0
Capital Projects	0	0	0
<b>Total Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 0</b>	<b>\$ 7,875</b>	<b>\$ 3,000</b>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Balance Sheet  
June 30, 2009

	Special Revenue		
	Library Book Fund 27549	Greenhouse 29107	School Based Health 29130
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 1,006	\$ 10,000	\$ 61,447
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 1,006</u>	<u>\$ 10,000</u>	<u>\$ 61,447</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Interfund Balance	\$ 0	\$ 0	\$ 0
Deferred Revenue	0	0	0
Payables	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance			
Reserved for:			
Inventory	0	0	0
Unreserved, Undesignated			
Special Revenue Funds	1,006	10,000	61,447
Capital Projects	0	0	0
Total Fund Balance	<u>1,006</u>	<u>10,000</u>	<u>61,447</u>
Total Liabilities and Fund Balance	<u>\$ 1,006</u>	<u>\$ 10,000</u>	<u>\$ 61,447</u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Balance Sheet  
June 30, 2009

	<u>Special Revenue</u>	<u>Capital Projects</u>	
	Microsoft 29132	Capital Improvements SB-9 31700	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 60,326	\$ 126,057	\$ 347,550
Receivables			
Taxes	0	519	519
Due From Grantor	0	0	53,757
Inventory	0	0	2,844
Total Assets	<u>\$ 60,326</u>	<u>\$ 126,576</u>	<u>\$ 404,670</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Interfund Balance	\$ 0	\$ 0	\$ 53,757
Deferred Revenue	0	0	711
Payables	543	0	1,846
Total Liabilities	<u>543</u>	<u>0</u>	<u>56,314</u>
Fund Balance			
Reserved for:			
Inventory	0	0	1,364
Unreserved, Undesignated			
Special Revenue Funds	59,783	0	220,416
Capital Projects	0	126,576	126,576
Total Fund Balance	<u>59,783</u>	<u>126,576</u>	<u>348,356</u>
Total Liabilities and Fund Balance	<u>\$ 60,326</u>	<u>\$ 126,576</u>	<u>\$ 404,670</u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2009

	Special Revenue		
	Food Service 21000	Athletics 22000	IDEA, Part B Discretionary 24107
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	488	0	0
Fees	31,956	35,796	0
State and Local Grants	0	0	0
Federal Grants	101,164	0	30,244
Miscellaneous	0	0	0
Total Revenues	<u>133,608</u>	<u>35,796</u>	<u>30,244</u>
<b>Expenditures</b>			
<b>Current</b>			
Instruction	0	29,925	16,440
Support Services-Students	0	0	13,804
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Central Services	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service	115,696	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>115,696</u>	<u>29,925</u>	<u>30,244</u>
Excess (Deficiency) of Revenues Over Expenditures	17,912	5,871	0
Fund Balances at Beginning of Year	<u>55,524</u>	<u>5,140</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 73,436</u>	<u>\$ 11,011</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2009

	Special Revenue		
	IDEA, Part B Preschool 24109	Homeless Ed 24113	Fresh Fruits & Vegetables 24118
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State and Local Grants	0	0	0
Federal Grants	5,326	59	7,121
Miscellaneous	0	0	0
<b>Total Revenues</b>	<u>5,326</u>	<u>59</u>	<u>7,121</u>
<b>Expenditures</b>			
<b>Current</b>			
Instruction	5,326	59	0
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Central Services	0	0	577
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service	0	0	6,544
Capital Outlay	0	0	0
<b>Total Expenditures</b>	<u>5,326</u>	<u>59</u>	<u>7,121</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2009

	Special Revenue		
	E2T2-C 24149	Teacher Training 24154	Drug Free School & Community 24157
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State and Local Grants	0	0	0
Federal Grants	32,696	25,658	8,916
Miscellaneous	0	0	0
Total Revenues	<u>32,696</u>	<u>25,658</u>	<u>8,916</u>
<b>Expenditures</b>			
Current			
Instruction	15,668	2,937	4,524
Support Services-Students	0	22,721	4,392
Support Services-Instruction	13,627	0	0
Support Services-General Administration	0	0	0
Central Services	3,401	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>32,696</u>	<u>25,658</u>	<u>8,916</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2009

	Special Revenue		
	Title III 24163	Title I Stimulus 24201	IDEA, Part B Entitlement Stimulus 24206
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State and Local Grants	0	0	0
Federal Grants	0	8,596	7,204
Miscellaneous	0	0	0
Total Revenues	<u>0</u>	<u>8,596</u>	<u>7,204</u>
<b>Expenditures</b>			
<b>Current</b>			
Instruction	0	8,596	7,204
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Central Services	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>0</u>	<u>8,596</u>	<u>7,204</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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



STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2009

	Special Revenue		
	IDEA, Part B PreSchool Stimulus 24209	REAP 25233	Tech for Education 27117
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State and Local Grants	0	0	5,673
Federal Grants	19	4,967	0
Miscellaneous	0	0	0
Total Revenues	<u>19</u>	<u>4,967</u>	<u>5,673</u>
<b>Expenditures</b>			
<b>Current</b>			
Instruction	19	4,967	2,673
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Central Services	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>19</u>	<u>4,967</u>	<u>2,673</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	3,000
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>505</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,505</u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2009

	Special Revenue		
	Incentives for School Improvement 27138	Teacher Mentoring 27154	Breakfast for Elem Students 27155
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State and Local Grants	0	2,006	12,521
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>0</u>	<u>2,006</u>	<u>12,521</u>
<b>Expenditures</b>			
Current			
Instruction	13,496	736	0
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Central Services	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service	0	0	12,521
Capital Outlay	0	0	0
Total Expenditures	<u>13,496</u>	<u>736</u>	<u>12,521</u>
Excess (Deficiency) of Revenues Over Expenditures	(13,496)	1,270	0
Fund Balances at Beginning of Year	<u>13,818</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 322</u>	<u>\$ 1,270</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2009

	Special Revenue		
	Pilot Science 27160	Technology Equity 27162	Outdoor Classroom Interagency 27165
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State and Local Grants	0	10,910	0
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>0</u>	<u>10,910</u>	<u>0</u>
<b>Expenditures</b>			
<b>Current</b>			
Instruction	2,261	0	0
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Central Services	0	0	0
Operation & Maintenance of Plant	0	10,928	0
Student Transportation	0	0	0
Food Service	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>2,261</u>	<u>10,928</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,261)	(18)	0
Fund Balances at Beginning of Year	<u>2,261</u>	<u>18</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2009

	Special Revenue		
	Library GO Bonds 27170	Rural Revitalization 27503	NM Outdoor Classroom 27504
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State and Local Grants	1,351	9,500	3,000
Federal Grants	0	0	0
Miscellaneous	0	0	0
<b>Total Revenues</b>	<u>1,351</u>	<u>9,500</u>	<u>3,000</u>
<b>Expenditures</b>			
<b>Current</b>			
Instruction	0	9,500	3,000
Support Services-Students	0	0	0
Support Services-Instruction	1,351	0	0
Support Services-General Administration	0	0	0
Central Services	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service	0	0	0
Capital Outlay	0	0	0
<b>Total Expenditures</b>	<u>1,351</u>	<u>9,500</u>	<u>3,000</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2009

	Special Revenue		
	Library Book Fund 27549	Greenhouse 29107	School Based Health 29130
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State and Local Grants	1,006	0	65,630
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>1,006</u>	<u>0</u>	<u>65,630</u>
<b>Expenditures</b>			
<b>Current</b>			
Instruction	0	0	0
Support Services-Students	0	0	40,000
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Central Services	0	0	0
Operation & Maintenance of Plant	0	0	973
Student Transportation	0	0	0
Food Service	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>40,973</u>
Excess (Deficiency) of Revenues Over Expenditures	1,006	0	24,657
Fund Balances at Beginning of Year	<u>0</u>	<u>10,000</u>	<u>36,790</u>
Fund Balance End of Year	<u>\$ 1,006</u>	<u>\$ 10,000</u>	<u>\$ 61,447</u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2009

	<u>Special Revenue</u>		<u>Debt Service</u>	
	Microsoft 29132	Capital Improvements SB-9 31700	Total	
<b>Revenues</b>				
Property Taxes	\$ 0	\$ 95,130	\$ 95,130	
Interest Income	0	1,515	2,003	
Fees	0	0	67,752	
State and Local Grants	112,400	31,327	255,324	
Federal Grants	0	0	231,970	
Miscellaneous	0	0	0	
Total Revenues	<u>112,400</u>	<u>127,972</u>	<u>652,179</u>	
<b>Expenditures</b>				
Current				
Instruction	1,473	0	128,804	
Support Services-Students	318	0	81,235	
Support Services-Instruction	72,776	0	87,754	
Support Services-General Administration	0	957	957	
Central Services	3,002	0	6,980	
Operation & Maintenance of Plant	1,182	22,841	35,924	
Student Transportation	0	0	0	
Food Service	0	0	134,761	
Capital Outlay	0	118,942	118,942	
Total Expenditures	<u>78,751</u>	<u>142,740</u>	<u>595,357</u>	
Excess (Deficiency) of Revenues Over Expenditures	33,649	(14,768)	56,822	
Fund Balances at Beginning of Year	<u>26,134</u>	<u>141,344</u>	<u>291,534</u>	
Fund Balance End of Year	<u>\$ 59,783</u>	<u>\$ 126,576</u>	<u>\$ 348,356</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-FOOD SERVICE-21000  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Interest Income	\$ 300	\$ 300	\$ 488	\$ 188
Fees	29,000	29,000	31,956	2,956
Federal Grant	83,000	83,000	95,130	12,130
Total Revenues	<u>112,300</u>	<u>112,300</u>	<u>127,574</u>	<u>15,274</u>
<b>Expenditures</b>				
<b>Food Service</b>				
Personnel Services	25,675	34,899	34,374	525
Employee Benefits	21,823	27,624	24,669	2,955
Professional & Tech Services	3,042	3,036	138	2,898
Supplies	91,760	98,254	48,012	50,242
Total Food Service	<u>142,300</u>	<u>163,813</u>	<u>107,193</u>	<u>56,620</u>
Total Expenditures	<u>142,300</u>	<u>163,813</u>	<u>107,193</u>	<u>56,620</u>
Excess (Deficiency) of Revenues Over Expenditures	(30,000)	(51,513)	20,381	71,894
Cash Balance Beginning of Year	<u>51,514</u>	<u>51,514</u>	<u>51,514</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 21,514</u>	<u>\$ 1</u>	<u>\$ 71,895</u>	<u>\$ 71,894</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 20,381	
Net Change in Receivable from Grantor			(1,265)	
Net Change in Inventory			99	
Net Change in Accounts Payable			(1,303)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 17,912</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-ATHLETICS-22000  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Fees	\$ 46,600	\$ 46,786	\$ 35,796	\$ (10,990)
Total Revenues	<u>46,600</u>	<u>46,786</u>	<u>35,796</u>	<u>(10,990)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	0	3,000	1,036	1,964
Employee Benefits	0	794	387	407
Professional & Tech Services	6,849	24,639	24,638	1
Purchased Services	<u>39,936</u>	<u>23,493</u>	<u>3,864</u>	<u>19,629</u>
Total Instruction	<u>46,785</u>	<u>51,926</u>	<u>29,925</u>	<u>22,001</u>
Total Expenditures	<u>46,785</u>	<u>51,926</u>	<u>29,925</u>	<u>22,001</u>
Excess (Deficiency) of Revenues Over Expenditures	(185)	(5,140)	5,871	11,011
Cash Balance Beginning of Year	<u>5,140</u>	<u>5,140</u>	<u>5,140</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 4,955</u>	<u>\$ 0</u>	<u>\$ 11,011</u>	<u>\$ 11,011</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 5,871</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 5,871</u>	

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



STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-IDEA, PART B DISCRETIONARY-24107  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Federal Grant	\$ 50,003	\$ 52,747	\$ 48,759	\$ (3,988)
Total Revenues	<u>50,003</u>	<u>52,747</u>	<u>48,759</u>	<u>(3,988)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	15,000	15,000	13,326	1,674
Employee Benefits	3,091	3,091	3,068	23
Supplies	<u>0</u>	<u>1,240</u>	<u>46</u>	<u>1,194</u>
Total Instruction	<u>18,091</u>	<u>19,331</u>	<u>16,440</u>	<u>2,891</u>
<b>Support Services-Students</b>				
Professional & Tech Services	<u>12,300</u>	<u>13,804</u>	<u>13,804</u>	<u>0</u>
Total Support Services-Students	<u>12,300</u>	<u>13,804</u>	<u>13,804</u>	<u>0</u>
Total Expenditures	<u>30,391</u>	<u>33,135</u>	<u>30,244</u>	<u>2,891</u>
Excess (Deficiency) of Revenues Over Expenditures	19,612	19,612	18,515	(1,097)
Cash Balance Beginning of Year	<u>(19,612)</u>	<u>(19,612)</u>	<u>(19,612)</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>(1,097)</u>	\$ <u>(1,097)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 18,515	
Net Change in Due from Grantor			<u>(18,515)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-IDEA, PART B PRESCHOOL-24109  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 6,685	\$ 6,685	\$ 4,865	\$ (1,820)
Total Revenues	<u>6,685</u>	<u>6,685</u>	<u>4,865</u>	<u>(1,820)</u>
Expenditures				
Instruction				
Personnel Services	4,466	4,466	4,446	20
Employee Benefits	<u>920</u>	<u>920</u>	<u>880</u>	<u>40</u>
Total Instruction	<u>5,386</u>	<u>5,386</u>	<u>5,326</u>	<u>60</u>
Total Expenditures	<u>5,386</u>	<u>5,386</u>	<u>5,326</u>	<u>60</u>
Excess (Deficiency) of Revenues Over Expenditures	1,299	1,299	(461)	(1,760)
Cash Balance Beginning of Year	<u>(1,299)</u>	<u>(1,299)</u>	<u>(1,299)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (1,760)</u>	<u>\$ (1,760)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (461)	
Net Change in Due from Grantor			<u>461</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-EDUCATION OF HOMELESS-24113  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 425	\$ 485	\$ 484	\$ (1)
Total Revenues	<u>425</u>	<u>485</u>	<u>484</u>	<u>(1)</u>
Expenditures				
Instruction				
Supplies	<u>0</u>	<u>60</u>	<u>59</u>	<u>1</u>
Total Instruction	<u>0</u>	<u>60</u>	<u>59</u>	<u>1</u>
Total Expenditures	<u>0</u>	<u>60</u>	<u>59</u>	<u>1</u>
Excess (Deficiency) of Revenues Over Expenditures	425	425	425	0
Cash Balance Beginning of Year	<u>(425)</u>	<u>(425)</u>	<u>(425)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 425	
Net Change in Due from Grantor			<u>(425)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-FRESH FRUITS & VEGS-24118  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Federal Grant	\$ 6,137	\$ 7,121	\$ 5,507	\$ (1,614)
Total Revenues	<u>6,137</u>	<u>7,121</u>	<u>5,507</u>	<u>(1,614)</u>
<b>Expenditures</b>				
<b>Central Services</b>				
Personnel Services	0	225	225	0
Employee Benefits	0	128	128	0
Other Purchased Services	<u>450</u>	<u>225</u>	<u>225</u>	<u>0</u>
Total Central Services	<u>450</u>	<u>578</u>	<u>578</u>	<u>0</u>
<b>Food Service</b>				
Supplies	<u>5,687</u>	<u>6,543</u>	<u>6,543</u>	<u>0</u>
Total Food Services	<u>5,687</u>	<u>6,543</u>	<u>6,543</u>	<u>0</u>
Total Expenditures	<u>6,137</u>	<u>7,121</u>	<u>7,121</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(1,614)	(1,614)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (1,614)</u>	<u>\$ (1,614)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (1,614)	
Net Change in Due from Grantor			<u>1,614</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-E2T2C-24149  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Federal Grant	\$ 9,362	\$ 51,502	\$ 23,488	\$ (28,014)
Total Revenues	<u>9,362</u>	<u>51,502</u>	<u>23,488</u>	<u>(28,014)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	0	1,500	1,500	0
Employee Benefits	0	2,410	2,410	0
Other Purchased Services	5,000	6,559	6,559	0
Supplies	<u>2,702</u>	<u>6,233</u>	<u>5,199</u>	<u>1,034</u>
Total Instruction	<u>7,702</u>	<u>16,702</u>	<u>15,668</u>	<u>1,034</u>
<b>Support Services-Instruction</b>				
Professional Services	0	17,291	1,179	16,112
Supplies	0	5,274	5,274	0
Supply Assets	<u>0</u>	<u>7,174</u>	<u>7,174</u>	<u>0</u>
Total Support Services-Instruction	<u>0</u>	<u>29,739</u>	<u>13,627</u>	<u>16,112</u>
<b>Central Services</b>				
Personnel Services	0	2,000	2,000	0
Employee Benefits	0	401	401	0
Purchased Services	<u>0</u>	<u>1,000</u>	<u>1,000</u>	<u>0</u>
Total Central Services	<u>0</u>	<u>3,401</u>	<u>3,401</u>	<u>0</u>
Total Expenditures	<u>7,702</u>	<u>49,842</u>	<u>32,696</u>	<u>17,146</u>
Excess (Deficiency) of Revenues Over Expenditures	1,660	1,660	(9,208)	(10,868)
Cash Balance Beginning of Year	<u>(1,660)</u>	<u>(1,660)</u>	<u>(1,660)</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>(10,868)</u>	\$ <u>(10,868)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (9,208)	
Net Change in Due from Grantor			<u>9,208</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-TEACHER TRAINING & RECRUITING-24154  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Federal Grant	\$ 26,446	\$ 30,416	\$ 15,471	\$ (14,945)
Total Revenues	<u>26,446</u>	<u>30,416</u>	<u>15,471</u>	<u>(14,945)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Professional & Tech Services	<u>1,994</u>	<u>5,964</u>	<u>2,937</u>	<u>3,027</u>
Total Instruction	<u>1,994</u>	<u>5,964</u>	<u>2,937</u>	<u>3,027</u>
<b>Support Services-Students</b>				
Personnel Services	19,000	19,000	19,000	0
Employee Benefits	<u>3,915</u>	<u>3,915</u>	<u>3,721</u>	<u>194</u>
Total Support Services-Students	<u>22,915</u>	<u>22,915</u>	<u>22,721</u>	<u>194</u>
Total Expenditures	<u>24,909</u>	<u>28,879</u>	<u>25,658</u>	<u>3,221</u>
Excess (Deficiency) of Revenues Over Expenditures	1,537	1,537	(10,187)	(11,724)
Cash Balance Beginning of Year	<u>(1,537)</u>	<u>(1,537)</u>	<u>(1,537)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (11,724)</u>	<u>\$ (11,724)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (10,187)	
Net Change in Due from Grantor			<u>10,187</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-DRUG FREE SCHOOL & COMMUNITY-24157  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Federal Grant	\$ 0	\$ 8,916	\$ 8,916	\$ 0
Total Revenues	<u>0</u>	<u>8,916</u>	<u>8,916</u>	<u>0</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	0	1,750	1,750	0
Employee Benefits	0	350	350	0
Other Purchased Services	0	800	800	0
Supplies	0	1,624	1,624	0
Total Instruction	<u>0</u>	<u>4,524</u>	<u>4,524</u>	<u>0</u>
<b>Support Services-Students</b>				
Employee Benefits	0	857	857	0
Other Purchased Services	0	3,535	3,535	0
Total Support Services-Students	<u>0</u>	<u>4,392</u>	<u>4,392</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>8,916</u>	<u>8,916</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-TITLE III-24163  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 9,615	\$ 9,615	\$ 10,326	\$ 711
Total Revenues	<u>9,615</u>	<u>9,615</u>	<u>10,326</u>	<u>711</u>
Expenditures				
Instruction				
Purchased Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	9,615	9,615	10,326	711
Cash Balance Beginning of Year	<u>(9,615)</u>	<u>(9,615)</u>	<u>(9,615)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 711</u>	<u>\$ 711</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 10,326	
Net Change in Due from Grantor			(9,615)	
Net Change in Deferred Revenue			<u>(711)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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



STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-TITLE I STIMULUS-24201  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Federal Grant	\$ 0	\$ 13,109	\$ 0	\$ (13,109)
Total Revenues	<u>0</u>	<u>13,109</u>	<u>0</u>	<u>(13,109)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Professional & Tech Services	0	13,109	8,596	4,513
Total Instruction	<u>0</u>	<u>13,109</u>	<u>8,596</u>	<u>4,513</u>
Total Expenditures	<u>0</u>	<u>13,109</u>	<u>8,596</u>	<u>4,513</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(8,596)	(8,596)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (8,596)</u>	<u>\$ (8,596)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (8,596)	
Net Change in Due From Grantor			<u>8,596</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-IDEA, PART B ENTITLEMENT STIMULUS-24206  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Federal Grant	\$ 0	\$ 7,204	\$ 0	\$ (7,204)
Total Revenues	<u>0</u>	<u>7,204</u>	<u>0</u>	<u>(7,204)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Professional & Tech Services	<u>0</u>	<u>7,204</u>	<u>7,204</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>7,204</u>	<u>7,204</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>7,204</u>	<u>7,204</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(7,204)	(7,204)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (7,204)</u>	<u>\$ (7,204)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (7,204)	
Net Change in Due from Grantor			<u>7,204</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-IDEA, PART B PRESCHOOL STIMULUS-24209  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 1,487	\$ 0	\$ (1,487)
Total Revenues	<u>0</u>	<u>1,487</u>	<u>0</u>	<u>(1,487)</u>
Expenditures				
Instruction				
Supplies	0	1,487	19	1,468
Total Instruction	<u>0</u>	<u>1,487</u>	<u>19</u>	<u>1,468</u>
Total Expenditures	<u>0</u>	<u>1,487</u>	<u>19</u>	<u>1,468</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(19)	(19)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (19)</u>	<u>\$ (19)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (19)	
Net Change in Due from Grantor			<u>19</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-REAP-25233  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Federal Grant	\$ 0	\$ 15,094	\$ 4,967	\$ 10,127
Total Revenues	<u>0</u>	<u>15,094</u>	<u>4,967</u>	<u>10,127</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	0	3,000	1,950	1,050
Employee Benefits	0	5,094	2,366	2,728
Supplies	0	7,000	651	6,349
Total Instruction	<u>0</u>	<u>15,094</u>	<u>4,967</u>	<u>10,127</u>
Total Expenditures	<u>0</u>	<u>15,094</u>	<u>4,967</u>	<u>10,127</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-TECH FOR EDUCATION-27117  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
State Grant	\$ 0	\$ 5,673	\$ 5,673	\$ 0
Total Revenues	<u>0</u>	<u>5,673</u>	<u>5,673</u>	<u>0</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Supplies	0	6,178	2,673	3,505
Total Instruction	<u>0</u>	<u>6,178</u>	<u>2,673</u>	<u>3,505</u>
Total Expenditures	<u>0</u>	<u>6,178</u>	<u>2,673</u>	<u>3,505</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(505)	3,000	3,505
Cash Balance Beginning of Year	<u>505</u>	<u>505</u>	<u>505</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 505</u>	<u>\$ 0</u>	<u>\$ 3,505</u>	<u>\$ 3,505</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 3,000</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 3,000</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-INCENTIVES FOR SCHOOL IMPROVEMENT-27138  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Personnel Services	0	8,038	8,037	1
Employee Benefits	0	1,595	1,595	0
Supplies	<u>4,186</u>	<u>3,864</u>	<u>3,864</u>	<u>0</u>
Total Instruction	<u>4,186</u>	<u>13,497</u>	<u>13,496</u>	<u>1</u>
Total Expenditures	<u>4,186</u>	<u>13,497</u>	<u>13,496</u>	<u>1</u>
Excess (Deficiency) of Revenues Over Expenditures	(4,186)	(13,497)	(13,496)	1
Cash Balance Beginning of Year	<u>13,818</u>	<u>13,818</u>	<u>13,818</u>	<u>0</u>
Cash Balance End of Year	\$ <u>9,632</u>	\$ <u>321</u>	\$ <u>322</u>	\$ <u>1</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>(13,496)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>(13,496)</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-TEACHER MENTORING-27154  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
State Grant	\$ 0	\$ 1,000	\$ 2,006	\$ 1,006
Total Revenues	<u>0</u>	<u>1,000</u>	<u>2,006</u>	<u>1,006</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Professional & Tech Services	0	1,000	736	264
Total Instruction	<u>0</u>	<u>1,000</u>	<u>736</u>	<u>264</u>
Total Expenditures	<u>0</u>	<u>1,000</u>	<u>736</u>	<u>264</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	1,270	1,270
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,270</u>	<u>\$ 1,270</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>1,270</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>1,270</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-BREAKFAST FOR ELEMENTARY STUDENTS-27155  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 12,842	\$ 12,521	\$ 12,521	\$ 0
Total Revenues	<u>12,842</u>	<u>12,521</u>	<u>12,521</u>	<u>0</u>
Expenditures				
Food Service				
Supplies	12,842	12,521	12,521	0
Total Food Service	<u>12,842</u>	<u>12,521</u>	<u>12,521</u>	<u>0</u>
Total Expenditures	<u>12,842</u>	<u>12,521</u>	<u>12,521</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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



STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-PILOT SCIENCE-27160  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	2,261	2,261	2,261	0
Total Instruction	<u>2,261</u>	<u>2,261</u>	<u>2,261</u>	<u>0</u>
Total Expenditures	<u>2,261</u>	<u>2,261</u>	<u>2,261</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,261)	(2,261)	(2,261)	0
Cash Balance Beginning of Year	<u>2,261</u>	<u>2,261</u>	<u>2,261</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (2,261)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (2,261)</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-TECHNOLOGY EQUITY-27162  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
State Grants	\$ 78,112	\$ 78,112	\$ 52,034	\$ (26,078)
Total Revenues	<u>78,112</u>	<u>78,112</u>	<u>52,034</u>	<u>(26,078)</u>
<b>Expenditures</b>				
<b>Operation &amp; Maintenance of Plant</b>				
Other Purchased Services	25,000	25,000	100	24,900
Fixed Assets	<u>11,988</u>	<u>11,988</u>	<u>10,810</u>	<u>1,178</u>
Total Operation & Maintenance of Plant	<u>36,988</u>	<u>36,988</u>	<u>10,910</u>	<u>26,078</u>
Total Expenditures	<u>36,988</u>	<u>36,988</u>	<u>10,910</u>	<u>26,078</u>
Excess (Deficiency) of Revenues Over Expenditures	41,124	41,124	41,124	0
Cash Balance Beginning of Year	<u>(41,124)</u>	<u>(41,124)</u>	<u>(41,124)</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 41,124	
Net Change in Due from Grantor			<u>(41,124)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-OUTDOOR CLASSROOM INTERAGENCY-27165  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 4,000	\$ 4,000	\$ 4,000	\$ 0
Total Revenues	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	4,000	4,000	4,000	0
Cash Balance Beginning of Year	<u>(4,000)</u>	<u>(4,000)</u>	<u>(4,000)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 4,000	
Net Change in Due from Grantor			<u>(4,000)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-LIBRARY GO BONDS-27170  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
State Grant	\$ 3,491	\$ 4,842	\$ 4,842	\$ 0
Total Revenues	<u>3,491</u>	<u>4,842</u>	<u>4,842</u>	<u>0</u>
<b>Expenditures</b>				
<b>Support Services-Instruction</b>				
Supplies	0	1,351	1,351	0
Total Support Services-Instruction	<u>0</u>	<u>1,351</u>	<u>1,351</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>1,351</u>	<u>1,351</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	3,491	3,491	3,491	0
Cash Balance Beginning of Year	<u>(3,491)</u>	<u>(3,491)</u>	<u>(3,491)</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 3,491	
Net Change in Due from Grantor			<u>(3,491)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-RURAL REVITALIZATION-27503  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
State Grant	\$ 0	\$ 9,500	\$ 1,625	\$ (7,875)
Total Revenues	<u>0</u>	<u>9,500</u>	<u>1,625</u>	<u>(7,875)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Other Purchased Services	0	1,000	1,000	0
Supplies	0	3,694	3,694	0
Supply Assets	0	4,806	4,806	0
Total Instruction	<u>0</u>	<u>9,500</u>	<u>9,500</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>9,500</u>	<u>9,500</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(7,875)	(7,875)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (7,875)</u>	<u>\$ (7,875)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (7,875)	
Net Change in Due from Grantor			<u>7,875</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-NM OUTDOOR CLASSROOM-27504  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
State Grant	\$ 0	\$ 3,000	\$ 0	\$ (3,000)
Total Revenues	<u>0</u>	<u>3,000</u>	<u>0</u>	<u>(3,000)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	0	842	842	0
Employee Benefits	0	154	154	0
Other Purchased Services	0	90	90	0
Supplies	0	1,914	1,914	0
Total Instruction	<u>0</u>	<u>3,000</u>	<u>3,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(3,000)	(3,000)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (3,000)</u>	<u>\$ (3,000)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (3,000)	
Net Change in Due from Grantor			<u>3,000</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-LIBRARY BOOK FUND-27549  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 1,006	\$ 1,006
Total Revenues	<u>0</u>	<u>0</u>	<u>1,006</u>	<u>1,006</u>
Expenditures				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	1,006	1,006
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,006</u>	<u>\$ 1,006</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>1,006</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>1,006</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-GREENHOUSE-29107  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Maintenance & Repairs	0	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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



STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-SCHOOL BASED HEALTH-29130  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
State Grant	\$ 60,000	\$ 60,000	\$ 65,630	\$ 5,630
Total Revenues	<u>60,000</u>	<u>60,000</u>	<u>65,630</u>	<u>5,630</u>
<b>Expenditures</b>				
<b>Support Services-Students</b>				
Purchased Services	60,000	60,000	40,000	20,000
Supplies	<u>4,200</u>	<u>8,691</u>	<u>0</u>	<u>8,691</u>
Total Support Services- Students	<u>64,200</u>	<u>68,691</u>	<u>40,000</u>	<u>28,691</u>
<b>Operation &amp; Maintenance of Plant</b>				
Supply Assets	<u>26,379</u>	<u>26,379</u>	<u>973</u>	<u>25,406</u>
Total Operation & Maintenance of Plant	<u>26,379</u>	<u>26,379</u>	<u>973</u>	<u>25,406</u>
Total Expenditures	<u>90,579</u>	<u>95,070</u>	<u>40,973</u>	<u>54,097</u>
Excess (Deficiency) of Revenues Over Expenditures	(4,200)	(8,691)	24,657	33,348
Cash Balance Beginning of Year	<u>36,790</u>	<u>36,790</u>	<u>36,790</u>	<u>0</u>
Cash Balance End of Year	\$ <u>32,590</u>	\$ <u>28,099</u>	\$ <u>61,447</u>	\$ <u>33,348</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>24,657</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>24,657</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-NEW MEXICO MICROSOFT PARTNERS IN LEARNING-29132  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
State Grant	\$ 100,000	\$ 100,000	\$ 112,400	\$ 12,400
Total Revenues	<u>100,000</u>	<u>100,000</u>	<u>112,400</u>	<u>12,400</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Other Purchased Services	0	1,473	1,473	0
Total Instruction	<u>0</u>	<u>1,473</u>	<u>1,473</u>	<u>0</u>
<b>Support Services-Students</b>				
Purchased Services	0	318	318	0
Total Support Services-Students	<u>0</u>	<u>318</u>	<u>318</u>	<u>0</u>
<b>Support Services-Instruction</b>				
Personnel Services	0	11,600	11,600	0
Employee Benefits	0	8,677	8,666	11
Other Purchased Services	25,000	13,000	12,798	202
Supplies	75,000	75,000	39,169	35,831
Total Support Services-Instruction	<u>100,000</u>	<u>108,277</u>	<u>72,233</u>	<u>36,044</u>
<b>Central Services</b>				
Personnel Services	0	2,500	2,500	0
Employee Benefits	0	2,215	502	1,713
Total Central Services	<u>0</u>	<u>4,715</u>	<u>3,002</u>	<u>1,713</u>
<b>Operation &amp; Maintenance of Plant</b>				
Supplies	0	675	507	168
Supply assets	0	10,675	675	10,000
Total Operation & Maintenance of Plant	<u>0</u>	<u>11,350</u>	<u>1,182</u>	<u>10,168</u>
Total Expenditures	<u>100,000</u>	<u>126,133</u>	<u>78,208</u>	<u>47,925</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(26,133)	34,192	60,325
Cash Balance Beginning of Year	<u>26,134</u>	<u>26,134</u>	<u>26,134</u>	<u>0</u>
Cash Balance End of Year	\$ <u>26,134</u>	\$ <u>1</u>	\$ <u>60,326</u>	\$ <u>60,325</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 34,192	
Net Change in Accounts Payable			<u>(543)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>33,649</u>	

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
 CAPITAL PROJECTS FUND-SENATE BILL NINE-31700  
 Statement of Revenues, Expenditures, and Changes in Cash Balance -  
 Budget and Actual (Budgetary Basis)  
 For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Taxes	\$ 93,111	\$ 95,611	\$ 95,690	\$ 79
Investment Income	2,500	2,500	1,515	(985)
State Grant	0	31,327	31,327	0
Total Revenues	<u>95,611</u>	<u>129,438</u>	<u>128,532</u>	<u>(906)</u>
Expenditures				
Support Services-General Administration				
Professional & Tech Services	931	957	957	0
Total Support Services-General Administration	<u>931</u>	<u>957</u>	<u>957</u>	<u>0</u>
Operation & Maintenance of Plant				
Purchased Property Services	0	16,825	16,824	1
Supply Assets	50,000	6,018	6,017	1
Total Operation & Maintenance of Plant	<u>50,000</u>	<u>22,843</u>	<u>22,841</u>	<u>2</u>
Capital Outlay				
Purchased Property Services	50,931	104,052	104,052	0
Fixed Assets	0	14,890	14,890	0
Total Capital Outlay	<u>50,931</u>	<u>118,942</u>	<u>118,942</u>	<u>0</u>
Total Expenditures	<u>101,862</u>	<u>142,742</u>	<u>142,740</u>	<u>2</u>
Excess (Deficiency) of Revenues Over Expenditures	(6,251)	(13,304)	(14,208)	(904)
Cash Balance Beginning of Year	<u>140,265</u>	<u>140,265</u>	<u>140,265</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 134,014</u>	<u>\$ 126,961</u>	<u>\$ 126,057</u>	<u>\$ (904)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (14,208)	
Net Change in Taxes Receivable			<u>(560)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (14,768)</u>	

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

**OTHER SUPPLEMENTAL INFORMATION**

**FIDUCIARY FUND**

**Activity Trust Fund**

To account for funds of various student groups that are custodial in nature.

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
 AGENCY FUNDS  
 Statement of Fiduciary Net Assets and Liabilities-Agency Funds  
 For the Year Ended June 30, 2009

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	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>ASSETS</b>				
Activity Trust Fund	\$ 72,975	\$ 166,193	\$ 133,705	\$ 105,463
<b>TOTAL Assets</b>	<u>\$ 72,975</u>	<u>\$ 166,193</u>	<u>\$ 133,705</u>	<u>\$ 105,463</u>
<b>LIABILITIES</b>				
Due to Student Groups	\$ 72,975	\$ 166,193	\$ 133,705	\$ 105,463
<b>TOTAL Liabilities</b>	<u>\$ 72,975</u>	<u>\$ 166,193</u>	<u>\$ 133,705</u>	<u>\$ 105,463</u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
 AGENCY FUNDS - ACTIVITY  
 Schedule of Fiduciary Net Assets and Liabilities-Agency Funds  
 For the Year Ended June 30, 2009

	Beginning Balance	Additions	Deletions	Ending Balance
<b>ASSETS</b>				
0 Draw	\$ 50	\$ 0	\$ 0	\$ 50
11 Admin Principal	285	0	0	285
12 Photography Club	226	0	0	226
13 All School	1,635	9,310	9,567	1,378
15 Library	501	184	180	505
16 Student Council	524	447	275	696
17 Accelerated Reader	15	578	408	185
19 Close Up	133	0	0	133
20 National Honor Society	2,757	309	301	2,765
22 Home Economic Department	4	0	0	4
24 Zune	464	902	333	1,033
31 Athletic Boosters	1,067	34,975	27,844	8,198
32 Vixen Volleyball	5,276	11,384	11,749	4,911
33 Fox Basketball	1,237	940	1,071	1,106
34 Vixen Basketball	5,727	472	4,250	1,949
36 Fox Football	1,894	7,454	6,067	3,281
35 Harley Raffle	0	698	505	193
41 BPA	1,412	27,294	21,921	6,785
42 Greenhouse	7,924	32,238	3,795	36,367
43 Drug Free	2,472	3,049	4,770	751
44 FFA	1,266	6,948	6,005	2,209
46 Science Club	1,489	0	120	1,369
48 Drama	812	0	0	812
49 McMillian Memorial Fund	766	0	37	729
50 West Greenhouse	1,796	0	0	1,796
51 Cheerleaders	4,241	3,983	6,808	1,416
61 Band	139	0	106	33
70 Student Achievement	20,725	0	3,576	17,149
77 Class of 2012	0	220	0	220
78 Class of 2013	0	147	0	147
79 Class of 2014	0	318	0	318
80 Class of 2009	3,004	313	3,317	0
80 Class of 2010	1,248	9,767	7,214	3,801
80 Class of 2011	284	231	73	442
81 Elementary	3,133	5,575	4,713	3,995
91 Annual	469	8,457	8,700	226
Total Assets	<u>\$ 72,975</u>	<u>\$ 166,193</u>	<u>\$ 133,705</u>	<u>\$ 105,463</u>
<b>LIABILITIES</b>				
Deposits Held for Others	<u>\$ 72,975</u>	<u>\$ 166,193</u>	<u>\$ 133,705</u>	<u>\$ 105,463</u>
Total Liabilities	<u>\$ 72,975</u>	<u>\$ 166,193</u>	<u>\$ 133,705</u>	<u>\$ 105,463</u>

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

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
Cash Reconciliations - All Funds  
For the Year Ended June 30, 2009

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		Beginning Cash	Revenues	Expenditures	Transfers	Ending Cash
Operational	11000	\$ 116,675	\$ 3,874,952	\$ 3,855,529	\$	\$ 136,098
Transportation	13000	0	549,054	533,071		15,983
Instructional Materials	14000	3,320	50,986	31,328		22,978
Food Services	21000	51,514	127,575	107,194		71,895
Athletics	22000	5,140	35,796	29,926		11,010
Activities	23000	72,975	166,194	133,705		105,464
Federal Flowthrough	24000	(62,202)	255,819	297,738		(104,121)
Federal Direct	25000	0	4,967	4,967		0
State Flowthrough	27000	(32,031)	83,707	56,449		(4,773)
State Direct	29000	438,422	268,195	146,628		559,989
Bond Building	31100	1,330,625	25,635	242,581		1,113,679
Senate Bill 9	31700	140,265	128,532	142,740		126,057
Debt Service	41000	376,823	373,485	373,801		376,507
Total		<u>\$ 2,441,526</u>	<u>\$ 5,944,897</u>	<u>\$ 5,955,657</u>	<u>\$ 0</u>	<u>\$ 2,430,766</u>

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



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*

Mr. Hector Balderas  
State Auditor of the State of New Mexico  
Board Members of the FORT SUMNER MUNICIPAL SCHOOLS

Mr. Balderas and Members of the Board

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 FORT SUMNER MUNICIPAL SCHOOL , (District), as of and for the year ended June 30, 2009, and have issued our report thereon dated September 18, 2009. 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 the District's internal control over financial reporting as a basis for designing the auditing procedures for the purpose of expressing opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District'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, a combination of control deficiencies, that adversely affects the District'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 District's financial statements 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 a material misstatement of the financial statements will not be prevented or detected by the District'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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District'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 the administration, the board members, the Public Education Department, the Office of the State Auditor, the New Mexico State Legislature and federal grantors and is not intended to be and should not be used by anyone other than these specified parties.

*De'Ann Willoughby* CPA PC

September 18, 2009

STATE OF NEW MEXICO  
**FORT SUMNER MUNICIPAL SCHOOLS**  
Schedule of Findings and Responses  
For the Year Ended June 30, 2009

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**Prior Year Audit Findings**

There were no previous year audit findings.

**Current Year Audit Findings**

There are no findings.

**Financial Statement Preparation**

The financial statements were prepared by De'Aun Willoughby CPA. However, they are the responsibility of management.

**Exit Conference**

An exit conference was held on September 18, 2009 with Patricia Miller-Superintendent, Laurie Pettigrew-President and Janet Sanchez-Payroll Clerk and De'Aun Willoughby, CPA.