

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT
JUNE 30, 2009



(This page intentionally left blank.)

INTRODUCTORY SECTION

(This page intentionally left blank.)

ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2009
TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
INTRODUCTORY SECTION		
Table of Contents		i
Official Roster		ii
FINANCIAL SECTION		
Independent Auditors' Report		iii
Management's Discussion and Analysis		v
Basic Financial Statements		
Government-wide Financial Statements:		
Statement of Net Assets	A-1	1
Statement of Activities	A-2	3
Fund Financial Statements:		
Balance Sheet – Governmental Funds	B-1	5
Reconciliation of the Balance Sheet to the Statement of Net Assets		7
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	B-2	8
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities		10
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual –		
General Fund	C-1	11
Teacherage Fund	C-2	12
Transportation Fund	C-3	13
Instructional Materials Fund	C-4	14
Title I Special Revenue Fund	C-5	15
Enhancing Education Thru Technology Special Revenue Fund	C-6	16
Special Projects Demonstration USDE Special Revenue Fund	C-7	17
Statement of Fiduciary Assets and Liabilities – Agency Funds	D-1	18
Notes to the Financial Statements		19
	<u>Statement/ Schedule</u>	<u>Page</u>
SUPPLEMENTARY INFORMATION		
Combining and Individual Fund Statements and Schedules:		
Combining Balance Sheet – Nonmajor Governmental Funds	A-1	37
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	A-2	38
Combining Balance Sheet – Nonmajor Special Revenue Funds	B-1	42
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	B-2	50
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual:		
Food Services Special Revenue Fund	B-3	58
Athletics Special Revenue Fund	B-4	59
Entitlement IDEA-B Special Revenue Fund	B-5	60
Discretionary IDEA-B Special Revenue Fund	B-6	61
Preschool IDEA-B Special Revenue Fund	B-7	62
Title I 1003g Grant Special Revenue Fund	B-8	63
Technology Literacy Challenge Special Revenue Fund	B-9	64
Comprehensive School Reform Special Revenue Fund	B-10	65
Title V Part A Innovative Ed Pro Strategies Special Revenue Fund	B-11	66

ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2009
TABLE OF CONTENTS (Continued)

	<u>Statement/ Schedule</u>	<u>Page</u>
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual: (Continued)		
Teacher / Principal Training / Recruiting Special Revenue Fund	B-12	67
Safe & Drug Free Schools & Community Special Revenue Fund	B-13	68
Title I – School Improvement Special Revenue Fund	B-14	69
Title I – IASA Federal Stimulus Special Revenue Fund	B-15	70
Entitlement IDEA-B Federal Stimulus Special Revenue Fund	B-16	71
Preschool IDEA-B Federal Stimulus Special Revenue Fund	B-17	72
Johnson O’Malley Special Revenue Fund	B-18	73
Impact Aid Special Education Special Revenue Fund	B-19	74
Impact Aid Indian Education Special Revenue Fund	B-20	75
Title XIX Medicaid 3 / 21 Years Special Revenue Fund	B-21	76
Indian Ed Formula Grant Special Revenue Fund	B-22	77
GEAR UP USDE Special Revenue Fund	B-23	78
Native American Program Special Revenue Fund	B-24	79
Technology for Education PED Special Revenue Fund	B-25	80
Pre K Initiative Special Revenue Fund	B-26	81
Indian Education Act Special Revenue Fund	B-27	82
Beginning Teacher Mentoring Program Special Revenue Fund	B-28	83
Breakfast for Elementary Students Special Revenue Fund	B-29	84
Pre Kindergarten Three Plus Special Revenue Fund	B-30	85
After School Enrichment Program Special Revenue Fund	B-31	86
Pre Kindergarten State Special Revenue Fund	B-32	87
Libraries SB301 GO Bonds Special Revenue Fund	B-33	88
2008 Library Book Special Revenue Fund	B-34	89
DWI NM Local Grant Fund Special Revenue Fund	B-35	90
Combining Balance Sheet – Nonmajor Capital Projects Funds	C-1	92
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds	C-2	94
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual:		
Bond Building Capital Project Fund	C-3	96
Public Schools Capital Outlay Capital Project Fund	C-4	97
Special Capital Outlay-Local Capital Project Fund	C-5	98
Special Capital Outlay-State Capital Project Fund	C-6	99
Capital Improvements SB-9 Capital Project Fund	C-7	100
Energy Efficiency Act Capital Project Fund	C-8	101
Public Schools Capital Outlay – 20% Capital Project Fund	C-9	102
Combining Balance Sheet – Nonmajor Debt Service Funds	D-1	104
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Debt Service Funds	D-2	105
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual:		
Debt Service Fund	D-3	106
Deferred Sick Leave Debt Service Fund	D-4	107
 SUPPORTING SCHEDULES		
Schedule of Changes in Assets and Liabilities – Agency Funds	I	108
Schedule of Cash and Temporary Investment Accounts	II	111
Cash Reconciliation	III	112

ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2009
TABLE OF CONTENTS (Continued)

COMPLIANCE SECTION

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		116
---	--	-----

FEDERAL FINANCIAL ASSISTANCE

Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133		118
Schedule of Expenditures of Federal Awards	IV	120
Schedule of Findings and Questioned Costs	V	123

(This page intentionally left blank.)

**OFFICIAL ROSTER
JUNE 30, 2009**

<u>Name</u>		<u>Title</u>
	<u>Board of Education</u>	
Barbara Gordon		President
Randell Major		Vice President
Julie Herrera		Secretary
Gail Armstrong		Member
Manuel Guerro		Member
	<u>School Officials</u>	
Mike Chambers		Superintendent
R. Dorothy Zamora		Business Manager

(This page intentionally left blank.)

FINANCIAL SECTION

(This page intentionally left blank.)

INDEPENDENT AUDITORS' REPORT

Hector Balderas
New Mexico State Auditor
The Office of Management and Budget
To the Board of Education
Magdalena Municipal School District
Magdalena, New Mexico

We have audited the accompanying basic financial statements consisting of the governmental activities, each major fund, and the aggregate remaining fund information consisting of the aggregate nonmajor governmental fund column and the fiduciary fund column in the fund financial statements and the budgetary comparisons of the general and major special revenue funds of Magdalena Municipal School District, New Mexico, 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 and all the budgetary comparisons 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 Magdalena Municipal School District, New Mexico's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the 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 Magdalena Municipal School District, New Mexico, 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 and each fiduciary fund of Magdalena Municipal School District, New Mexico, as of June 30, 2009, and the respective changes in financial position thereof and the respective budgetary comparisons of the major capital project fund and all nonmajor governmental funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 3, 2009 on our consideration of Magdalena Municipal School District, New Mexico's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

(This page intentionally left blank.)

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

Our audit was conducted for the purpose of forming opinions on the Magdalena Municipal School District's basic financial statements and the combining and individual fund financial statements and budgetary comparisons presented as supplemental information. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governmental and Non-Profit Organizations*, and is not a required part of the financial statements. The additional schedules listed as "Supporting Schedules" 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.

Grigo Professional Services, LLC

Albuquerque, New Mexico
November 3, 2009

(This page intentionally left blank.)

Magdalena Municipal School District

Michael Chambers, Superintendent

Management Discussion and Analysis
For the Fiscal Year Ending June 30, 2009

This Management Discussion and Analysis of the fiscal performance of the MAGDALENA MUNICIPAL SCHOOL DISTRICT (District) for the period ending June 30, 2009 is an objective and easily readable discussion of the District's financial activities.

The discussion and analysis, as well as the Statement of Net Assts and Statement of Activities, provide a review of the District's overall financial activities, using the accrual basis of accounting, for the year ending June 30, 2009. Fund financial statements are reported on a modified accrual basis of accounting. Rather than looking at specific areas of performance, this discussion and analysis focuses on the financial performance of the District as a whole. Whenever possible this discussion and analysis will provide the reader multi-year pictures of financial performance and other pertinent information through the use of tables and other graphics information.

In addition to the new reporting, this annual report consists of a series of detailed, audited financial statements and the notes to those statements. Also included is the Independent Auditor's Report, The Independent Auditor's 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. Report on Compliance with Requirements Applicable to Each Major Program and Internal control Over Compliance in Accordance with OMB circular A-133, and a Schedule of Findings and Questioned Costs.

About MAGDALENA MUNICIPAL SCHOOL DISTRICT

To completely understand the financial discussion of MAGDALENA MUNICIPAL SCHOOL DISTRICT, it is important to understand the nature of the District. The Village of Magdalena is located on the edge of the Cibola National Forest at the base of the Magdalena Mountains in central New Mexico. The nearest city is Socorro, New Mexico, located 26 miles to the east; Albuquerque, New Mexico's largest city, lies 100 miles to the northeast. Magdalena's population is approximately 913 and reflects the community's unique history as a mining town and as one of the largest cattle-shipping centers west of Kansas City. Its nickname, "Trail's End," is an enduring reminder that for nearly 70 years (1890s - 1960s) Magdalena was the end of the trail for cattle drives originating from Arizona to southern Colorado.

Today the communities principal industries consist of education; the federal government in the form of the National Forest Service; the National Radio and Astronomy Observatory, which operates the Very Large Array (the world's largest radio telescope) located on the San Augustine plains 25 miles west of Magdalena; the Bureau of Indian Affairs which operates a charter school and Indian Health Service clinic on the Alamo Navajo Reservation; and, finally, ranching. The public school district is the largest employer.

The Alamo Navajo Reservation is located 29 miles north of Magdalena and is a vital part of the community at large. Although Alamo is a chapter of the Navajo Nation, it is located approximately 200 miles southeast of the big reservation. Because of their isolation, the Alamo people have maintained a unique traditional and linguistic heritage. The Alamo band is the only living Native American group who is a blend of Navajo and Apache tribes. The Alamo dialect (Navajo) is predominate in the homes and in all tribal government, religious, social, and cultural interactions.

Additionally, years ago the district implemented a four-day week schedule to help address and accommodate students who are bussed significant distances. Over half of all Magdalena Municipal School District's students are bussed, with the average bus ride being 26 miles one way. The longest distance any one student has to travel is 70 miles one way.

For parents choosing a public education for their children, Magdalena Municipal School District offers elementary and secondary instruction for approximately 446 students residing within the District's boundaries. At the Magdalena Municipal School District, we are pledged to academic achievement. Our mission is to provide a safe and nurturing learning environment, which encourages curiosity and creativity; stimulates physical, social, intellectual and spiritual well being; and, encourages students to become life long learners.

To accomplish this mission the district has developed and implemented an Educational Plan for Student Success that utilizes curriculum, instruction, and assessments that enable all students to demonstrate: 1) Literacy--Clear and accurate reading, writing, speaking, and interpersonal communication. 2) Math Skills--Clear and accurate use of mathematics in communications, reasoning, making connections, and problem solving. 3) Technology Skills--Clear and accurate use of computers and other technology in cross-curricular applications.

Magdalena offers a wide variety of quality educational programs to ensure a comprehensive K-12 educational experience. Current offerings are Navajo bilingual, ESL, Accelerated Reader, Reading Recovery, SRA Corrective Reading, AP English, Plato Program, and concurrent enrollment classes with area universities.

In math we have Everyday Math, Connected Mathematics, and Interactive Math which aligns all levels, K-12, in Magdalena Schools. We also have concurrent enrollment and advanced placement in math. These new curriculums and alignments have resulted in significant student achievement in our school.

In technology, we have an extensive long distance education lab which provides a very rich experience for any students willing to step up to the challenge. We have upgraded our computer lab to a technology lab which enhances our students knowledge about technology in the work place. Our vocational education curriculums are aligned to current industry standards.

We are currently offering K-12 visual arts and K-12 music in our school.

Significant Financial Highlights for the Year Ending June 30, 2009

*

The overall adjusted Fund Balance increased from \$526,259 for the year ending June 30, 2008 to \$722,977 for the year ending June 30, 2009. This represents an increase in the fund balance of \$196,718. The district anticipates a cut in funding for fiscal year 2009-10 therefore was prudent in spending in fiscal year 2008-09.

DISTRICT WIDE FINANCIAL STATEMENTS

Statement of Net Assets

The Statement of Net Assets is prepared using the accrual method of accounting. This statement shows that the District has total net assets of \$11,749,298. The District has \$412,559 of cash and cash equivalents on hand as of June 30, 2009 compared to \$240,090 in accounts payable and other current liabilities. Net Assets totaling \$74,015 are "restricted" for debt service. Net Assets totaling \$598,369 are "unrestricted".

	June 30, 2008	June 30, 2009
Assets		
Cash Assets	\$ 239,769.00	\$ 412,559.00
Other Current Assets	\$ 387,287.00	\$ 428,834.00
Capital Assets	\$ 16,271,055.00	\$ 16,479,101.00
Less Accumulated Depreciation	\$ (4,425,723.00)	\$ (4,896,106.00)
Total Assets	<u>\$ 12,472,388.00</u>	<u>\$ 12,424,388.00</u>
Liabilities		
Accounts Payable	\$ 15,135	\$ 37,677.00
Other Current Liabilities	\$ 204,052	\$ 202,413.00
Long Term Liabilities	\$ 495,000	\$ 435,000.00
Total Liabilities	<u>\$ 714,187</u>	<u>\$ 675,090.00</u>
Net Assets		
Invested in Capital Assets, net of Related Debt	\$ 11,275,332.00	\$ 11,087,995.00
Restricted	\$ (12,178.00)	\$ 62,934.00
Unrestricted	\$ 495,047.00	\$ 598,369.00
Total Net Assets	<u>\$ 11,758,201.00</u>	<u>\$ 11,749,298.00</u>

GASB 34 rules now require public entities to depreciate capital assets. This statement includes an adjusted accumulated depreciation of the District's capital assets in the amount of \$4,896,106. The District utilized a "straight line" depreciation method in all cases and standardized lifetime tables in calculating this depreciation.

Statement of Activities

The Statement of (Governmental) Activities is prepared using the accrual method of accounting. This report compliments the Statement of Net Assets by showing the overall change in the District's net assets for the fiscal year ending June 30, 2009. As of June 30, 2009 the District had net assets of \$11,749,298. The Adjusted beginning year total net assets is \$11,758,201 reflecting a decrease in total net assets of \$8,903 for the year ending June 30, 2009.

	June 30, 2008	June 30, 2009
Expenses for Governmental Activities	7,728,386	7,786,170
Less Charges for Services	27,482	30,387
Less Operating Grants and Contributions	3,318,600	3,164,266
Less Capital Grants and Contributions	364,126	282,946
Net (Expenses) Revenues and Changes in Net Assets	(4,018,178)	(4,308,571)
General Revenues		
Taxes - general, debt service, capital projects	218,732	184,641
Federal and State Aid not restricted to specific purpose	4,025,143	4,062,521
Interest Earned	1,357	568
Miscellaneous	81,548	51,938
Subtotal, General Revenues	4,326,780	4,299,668
Changes in Net Assets	308,602	(8,903)
Net Assets Beginning	11,268,537	11,758,201
Prior Period Adjustment	181,062	0
Adjusted Beginning Net Assets	11,449,599	11,758,201
Net Assets - Ending	11,758,201	11,749,298

FUND FINANCIAL STATEMENTS

Fund financial statements are based on a modified accrual basis of accounting. The Statement of Revenues and Expenditures and Changes in Fund Balances, guides the reader to a meaningful overall view for the District revenue, expenditures and changes to the fund balance. Total revenues from state, local and Federal sources were \$7,777,267. Total expenditures for the District were \$7,580,549. The total ending fund balance was \$722,977; an increase of \$196,718 from the prior year.

Multi-Year District Revenues and Expenditures

A multi-year view of overall District revenues and expenditures indicates significant growth in both areas. The growth of both revenues and expenditures are commensurate with student growth, legislative initiatives to improve funding for teacher salaries, student needs and other educational programs as well as state and local increases in revenues for capital outlay purposes.

Year	Total Revenues *	Increase %	Total Expenses *	Increase %
1999/2000	4,243,135	-	7,271,225	-
2000/2001	4,757,690	12%	4,646,772	-36%
2001/2002	4,953,524	4%	5,182,259	12%
2002/2003	5,867,103	18%	5,447,618	5%
2003/2004	6,474,314	10%	6,591,560	21%
2004/2005	8,641,936	33%	8,597,905	30%
2005/2006	7,102,484	-18%	7,323,703	-15%
2006-2007	7,119,844	0.20%	7,023,238	-4%
2007-2008	8,036,988	12.91%	8,349,407	19%
2008-2009	7,777,267	-3.65%	7,580,549	-9%

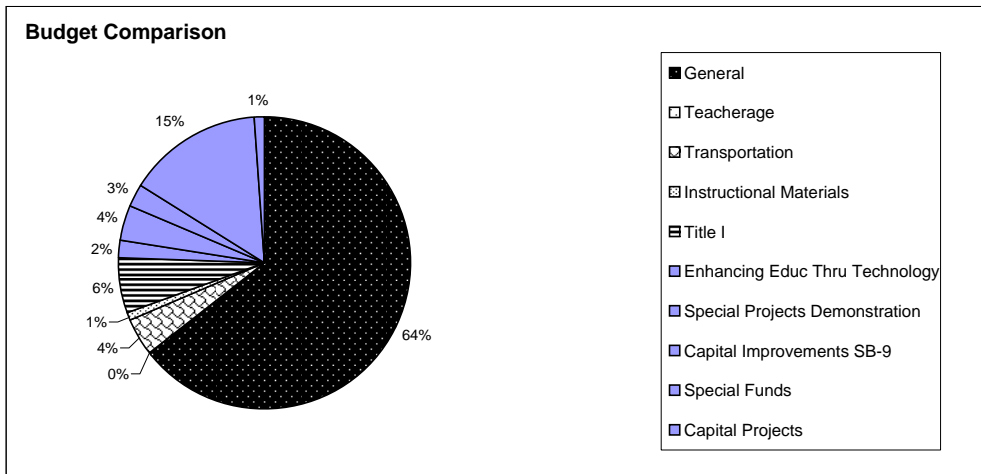
* Note: Revenues include proceeds from General Obligation Bonds and exclude cash carryovers; Expenditures include capital outlays.

The Budget

District budgets reflect the same growth as seen in the revenue and expenditures of the District. The State of New Mexico school budget process is defined under state law and regulation. To enhance the process of developing a budget at the school district level, the District utilizes goals and objectives defined by the District's Board, community input meetings, long term plans and input from various staff groups to develop to the District's budget. District priorities are well defined through this process.

GASB 34 does not require a statement presenting the overall result of the budget for each year; however, all major budgetary funds are required to be reported as a separate statement.

Major budgetary funds in these reports are; The General Fund (Operational, Teacherage, Transportation, and Instructional Materials Funds), Title I, Enhancing Ed Thru Technology, Special Projects Demonstration and Capital Improvements SB-9. In addition, thirty-three (33) non-major Special Revenue Funds, six (6) non-major Capital Projects Funds and two (2) non-major Debt Service Funds are also reported for their budgetary performance. The following graphics and tables show the fiscal relationship of the major funds and the combined non-major funds.



The reader will note that the General Fund represents 63% of the total fund dollar amount. This fund provides the salary and benefits for the significant majority of the Direct Instruction, Instructional Support, Administration, Business Support, Food Service and Maintenance staff as well as classroom materials, special education consulting staff and fixed utility costs.

Revenue from this fund is substantially derived from the State Equalization Guarantee, which is the funding formula appropriated for education by the State Legislature. The General Fund is explored later in the [Management Discussion and Analysis](#).

The following table examines the summary budget performance of the major and combined non-major funds for the fiscal year ending June 30, 2009. Detailed budget performance is examined through the Budgetary Comparison Statement for each major fund and the Schedule of Revenues and Expenditures Budget and Actual for the combined Special Revenue Funds, Capital Projects Funds, and Debt Service.

MAJOR FUNDS EXPENDITURE BUDGET PERFORMANCE

Fund Type	Final Budget	Actual	Variance
General	5,232,162	4,805,565	426,597
Teacherage	2,574	0	2,574
Transportation	312,474	310,668	1,806
Instructional Materials	69,430	53,733	15,697
Title I	511,195	464,983	46,212
Enhancing Educ Thru Technology	240,500	132,697	107,803
Special Projects Demonstration	292,234	285,655	6,579
Capital Improvements SB-9	198,692	192,795	5,897

COMBINED NON-MAJOR FUNDS EXPENDITURE BUDGET PERFORMANCE

Fund Type	Final Budget	Actual	Variance
Special Funds	1,557,012	1,109,622	447,390
Capital Projects	145,124	88,642	56,482
Debt Service	96,787	96,301	486

The general fund had significant variations in amounts because some anticipated funding did not materialize. All funds fell within the regulatory criteria set by the Public Education Department and New Mexico Statute. Both the Manual of Procedures for Public School Accounting and NMSA 8-22-5, Annotated require that budget expenditures be within the authorization of the approved budget.

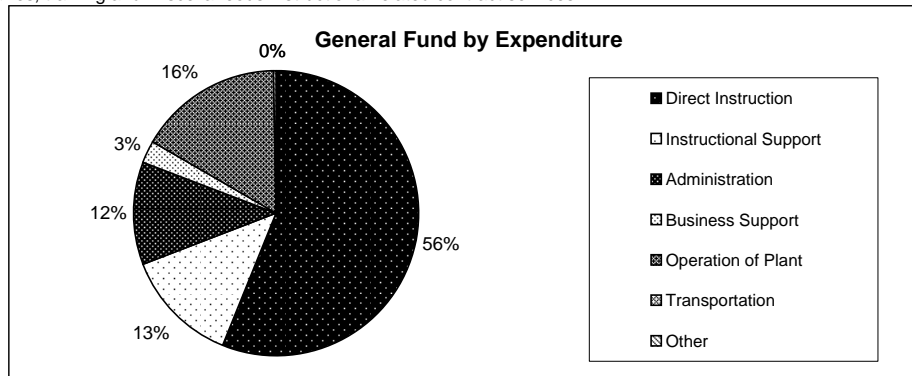
The General Fund

The General Fund revenues represents \$4,988,548 of the total \$7,777,267 in overall District revenues.

The General Fund is predominately funded by revenues from the State of New Mexico Equalization Guarantee Formula. This fund pays for teaching staff, teaching support staff, special education support staff, maintenance staff and administration staff. The General Fund provides the predominant funding for athletics and food service. Because of the student growth experienced by the School District, an emphasis on schools by the New Mexico Legislature, and because the Equalization Guarantee Formula is based upon student populations, the Operational Fund has seen significant increases in revenues as seen in the following table.

Year	Revenues	Increase %
1999-2000	2,296,126	
2000-2001	2,373,328	3%
2001-2002	2,036,856	-14%
2002-2003	2,332,496	15%
2003-2004	2,944,735	26%
2004-2005	3,423,046	16%
2005-2006	4,598,109	34%
2006-2007	4,785,061	4%
2007-2008	5,027,096	9%
2008-2009	4,988,548	-1%

Because the General Fund is the main fund whose expenditures are significantly related to the educational process, \$4,797,176 was expended in the year ending June 30, 2009. The most significant inter-fund expenditure was for the function noted as "Direct Instruction". This expenditure was \$2,691,059 and represents 56% of all General expenditures. Expenditures included in this function are regular and special education teachers and assistants, benefits, payroll taxes, school supplies, training and miscellaneous instructional related contract services.



Instructional Support represents 13% of General Fund expenditures and account for expenditures for school principals, program coordinators, counselors, school nursing staff, librarians, special education ancillary staff and significant support to special education programs through contract ancillary support staff and contract programs.

The Office of the Superintendent and the Business Office represent the overhead support of the entire operations of the District; these programs combined represent 15% of the total General Fund. Operation of the Plant account for 16% of the General Fund expenditures. Included in the Operation of the Plant expenditures are salaries and benefits for maintenance staff, school custodians, fixed utility costs, maintenance and repairs, maintenance supplies and school custodial supplies. Additional support for maintenance supplies and projects comes from the voter approved SB9 Fund. The General Fund also supports expenditures for athletics, food service and transportation.

Capital Assets

Because of aging facilities, the District has taken an aggressive approach to maintaining existing facilities.

Asset Type	Balance June 30, 2007	Balance June 30, 2008	Balance June 30, 2009
Land & Improvements	398,772	1,430,457	1,602,927
Buildings & Improvements	14,147,093	13,598,211	13,598,211
Furniture, Fixtures & Equipment	829,714	1,242,387	1,277,963
Total Capital Assets	15,375,579	16,271,055	16,479,101
Less Accumulated Depreciation	(4,133,423)	(4,425,723)	(4,896,106)
Capital Assets-Net	11,242,156	11,845,332	11,582,995

General Long Term Debt

Article IX, Section 11 of the New Mexico Constitution limits the power of a school district to incur general obligation debt beyond a school year unless such debt is for "the purpose of erecting, remodeling, making additions, and furnishing buildings or purchasing or improving school grounds or purchasing computer software or hardware for student use in public classrooms or any combination of these purposes." The approval of debt is subject to a vote of the local electors and may not exceed 6% of the assessed valuation of the taxable property within the District.

The School District has never defaulted on any of its debts or other obligations. Listed below is the District's total general obligation debt as of June 30, 2009.

Year Ended June 30	Principal	Interest	Totals
2010	60,000	17,665	77,665
2011	60,000	15,606	75,606
2012	60,000	13,487	73,487
2013	65,000	11,216	76,216
2014	65,000	8,796	73,796
2015-2019	185,000	11,183	196,183
Total	495,000	77,953	572,953

Agency Funds

The District, as a custodian, maintains and monitors special funds on the behalf of school activity groups. Agency funds maintained by the District are to benefit a specific activity or interest and are generally raised by students for student use. The custody and use of these funds are in accordance with Public Education Department Regulations and School District Policy. The Statement of Fiduciary Net Assets and Liabilities has a cash balance of \$374,784 as of June 30, 2009; \$83,066 held on behalf of the students.

Future Trends

Given the uncertainty of the financial picture for the state, the district will continue to monitor expenditures and maintain a conservative approach to spending. We do not anticipate any major expenditure for physical plant or grounds over the next year as all projects have been completed at this time. There are no plans to seek a new bonding election in the new year although the district will have an SB9 2 mil election in 2011. All in all, the district continues to maintain solvency in tough times as a result of careful fiscal management.

**BASIC
FINANCIAL STATEMENTS**

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2009

Exhibit A-1
(Page 1 of 2)

	<u>Governmental Activities</u>
ASSETS	
Current assets	
Cash and temporary investments	\$ 412,559
Receivables (net of allowance for uncollectibles)	390,424
Inventory	3,255
Total current assets	<u>806,238</u>
Noncurrent assets	
Bond issuance costs (net of amortization of \$70,546)	35,155
Capital assets (net of accumulated depreciation):	
Land	
Land improvements	1,602,927
Buildings and building improvements	13,598,211
Furniture, fixtures and equipment	1,277,963
Less: accumulated depreciation	<u>(4,896,106)</u>
Total noncurrent assets	<u>11,618,150</u>
Total assets	<u><u>\$ 12,424,388</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2009

Exhibit A-1
(Page 2 of 2)

		<u>Governmental Activities</u>
LIABILITIES AND NET ASSETS		
Accounts payable	\$	37,677
Accrued payroll liabilities		45,584
Accrued compensated absences		92,158
Accrued interest		4,671
Current portion of long-term debt		60,000
Total current liabilities		<u>240,090</u>
Noncurrent liabilities:		
Bonds due in more than one year		435,000
Total noncurrent liabilities		<u>435,000</u>
Total liabilities		675,090
Invested in capital assets, net of related debt		
		11,087,995
Restricted for:		
Debt service		74,015
Capital projects		(11,081)
Unrestricted		598,369
		<u>11,749,298</u>
Total net assets		<u>11,749,298</u>
Total liabilities and net assets		<u><u>\$ 12,424,388</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Service</u>
Primary Government		
Governmental activities:		
Instruction	\$ 4,566,991	\$ 21,964
Support services:		
Students	629,832	-
Instruction	146,743	-
General Administration	284,943	-
School Administration	407,726	-
Central Services	124,747	-
Operation & Maintenance of Plant	775,694	-
Student Transportation	354,348	-
Food Services Operation	273,667	8,423
Community Services	13,151	-
Facilities Materials, Supplies & Other Services	189,033	-
Interest on long-term debt	19,295	-
Total Primary Government	\$ 7,786,170	\$ 30,387

The accompanying notes are an integral part of these financial statements

Program Revenues		Net
Operating Grants and Contributions	Capital Grants and Contributions	(Expenses) Revenues and Changes in Net Assets
\$ 2,543,197	\$ -	\$ (2,001,830)
58,224	-	(571,608)
-	-	(146,743)
-	-	(284,943)
-	-	(407,726)
-	-	(124,747)
-	-	(775,694)
328,725	-	(25,623)
234,120	-	(31,124)
-	-	(13,151)
-	282,946	93,913
-	-	(19,295)
<u>\$ 3,164,266</u>	<u>\$ 282,946</u>	<u>\$ (4,308,571)</u>

General Revenues:

Property taxes:	
Levied for general purposes	\$ 7,036
Levied for debt service	139,612
Levied for capital projects	37,993
State Equalization Guarantee	4,062,521
Unrestricted investment earnings	568
Miscellaneous	51,938
	<u>4,299,668</u>
Total general revenues	<u>4,299,668</u>
Change in net assets	(8,903)
Net assets - beginning	<u>11,758,201</u>
Net assets - ending	<u>\$ 11,749,298</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2009

	General 11000	Teacherage 12000	Transportation 13000	Instructional Materials 14000
ASSETS				
<i>Current Assets</i>				
Cash and temporary investments	\$ 69,421	\$ 2,368	\$ 5,564	\$ 15,439
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	25,151	-	-	-
Interfund receivables	404,684	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
	499,256	2,368	5,564	15,439
<i>Total assets</i>	499,256	2,368	5,564	15,439
LIABILITIES AND FUND BALANCES				
<i>Current Liabilities:</i>				
Accounts payable	7,179	-	2,255	-
Accrued payroll liabilities	31,425	-	2,588	-
Accrued compensated absences	-	-	-	-
Interfund payables	-	-	-	-
Deferred revenue - property taxes	-	-	-	-
Deferred revenue - other	-	-	-	-
	38,604	-	4,843	-
<i>Total liabilities</i>	38,604	-	4,843	-
<i>Fund balances</i>				
Fund Balance:				
Reserved:				
Reserved for inventory	-	-	-	-
Reserved for debt service	-	-	-	-
Reserved for capital projects	-	-	-	-
Unreserved:				
Designated for subsequent year's expenditures	316,046	-	-	-
Undesignated, reported in				
General Fund	144,606	2,368	721	15,439
Special Revenue Funds	-	-	-	-
	460,652	2,368	721	15,439
<i>Total fund balance</i>	460,652	2,368	721	15,439
 <i>Total liabilities and fund balance</i>	\$ 499,256	\$ 2,368	\$ 5,564	\$ 15,439

The accompanying notes are an integral part of these financial statements

Title I 24101	Enhancing Ed Thru Technology 24149	Special Projects Demonstration 25194	Capital Improvements SB-9 31700	Other Governmental Funds	Total Primary Government
\$ -	\$ -	\$ -	\$ -	\$ 319,767	\$ 412,559
-	-	-	-	2,437	2,437
115,666	49,767	53,315	-	144,088	387,987
-	-	-	-	-	404,684
-	-	-	-	-	-
-	-	-	-	3,255	3,255
<u>115,666</u>	<u>49,767</u>	<u>53,315</u>	<u>-</u>	<u>469,547</u>	<u>1,210,922</u>
-	-	-	7,698	20,545	37,677
2,983	-	-	-	8,588	45,584
-	-	-	-	-	-
112,683	49,767	53,315	43,192	145,727	404,684
-	-	-	-	-	-
-	-	-	-	-	-
<u>115,666</u>	<u>49,767</u>	<u>53,315</u>	<u>50,890</u>	<u>174,860</u>	<u>487,945</u>
-	-	-	-	3,255	3,255
-	-	-	-	74,015	74,015
-	-	-	(50,890)	39,809	(11,081)
-	-	-	-	-	316,046
-	-	-	-	-	163,134
-	-	-	-	177,608	177,608
-	-	-	(50,890)	294,687	722,977
<u>\$ 115,666</u>	<u>\$ 49,767</u>	<u>\$ 53,315</u>	<u>\$ -</u>	<u>\$ 469,547</u>	<u>\$ 1,210,922</u>

The accompanying notes are an integral part of these financial statements

(This page intentionally left blank.)

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS

Exhibit B-1
 (Page 2 of 2)

RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS
JUNE 30, 2009

	Governmental Funds
Amounts reported for governmental activities in the statement of net assets are different because:	
Fund balances - total governmental funds	\$ 722,977
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	11,582,995
Other long-term assets are not available to pay for current period expenditures and therefore are not reported in the funds	
Bond issuance costs net of accumulated amortization	35,155
Accrued interest	(4,671)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	
Accrued compensated absences	(92,158)
General obligation bonds	(495,000)
Net Assets-total Governmental Activities	\$ 11,749,298

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	Operational 11000	Teacherage 12000	Transportation 13000	Instructional Materials 14000
<i>Revenues:</i>				
Property taxes	\$ 7,036	\$ -	\$ -	\$ -
State grants	4,062,997	-	312,474	67,234
Federal grants	841,003	-	-	-
Miscellaneous	76,944	-	-	-
Interest	568	-	-	-
<i>Total revenues</i>	<u>4,988,548</u>	<u>-</u>	<u>312,474</u>	<u>67,234</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	2,691,059	-	-	48,388
Support Services				
Students	534,702	-	-	-
Instruction	93,781	-	-	2,750
General Administration	240,380	-	-	-
School Administration	311,661	-	-	-
Central Services	124,743	-	-	-
Operation & Maintenance of Plant	782,982	-	-	-
Student Transportation	-	-	312,838	-
Other Support Services	-	-	-	-
Food Services Operations	17,868	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>4,797,176</u>	<u>-</u>	<u>312,838</u>	<u>51,138</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>191,372</u>	<u>-</u>	<u>(364)</u>	<u>16,096</u>
<i>Other financing sources (uses):</i>				
Operating transfers	1,584	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,584</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	192,956	-	(364)	16,096
<i>Fund balances - beginning of year</i>	<u>267,696</u>	<u>2,368</u>	<u>1,085</u>	<u>(657)</u>
<i>Fund balances - end of year</i>	<u>\$ 460,652</u>	<u>\$ 2,368</u>	<u>\$ 721</u>	<u>\$ 15,439</u>

The accompanying notes are an integral part of these financial statements

Title I 24101	Enhancing Ed Thru Technology 24149	Special Projects Demonstration 25194	Capital Improvements SB-9 31700	Other Governmental Funds	Total Primary Government
\$ -	\$ -	\$ -	\$ 37,993	\$ 139,612	\$ 184,641
-	-	-	76,798	309,622	4,829,125
467,966	132,697	282,899	-	879,540	2,604,105
-	-	204	-	81,680	158,828
-	-	-	-	-	568
<u>467,966</u>	<u>132,697</u>	<u>283,103</u>	<u>114,791</u>	<u>1,410,454</u>	<u>7,777,267</u>
424,781	126,282	219,643	-	676,450	4,186,603
-	-	-	-	106,059	640,761
149	4,523	293	-	36,497	137,993
7,591	1,892	3,852	380	28,572	282,667
32,894	-	53,594	-	6,304	404,453
-	-	-	-	4	124,747
-	-	-	-	-	782,982
-	-	5,721	-	24,348	342,907
-	-	-	-	-	-
-	-	-	-	262,757	280,625
2,551	-	-	-	10,600	13,151
-	-	-	200,113	88,642	288,755
-	-	-	-	75,000	75,000
-	-	-	-	19,905	19,905
<u>467,966</u>	<u>132,697</u>	<u>283,103</u>	<u>200,493</u>	<u>1,335,138</u>	<u>7,580,549</u>
-	-	-	(85,702)	75,316	196,718
-	-	-	-	(1,584)	-
-	-	-	-	-	-
-	-	-	-	(1,584)	-
-	-	-	(85,702)	73,732	196,718
-	-	-	34,812	220,955	526,259
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (50,890)</u>	<u>\$ 294,687</u>	<u>\$ 722,977</u>

The accompanying notes are an integral part of these financial statements

(This page intentionally left blank.)

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

Exhibit B-2
(Page 2 of 2)

	Governmental Funds
Amounts reported for governmental activities in the statement of activities are different because:	
Net change in fund balances - total governmental funds	\$ 196,718
<p>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 for the period.</p>	
Depreciation expense	(470,383)
Capital Outlays	208,046
Disposal of capital assets	-
<p>The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:</p>	
Increase in accrued interest payable	610
Increase in accrued compensated absences	(13,512)
Amortization of bond issuance costs	(5,382)
Bond Proceeds	-
Principal payments on bonds	75,000
Change in Net Assets-total Governmental Activities	\$ (8,903)

The accompanying notes are an integral part of these financial statements

(This page intentionally left blank.)

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOLS
GENERAL FUND

Exhibit C-1

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ 7,308	\$ 7,308	\$ 7,036	\$ (272)
State grants	4,161,964	4,098,013	4,062,997	(35,016)
Federal grants	798,226	892,964	841,003	(51,961)
Miscellaneous	33,370	33,370	51,793	18,423
Interest	2,500	2,500	568	(1,932)
<i>Total revenues</i>	<u>5,003,368</u>	<u>5,034,155</u>	<u>4,963,397</u>	<u>(70,758)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	2,832,977	2,912,561	2,689,074	223,487
Support Services				
Students	632,586	632,586	532,684	99,902
Instruction	81,835	81,835	93,644	(11,809)
General Administration	254,445	254,445	242,626	11,819
School Administration	315,283	315,283	312,280	3,003
Central Services	129,416	129,416	124,551	4,865
Operation & Maintenance of Plant	874,554	874,554	792,838	81,716
Student Transportation	-	-	-	-
Other Support Services	820	820	-	820
Food Services Operations	30,662	30,662	17,868	12,794
Community Services	-	-	-	-
Capital outlay	48,797	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>5,201,375</u>	<u>5,232,162</u>	<u>4,805,565</u>	<u>426,597</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(198,007)</u>	<u>(198,007)</u>	<u>157,832</u>	<u>355,839</u>
<i>Other financing sources (uses):</i>				
Designated cash	198,007	198,007	-	(198,007)
Operating transfers	-	-	1,584	1,584
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>198,007</u>	<u>198,007</u>	<u>1,584</u>	<u>(196,423)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>159,416</u>	<u>159,416</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>314,689</u>	<u>314,689</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 474,105</u>	<u>\$ 474,105</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			25,151	
Adjustments to expenditures			8,389	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 192,956</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOLS
TEACHERAGE FUND

Exhibit C-2

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	2,574	2,574	-	2,574
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,574</u>	<u>2,574</u>	<u>-</u>	<u>2,574</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(2,574)</u>	<u>(2,574)</u>	<u>-</u>	<u>2,574</u>
<i>Other financing sources (uses):</i>				
Designated cash	2,574	2,574	-	(2,574)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,574</u>	<u>2,574</u>	<u>-</u>	<u>(2,574)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>2,368</u>	<u>2,368</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,368</u>	<u>\$ 2,368</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Exhibit C-3

MAGDALENA MUNICIPAL SCHOOLS

TRANSPORTATION FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			Variance
	Original Budget	Final Budget	Actual	
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	334,542	312,474	312,474	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>334,542</u>	<u>312,474</u>	<u>312,474</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	334,542	312,474	310,668	1,806
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>334,542</u>	<u>312,474</u>	<u>310,668</u>	<u>1,806</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>1,806</u>	<u>1,806</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>1,806</u>	<u>1,806</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>3,758</u>	<u>3,758</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,564</u>	<u>\$ 5,564</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			(2,170)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (364)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOLS
INSTRUCTIONAL MATERIALS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	39,128	67,492	67,234	(258)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>39,128</u>	<u>67,492</u>	<u>67,234</u>	<u>(258)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	36,796	66,620	50,983	15,637
Support Services				
Students	-	-	-	-
Instruction	2,332	2,810	2,750	60
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>39,128</u>	<u>69,430</u>	<u>53,733</u>	<u>15,697</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(1,938)</u>	<u>13,501</u>	<u>15,439</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	1,938	-	(1,938)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>1,938</u>	<u>-</u>	<u>(1,938)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>13,501</u>	<u>13,501</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,938</u>	<u>1,938</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,439</u>	<u>\$ 15,439</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			2,595	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 16,096</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Exhibit C-5

MAGDALENA MUNICIPAL SCHOOLS

TITLE I SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	511,195	511,195	521,549	10,354
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>511,195</u>	<u>511,195</u>	<u>521,549</u>	<u>10,354</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	460,393	460,393	424,781	35,612
Support Services				
Students	-	-	-	-
Instruction	-	-	149	(149)
General Administration	8,496	8,496	7,591	905
School Administration	35,694	35,694	29,911	5,783
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	6,612	6,612	2,551	4,061
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>511,195</u>	<u>511,195</u>	<u>464,983</u>	<u>46,212</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>56,566</u>	<u>56,566</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>56,566</u>	<u>56,566</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(169,249)</u>	<u>(169,249)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (112,683)</u>	<u>\$ (112,683)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(53,583)	
Adjustments to expenditures			(2,983)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Exhibit C-6

MAGDALENA MUNICIPAL SCHOOLS

ENHANCING EDUCATION THRU TECHNOLOGY SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	240,500	82,930	(157,570)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>240,500</u>	<u>82,930</u>	<u>(157,570)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	228,571	126,282	102,289
Support Services				
Students	-	-	-	-
Instruction	-	9,045	4,523	4,522
General Administration	-	2,884	1,892	992
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>240,500</u>	<u>132,697</u>	<u>107,803</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(49,767)</u>	<u>(49,767)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(49,767)</u>	<u>(49,767)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (49,767)</u>	<u>\$ (49,767)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			49,767	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Exhibit C-7

MAGDALENA MUNICIPAL SCHOOLS

SPECIAL PROJECTS DEMONSTRATION USDE SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	292,234	255,110	(37,124)
Miscellaneous	-	-	204	204
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>292,234</u>	<u>255,314</u>	<u>(36,920)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	238,733	219,643	19,090
Support Services				
Students	-	-	-	-
Instruction	-	-	293	(293)
General Administration	-	4,801	3,852	949
School Administration	-	48,700	56,146	(7,446)
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	5,721	(5,721)
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>292,234</u>	<u>285,655</u>	<u>6,579</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(30,341)</u>	<u>(30,341)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(30,341)</u>	<u>(30,341)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(22,974)</u>	<u>(22,974)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (53,315)</u>	<u>\$ (53,315)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			27,789	
Adjustments to expenditures			2,552	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

(This page intentionally left blank.)

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
AGENCY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2009

Exhibit D-1

	<u>Agency Funds</u>
ASSETS	
<i>Current Assets</i>	
Student Activities Cash	\$ 83,066
Gear Up Scholarship Cash	<u>291,718</u>
<i>Total assets</i>	<u><u>374,784</u></u>
 LIABILITIES	
<i>Current Liabilities</i>	
Deposits held in trust for others	<u>374,784</u>
<i>Total liabilities</i>	<u><u>\$ 374,784</u></u>

The accompanying notes are an integral part of these financial statements.

(This page intentionally left blank.)

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 1. Summary of Significant Accounting Policies

The Magdalena School Board was created under the provision of Chapter 22 Article 5, Paragraph 4, New Mexico Statutes 1978 to provide public education for the children within the District. The School Board is authorized to establish policies and regulations for its own government consistent with the laws of the state of New Mexico and the regulations of the State Board of Education and the Legislative Finance Committee. The School Board is comprised of five members who are elected for terms of four years.

The financial statements of Magdalena Municipal School District (the "District") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standard Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of the District's accounting policies are described below.

A. Reporting Entity

GASB Statement No. 14 established criteria for determining the government 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 also has no *component units*, as defined by GASB Statement No. 14 and/or GASB Statement No. 39, as there are no other legally separate organizations for which the elected School Board 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.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities and changes in net assets) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 1. Summary of Significant Accounting Policies - (Continued)

C. Measurement focus, basis of accounting, and financial statement presentation

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

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Ad valorem taxes (property taxes), and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been 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. All other revenue items are considered to be measurable and available only when cash is received by the government.

The *agency funds* are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. These funds are used to account for assets that the District holds for others in an agency capacity.

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 long-term debt. Governmental funds include:

The *General Fund* is the primary operating fund of the District, and accounts for all financial resources, except those required to be accounted for in other funds.

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

The *Debt Service Funds* account for the services of long-term debt not being financed by proprietary or nonexpendable trust funds.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 1. Summary of Significant Accounting Policies - (Continued)

C. *Measurement focus, basis of accounting, and financial statement presentation - (continued)*

The *Capital Projects Funds* account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

Under the requirements of GASB #34, the District is required to present certain of its governmental funds as major funds based upon certain criteria. The major funds presented in the fund financial statements include the following (in addition to the General Fund), which may include funds that were not required to be presented as major but were at the discretion of management:

The *Teacherage Fund* is used to account for the on-campus housing for teachers and staff. This is considered by PED to be a sub-fund of the General Fund.

The *Transportation Fund* is used to account for the State Equalization, received from the Public Education Department (PED), which is used to pay for the costs associated with transporting school age children. This is considered by PED to be a sub-fund of the General Fund.

The *Instructional Materials Fund* is used to account for the monies received from the Public Education Department (PED) for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students. This is considered by PED to be a sub-fund of the General Fund.

The *Title I Special Revenue Fund* is used to provide supplemental educational opportunity for academically disadvantaged children in the area of residing. Campuses are identified for program participation by the percentage of students on free or reduced price lunches. Any school with a free and reduced price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criteria that identifies a campus; educational need determines the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Education. Authority for creation of this fund is Part A of Chapter I of Title I of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

The *Enhancing Education Thru Technology Special Revenue Fund* is used to account for federal resources used to strengthen the skills of teachers in the field of technology. (P.L. 103-382).

The *Special Projects Demonstration USDE Special Revenue Fund* is used to account for a project that aims to increase Indian student achievement and promote life-long learning. This program will escalate the level and quality of learning for Magdalena's Indian students via implementation of an additional preschool program, academic enrichment in math and science, performance-based assessment, and increased opportunity for our Native American students to enroll and succeed in postsecondary institutions. Elementary and Secondary Education Act of 1965, as amended.

The *Capital Improvements SB-9 Capital Project Fund* is used to account for erecting, remodeling, making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof as identified by the local school board. Financing is provided by the State of New Mexico's State Equalization Matching and a special tax levy as authorized by the Public School District Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978).

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 1. Summary of Significant Accounting Policies - (Continued)

C. Measurement focus, basis of accounting, and financial statement presentation - (continued)

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayer or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The District has elected not to follow subsequent private-sector guidance.

Program revenues are categorized as (a) charges for services, which include revenues collected for cafeteria fees and lost books, etc., (b) program-specific operating grants, which includes revenues received from state and federal sources such as Title I, IDEA-B, Charter Schools, and Magnet school funding to be used as specified within each program grant agreement, and (c) program-specific capital grants and contributions, which include revenues from state sources such as SB-9 and HB-33 funding to be used for capital projects. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. The District does not currently employ indirect cost allocation systems. Depreciation expense is specifically identified by function and is included in the direct expense of each function, except for that portion of depreciation that is identified as unallocated on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

D. Assets, Liabilities and Net Assets or Equity

Cash and Temporary Investments: 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.

State statutes authorize the District to invest in Certificates of Deposit, obligations of the U.S. Government, and the State Treasurer's Investment Pool.

Investments for the District are reported at fair value. The State Treasurer's Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Receivables and Payables: Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 1. Summary of Significant Accounting Policies - (Continued)

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

The District receives monthly income from a tax levy in Socorro County. The funds are collected by the County Treasurer and are remitted to the School District the following month. Under the modified accrual method of accounting, the amount remitted by the Socorro County Treasurer in July and August 2009 is considered 'measurable and available' and, accordingly, is recorded as revenue during the year ended June 30, 2009.

Certain Special Revenue funds are administered on a reimbursement method of funding, other funds are operated on a cash advance method of funding. The funds incurred the cost and submitted the necessary request for reimbursement or advance, respectively.

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Instructional Materials: The New Mexico State Department of Education receives federal material leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, fifty percent is restricted to the requisition of material listed in the State Board of Education 'State Adopted Instructional Material' list, while the other fifty percent of each allocation is available for purchases directly from vendors, for which the school district receives cash draw-downs, or transfer to the other fifty percent account for requisition of material from the adopted list.

Inventory: Inventory is valued at lower of cost (first-in, first-out) or market. Inventory in the Special Revenue Funds consists of U.S.D.A. commodities and other purchased food and non-food supplies. The cost of purchased food is recorded as an expenditure at the time individual inventory items are consumed. The U.S.D.A. commodities are recorded at year-end by audit adjusting entries. Commodities consumed during the year are reported as revenues and expenditures; unused commodities are reported as inventories and deferred revenue. Non-commodity 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. No deferred revenue was recorded for unused commodity inventory as of June 30, 2009.

Capital Assets: Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets, (retroactive to 1979) are to be included as part of the governmental capital assets reported in the government wide statements. Information technology equipment, including software, is being capitalized and included in furniture and equipment as the District did not maintain internally developed software. Library books are also being capitalized and depreciated. Donated capital assets are recorded at estimated fair market value at the date of donation. During the year ended June 30, 2009, the District did not receive any donated capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction during the year ended June 30, 2009.

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

Buildings and Improvements	5-50 years
Land Improvements	5-40 years
Furniture, Fixtures and Equipment	5-20 years

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 1. Summary of Significant Accounting Policies - (Continued)

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

Deferred Revenues: The District recognizes grant revenue at the time the related expense is made if the expenditure of funds is the prime factor for determining eligibility for reimbursement; therefore, amounts received and not expended in the Special Revenue Funds are shown as deferred revenues. Amounts receivable from the property taxes levied for the current year that are not considered to be “available” under the current financial resources measurement focus are reported as deferred revenues in the governmental fund financial statements.

Compensated Absences: All personnel employed by the District shall be entitled to leave as per the following categories and schedules:

Annual Leave: Twelve-month employees shall be entitled to annual leave with full pay computed on the following basis per year:

1-5 consecutive years of employment	10 days
6-10 consecutive years of employment	15 days
11+ consecutive years of employment	20 days

Twelve-month employees who have resigned, retired, or who have been laid off or dismissed, shall be entitled to and shall be paid for a maximum of 40 days of earned and unused annual leave.

The District’s recognition and measurement criteria for compensated absences follow:

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both the following conditions are met:

- a. The employees’ right to receive compensation is attributable to services already rendered.
- b. It is probably that the employer will compensate the employee for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts, if any, are recorded in the account “compensated absences payable” in the fund from which the employees who have accumulated unpaid leave are paid. In prior years, substantially all of the related expenditures have been liquidated by the general fund. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the district-wide statement of net assets.

Long-term Obligations: In the government-wide fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method.

For fund financial reporting, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as another financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 1. Summary of Significant Accounting Policies - (Continued)

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

Net Assets or Fund Equity: In the fund financial statements, governmental funds report reservations of fund balance that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. These designations are established to earmark resources for specific future use and to indicate that the fund equity does not represent available spendable resources.

In the government-wide financial statements, fund equity is classified as net assets and is displayed in three components:

Invested in capital assets, net of related debt: Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Assets: Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation. Descriptions for the related restrictions for net assets are restricted for “debt service or capital projects.”

Unrestricted Net Assets: All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Interfund Transactions: Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund from expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates affecting the District’s financial statements include management’s estimate of the useful lives of capital assets.

E. *Revenues*

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

A school district’s program costs are determined through the use of various formulas using ‘program units’ which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$4,062,521 in state equalization guarantee distributions during the year ended June 30, 2009.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 1. Summary of Significant Accounting Policies - (Continued)

E. Revenues (continued)

Tax Revenues: The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Tax revenues are recognized when they are in the hands of the collecting agency. The District records only the portion of the taxes considered to be 'measurable' and 'available'. The District recognized \$184,604 in tax revenues during the year ended June 30, 2009. Descriptions of the individual debt service and capital outlay funds contained in these financial statements include information regarding the authority for the collection and use of these taxes.

Property taxes attach an enforceable lien on property as of January 1. Tax notices are sent 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. Socorro County collects County, City and School taxes and distributes them to each fund once per month except in June when the taxes are distributed twice to close out the fiscal year.

Transportation Distribution: School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$303,870 in transportation distributions during the year ended June 30, 2009.

Instructional Materials: The New Mexico Public Education Department (PED) receives federal material leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, fifty percent is restricted to the requisition of materials listed in the State Board of Education "State Adopted Instructional Material" list, while the other fifty percent of each allocation is available for purchases directly from vendors. Allocations received from the State for the year ended June 30, 2009 totaled \$64,682.

Public School Capital Outlay: Under the provisions of Chapter 22, Article 24, a public school capital outlay fund was created. The money in the fund may be used only for capital expenditures deemed by the public school capital outlay council necessary for an adequate educational program, and the capital outlay expenditures are limited to the purchase, or construction of temporary or permanent classrooms.

The council shall approve an application for grant assistance from the fund when the council determines that:

1. A critical need exists requiring action;
2. The residents of the school districts have provided all available resources to the district to meet its capital outlay requirements;
3. The school district has used its resources in a prudent manner;
4. The District is in a county or counties which have participated in the reappraisal program and the reappraised values are on the tax rolls, or will be used for the tax year 1979 as certified by the property tax division; and
5. The school district has provided insurance for buildings of the school district in accordance with the provisions of Section 13-5-3 NMSA 1978.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 1. Summary of Significant Accounting Policies - (Continued)

E. Revenue -(continued)

The council shall consider all applications for assistance from the fund and after public hearing shall either approve or deny the application. Applications for grant assistance shall only be accepted by the council after a district has complied with the provisions of this section. The council shall list all applications in order of priority and all allocations shall be made on a priority basis.

Money in the fund shall be disbursed by warrant of the Department of Finance and Administration on vouchers signed by the Secretary of Finance and Administration following certification by the council that the application has been approved.

During the year ended June 30, 2009, the District received \$155,000 in special capital outlay (state) funds and \$51,148 in special capital outlay (local) funds.

SB-9 State Match: The Director shall distribute to any school district that has imposed a tax under the Public School Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978) an amount from the public school capital improvements fund that is equal to the amount by which the revenue estimated to be received from the imposed tax as specified in Subsection B of Section 22-25-3 NMSA 1978, assuming a one hundred percent collection rate, is less than an amount calculated by multiplying the product obtained by the rate imposed in the District under the Public School Capital Improvements Act. The distribution shall be made by December 1, of each year that the tax is imposed in accordance with Section 22-25-3 NMSA 1978. Provided, however, in the event that sufficient funds are not available in the public school capital improvement funds to make the state distribution provided for in this section, the dollar per program unit figure shall be reduced as necessary. The District received \$76,798 in state SB-9 matching during the year ended June 30, 2009.

Federal Grants: The District receives revenues from various Federal departments (both direct and indirect), which are legally restricted to expenditures for specific purposes. These programs are reported as Special Revenue Funds. Each program operated under its own budget, which has been approved by the Federal Department or the flowthrough agency (usually the New Mexico Department of Education). The various budgets are approved by the Local School Board and the New Mexico Public Education Department.

The District also receives reimbursement under the National School Lunch and Breakfast Programs for its food services operations, and the distributions of commodities through the New Mexico Human Services Department.

NOTE 2. Stewardship, Compliance and Accountability

Budgetary Information

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

These budgets are prepared on the Non-GAAP cash basis, excluding encumbrances, and secure appropriation of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year.

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

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 2. Stewardship, Compliance and Accountability - (Continued)

Budgetary Information - (continued)

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

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

1. In April or May, the local school board submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department a proposed operating budget for the ensuing fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the State of New Mexico Public Education Department (PED) by the District shall contain headings and details as described by law and have been approved by the Public Education Department.
2. In May or June of each year, the proposed "operating" budget will be reviewed and approved by the DBPU and certified and approved by the local school board at a public hearing of which notice has been published by the local school board which fixes the estimated budget for the school district for the ensuing fiscal year.
3. The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called.
4. The "operating" budget will be used by the District until they have been notified that the budget has been approved by the DBPU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system. 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 DBPU.
5. The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Public Education Department.
6. Budget change requests are processed in accordance with Supplement 1 (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school 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 Magdalena Municipal School 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.
9. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds.
10. Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Encumbrances are treated the same way for GAAP purposes and for budget purposes.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 2. Stewardship, Compliance and Accountability - (Continued)

Budgetary Information - (continued)

The Board of Education may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. New Mexico state law prohibits a Governmental Agency from exceeding an individual line item.

The accompanying Statements of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual present comparisons of the legally adopted budget with actual data on a budgetary basis.

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of resultant basis, perspective, equity, and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2009, is presented.

NOTE 3. Cash and Temporary Investments

State statutes authorize the investment of District funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations.

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

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

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

The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, district or political subdivision of the State of New Mexico. As of June 30, 2009 the District had no pledged collateral as all funds were insured by FDIC.

According to the Federal Deposit Insurance Corporation, public unit deposits are funds owned by the public unit. Time deposits, savings deposits and interest bearing NOW accounts of a public unit in an institution in the same state will be insured up to \$100,000 in aggregate and separate from the \$100,000 coverage for public unit demand deposits at the same institution. This coverage has increased to \$250,000 for time and savings deposits as well as demand deposits until December 31, 2013. Additionally, until December 31, 2009, all deposits in non-interest bearing transaction accounts (such as non-interest bearing checking accounts) at participating institutions are fully guaranteed, regardless of dollar amount.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 3. Cash and Temporary Investments - (Continued)

Deposits

NM State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the District for a least one half of the amount on deposit with the institution. The schedule listed below will meet the State of New Mexico, Office of the State Auditor's requirements in reporting the insured portion of the deposits.

	Wells Fargo Bank
Total amounts of deposits	\$ 1,187,089
FDIC coverage	(1,187,089)
Total uninsured public funds	—
Collateral requirement (50% of uninsured public funds)	\$ —
Pledged security	—
Total under (over) collateralized	\$ —

At June 30, 2009, the carrying amount of these deposits was \$787,318.

Reconciliation of Cash and Temporary Investments

Governmental Funds – Balance Sheet	
Cash and cash equivalents per Exhibit A-1	\$ 412,559
Statement of Fiduciary Net Assets – cash per Exhibit D-1	374,784
	787,343
Add outstanding checks and other reconciling items	399,771
	1,187,114
Less petty cash	(25)
Bank balance of deposits	\$ 1,187,089

NOTE 4. Receivables

Receivables as of June 30, 2009, are as follows:

	General	Title I	Enhancing Ed Thru Tech	Special Projects Demonstration	Non-major Funds	Total
Property taxes	\$ —	\$ —	\$ —	\$ —	\$ 2,437	\$ 2,437
Intergovernmental – grants	25,151	115,666	49,767	53,315	144,088	387,987
Total receivables	\$ 25,151	\$ 115,666	\$ 49,767	\$ 53,315	\$ 146,525	\$ 390,424

The above receivables are deemed 100% collectible. In accordance with GASB #33, property tax receivables should be presented net of deferred revenues on the governmental fund financial statements. However, we were unable to obtain the delinquent property taxes from the County.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 5. Interfund Receivables, Payables, and Transfers

Net operating transfers, which were made to close out funds were as follows:

Governmental Transfers:	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
General Fund	\$ 1,584	\$ —
Nonmajor Funds:		
Comprehensive School Reform	—	2
Gear Up USDE	—	224
Native American Program	—	1,345
Breakfast for Elementary Students	—	1
After School Enrichment Program	—	49
DWI NM Local Grant Fund	40	—
Public School Capital Outlay	—	1
Public School Capital Outlay 20%	—	1
Deferred Sick Leave	—	1
	<u>—</u>	<u>1</u>
Total Governmental Transfers	<u>\$ 1,624</u>	<u>\$ 1,624</u>

“Interfund balances” have primarily been recorded when funds overdraw their share of pooled cash when the District is waiting for grant reimbursements. The composition of interfund balances as of June 30, 2009 is as follows:

Governmental Activities:	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major Funds:		
General Fund	\$ 404,684	\$ —
Title I – IASA	—	112,683
Enhancing Education Thru Tech (E2T2-C)	—	49,767
Special Projects Demonstration USDE	—	53,315
Capital Improvements SB-9	—	43,192
Nonmajor Funds:		
Entitlement IDEA-B	—	17,929
Discretionary IDEA-B	—	4,712
Preschool IDEA-B	—	1,525
Title I 1003g Grant	—	26,822
Technology Literacy Challenge	—	2,756
Teacher/Principal Training & Recruiting	—	16,937
Title IV – A Safe and Drug Free Schools	—	2,831
Title I – School Improvement	—	5,074
Title I – IASA – Federal Stimulus	—	20,321
Entitlement IDEA-B – Federal Stimulus	—	512
Johnson O’Malley	—	5,459
Indian Ed Formula Grant	—	6,912
Pre Kindergarten Initiative	—	21,692
Kindergarten – Three Plus	—	12,245
	<u>—</u>	<u>12,245</u>
Total Governmental Activities	<u>\$ 404,684</u>	<u>\$ 404,684</u>

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 6. Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2009 follows. Land is not subject to depreciation.

	Balance June 30, 2008	Additions	Deletions	Adjustments	Balance June 30, 2009
Capital Assets not being depreciated:					
Land	\$ 69,672	\$ -	\$ -	\$ -	\$ 69,672
Capital Assets being depreciated:					
Land and land improvements	\$ 1,360,785	\$ 172,470	\$ -	\$ -	\$ 1,533,255
Buildings and building improvements	13,598,211	-	-	-	13,598,211
Equipment & vehicles	1,242,387	35,576	-	-	1,277,963
Total Capital Assets being depreciated:	<u>16,201,383</u>	<u>208,046</u>	<u>-</u>	<u>-</u>	<u>16,409,429</u>
Less Accumulated Depreciation for:					
Land and land improvements	205,464	89,866	-	-	295,330
Buildings and building improvements	3,465,199	300,978	-	-	3,766,177
Equipment & vehicles	755,060	79,539	-	-	834,599
Total Accumulated depreciation:	<u>4,425,723</u>	<u>470,383</u>	<u>-</u>	<u>-</u>	<u>4,896,106</u>
Net Capital Assets being depreciated	<u>11,775,660</u>	<u>(262,337)</u>	<u>-</u>	<u>-</u>	<u>11,513,323</u>
Governmental activities capital assets, net:	<u>\$ 11,845,332</u>	<u>\$ (262,337)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,582,995</u>

Capital assets, net of accumulated depreciation, at June 30, 2009 appear in the Statement of Net Assets as follows: Governmental activities \$11,582,995.

Depreciation expense for the year ended June 30, 2009 was charged to governmental activities as follows:

Instruction	\$ 372,876
Support Services - Instruction	8,750
Support Services – General Administration	2,276
Support Services – School Administration	3,273
Non-Instructional Student Activity	5,207
Operation and Maintenance of Plant	16,170
Food Services	618
Transportation	11,441
Capital Outlay	<u>49,772</u>
	<u>\$ 470,383</u>

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 7. Long-term Debt

During the year ended June 30, 2009, the following changes occurred in the liabilities reported in the government-wide statement of net assets:

	Balance <u>June 30, 2008</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2009</u>	Due Within <u>One Year</u>
Bonds Payable	\$ 570,000	\$ -	\$ 75,000	\$ 495,000	\$ 60,000
Compensated Absences	<u>78,646</u>	<u>64,250</u>	<u>50,738</u>	<u>92,158</u>	<u>92,158</u>
Total	<u>\$ 648,646</u>	<u>\$ 64,250</u>	<u>\$ 125,738</u>	<u>\$ 587,158</u>	<u>\$ 152,158</u>

The annual requirements to amortize the Bonds as of June 30, 2009, including interest payments are as follows:

Fiscal Year <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2010	60,000	17,665	77,665
2011	60,000	15,606	75,606
2012	60,000	13,487	73,487
2013	65,000	11,216	76,216
2014	65,000	8,796	73,796
2015-2019	<u>185,000</u>	<u>11,183</u>	<u>196,183</u>
Totals	<u>\$ 495,000</u>	<u>\$ 77,953</u>	<u>\$ 572,953</u>

In prior years, the general fund was typically used to liquidate long-term liabilities other than debt.

Compensated Absences – Administrative employees of the District are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2009, compensated absences increased \$13,512 over the prior year accrual. See Note 1 for more details

NOTE 8. Risk Management

The District is a member of the New Mexico Public Schools Insurance Authority (NMPSIA). The Authority was created to provide comprehensive core insurance programs by expanding the pool of subscribers to maximize cost containment opportunities for required insurance coverage. The District pays an annual premium to the NMPSIA based on claim experience and the status of the pool. The Risk Management Program includes Workers Compensation, General and Automobile Liability, Automobile Physical Damage, and Property and Crime coverage. Also included under the risk management program are Boiler, Machinery and Student Accident Insurance.

The NMPSIA provides coverage for up to a maximum of \$500,000,000 for each property damage claim with a \$750 deductible to each building. General liability coverage is afforded to all employees, volunteers and school board members and the limit is subject to the NMSA Tort Claims Act on a per occurrence basis. The automobile and property liability limit is subject to the provisions of the Tort Claims Act. The crime limit is \$250,000 per occurrence for Faithful Performance. A limit of \$250,000 applies to Depositor's Forgery, Credit Card Forgery and Money Orders. A limit of \$100,000 applies to Money and Security, which includes a \$750 deductible.

In case the NMPSIA's assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. As of June 30, 2009, there have been no claims that have exceeded insurance coverage.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 9. Other Required Individual Fund Disclosures

Generally accepted accounting principles require disclosures as part of the Combined Statements of certain information concerning individual funds including:

- A.** Deficit fund balance of individual funds. The following funds reported a deficit fund balance at June 30, 2009:

Major Funds:		
Capital Improvements SB-9	\$	50,890
Nonmajor Funds:		
Pre K Initiative		736
Kindergarten Three Plus		<u>12,245</u>
Total		<u>\$ 63,871</u>

These deficits are expected to be funded by additional grant funds.

- B.** Excess of expenditures over appropriations. The following funds exceeded approved budgetary authority for the year ended June 30, 2009.

Major Funds:		
Special Projects Demonstration USDE		
Support Services (combined)	\$	12,511
Special Revenue Funds:		
Johnson O'Malley		
Instruction		1,587
Impact Aid Special Education		
Support Services (combined)		51
Impact Aid Indian Education		
Community Services		4,298
Indian Ed Formula Grant		
Instruction		<u>167</u>
Total		<u>\$ 18,614</u>

NOTE 10. Pension Plan – Educational Retirement Board

Plan Description. Substantially all of Magdalena Municipal Schools' 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, New Mexico 87502. The report is also available on ERB's website at www.nmerb.org.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 10. Pension Plan – Educational Retirement Board (continued)

Funding Policy. Plan members are required to contribute 7.90% 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 \$441,694, \$391,868, and \$349,962, respectively, which equal the amount of the required contributions for each fiscal year.

NOTE 11. Post-Employment Benefits – State Retiree Health Care Plan

Plan Description. Magdalena Municipal Schools 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 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.

Funding Policy. The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service based subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premiums 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.

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 contribute 1.3% of each participating employee's annual salary; each participating employee is required to contribute .65% of each 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 \$49,360, \$49,458, and \$44,510, respectively, which equal the required contributions for each year.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 12. Contingent Liabilities

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

The District is involved in various claims and lawsuits arising in the normal course of business. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the District's legal counsel that resolution of these matters will not have a material adverse effect on the financial condition of the District.

NOTE 13. Budgeted Activity Funds

The Student Activity Funds, while budgeted under Non-Instructional Support in the financial statements, are considered for reporting purposes as agency funds and the related activity has been reported as such in the Statement of Changes in Assets and Liabilities – All Agency Funds section of the financial statements.

NOTE 14. Joint Powers Agreements

The District entered into a joint powers agreement with other school districts to establish the Central Regional Cooperative (CREC) dated July 1, 1990. Under this agreement, the participating school districts establish and maintain a cooperative program of supplementary special education and other services funded by each school district and the CREC. CREC is not a component unit of the District. CREC issues a separate publicly available audited financial report. The audited financial report for CREC may be obtained by writing to P.O. Box 37440, Albuquerque, NM 87176.

During the year ended June 30, 2009, the CREC passed through \$97,249 to the District for salaries and fringe benefits. As required by SAO 2.2.2.12 C (3) (d), the CREC fund was reported as revenues and expenditures in the IDEA B Entitlement Fund (24106).

SUPPLEMENTARY INFORMATION

(This page intentionally left blank.)

NONMAJOR GOVERNMENTAL FUNDS

(This page intentionally left blank.)

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

Statement A-1

	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	TOTAL
ASSETS				
<i>Current Assets</i>				
Cash and temporary investments	\$ 208,380	\$ 39,809	\$ 71,578	\$ 319,767
Accounts receivable				
Taxes	-	-	2,437	2,437
Due from other governments	144,088	-	-	144,088
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	3,255	-	-	3,255
<i>Total assets</i>	<u>355,723</u>	<u>39,809</u>	<u>74,015</u>	<u>469,547</u>
LIABILITIES AND FUND BALANCES				
<i>Current Liabilities:</i>				
Accounts payable	20,545	-	-	20,545
Accrued payroll liabilities	8,588	-	-	8,588
Accrued compensated absences	-	-	-	-
Interfund payables	145,727	-	-	145,727
Deferred revenue - property taxes	-	-	-	-
Deferred revenue - other	-	-	-	-
<i>Total liabilities</i>	<u>174,860</u>	<u>-</u>	<u>-</u>	<u>174,860</u>
<i>Fund balances</i>				
Fund Balance:				
Reserved:				
Reserved for inventory	3,255	-	-	3,255
Reserved for debt service	-	-	74,015	74,015
Reserved for capital projects	-	39,809	-	39,809
Unreserved:				
Designated for subsequent year's expenditures	75,004	-	-	75,004
Undesignated, reported in				
General Fund	-	-	-	-
Special Revenue Funds	102,604	-	-	102,604
<i>Total fund balance</i>	<u>180,863</u>	<u>39,809</u>	<u>74,015</u>	<u>294,687</u>
<i>Total liabilities and fund balance</i>	<u>\$ 355,723</u>	<u>\$ 39,809</u>	<u>\$ 74,015</u>	<u>\$ 469,547</u>

The accompanying notes are an integral part of these financial statements.

(This page intentionally left blank.)

STATE OF NEW MEXICO

Statement A-2

MAGDALENA MUNICIPAL SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDING JUNE 30, 2009

	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	TOTAL
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ 139,612	\$ 139,612
State grants	154,622	155,000	-	309,622
Federal grants	879,540	-	-	879,540
Miscellaneous	30,532	51,148	-	81,680
Interest	-	-	-	-
<i>Total revenues</i>	<u>1,064,694</u>	<u>206,148</u>	<u>139,612</u>	<u>1,410,454</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	676,450	-	-	676,450
Support Services				
Students	106,059	-	-	106,059
Instruction	36,497	-	-	36,497
General Administration	27,176	-	1,396	28,572
School Administration	6,304	-	-	6,304
Central Services	4	-	-	4
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	24,348	-	-	24,348
Other Support Services	-	-	-	-
Food Services Operations	262,757	-	-	262,757
Community Service	10,600	-	-	10,600
Capital outlay	-	88,642	-	88,642
Debt service				
Principal	-	-	75,000	75,000
Interest	-	-	19,905	19,905
<i>Total expenditures</i>	<u>1,150,195</u>	<u>88,642</u>	<u>96,301</u>	<u>1,335,138</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(85,501)</u>	<u>117,506</u>	<u>43,311</u>	<u>75,316</u>
<i>Other financing sources (uses):</i>				
Operating transfers	(1,581)	(2)	(1)	(1,584)
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(1,581)</u>	<u>(2)</u>	<u>(1)</u>	<u>(1,584)</u>
<i>Net changes in fund balances</i>	<u>(87,082)</u>	<u>117,504</u>	<u>43,310</u>	<u>73,732</u>
<i>Fund balances - beginning of year</i>	<u>267,945</u>	<u>(77,695)</u>	<u>30,705</u>	<u>220,955</u>
<i>Fund balances - end of year</i>	<u>\$ 180,863</u>	<u>\$ 39,809</u>	<u>\$ 74,015</u>	<u>\$ 294,687</u>

The accompanying notes are an integral part of these financial statements.

(This page intentionally left blank.)

SPECIAL REVENUE FUNDS

(This page intentionally left blank.)

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for Federal, State and Local funded grants. These grants are awarded to the District with the purpose of accomplishing specific educational tasks. Grants accounted for in the Special Revenue Funds include:

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) – This fund is used to account for fees generated at athletic activities throughout the School District. The gate receipts are obtained from the general public and are expended in this fund. The authority for creation of this fund is 6.20.2 NMAC.

Entitlement IDEA-B (24106 and 24206 – Entitlement IDEA-B – Federal Stimulus) – 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 Individuals with Disabilities Education Act, Part B, Section 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.

Discretionary IDEA-B (24107) – To account for a program funded by a Federal grant to assist the District in providing a free appropriate public education to all children with disabilities. Authorized by individuals with Disabilities Education Act (IDEA), Part B, Sections 611, as amended, 20 U.S.C. 1411.

Preschool IDEA-B (24109) – Preschool IDEA-B – Federal Stimulus (24209) – The objective of the Assistance to States for the Education of Handicapped Children Program is to assist in providing free, appropriate public education to all handicapped children from ages three to five. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Children, Youth and Families. Authority for creation of this fund is Public Law 105-17.

Title I (24124 – 1003g Grant, 24162 – School Improvement, 24201 – Federal Stimulus) – The major objectives of the Title I program are to provide supplemental educational opportunity for academically disadvantaged children in the area of residing. Campuses are identified for program participation by the percentage of students on free or reduced price lunches. Any school with a free and reduced price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criteria that identifies a campus; educational need determines the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Education. Authority for creation of this fund is Part A of Chapter I of Title I of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

Technology Literacy Challenge (24133) – To account for a federal grant designed to strengthen teacher learning in the field of technology.

Comprehensive School Reform (24135) – To stimulate school-wide changes in schools that need to substantially improve student academics, particularly Title I schools, so that students in these schools can meet state content and performance standards. Funding authority is the State of New Mexico Department of Education.

Title V-Part A Innovative Education Pro Strategies (24150) – To establish a local program of alcohol and drug abuse education and prevention coordinated with related community efforts and resources.

Teacher/Principal Training & Recruiting (24154) – To improve the skills of teachers and the quality of instruction in mathematics and science, and also to increase the accessibility of such instruction to all students.

Safe & Drug Free Schools & Community (24157) – To establish a local program of alcohol and drug abuse education and prevention coordinated with related community efforts and resources.

Johnson O'Malley (25131) – To account for revenues and expenditures funded by the Department of Interior, Bureau of Indian Affairs, through the Navajo Tribe provided to supplement programs in special education and other special needs for New Mexico public schools where eligible Indian children are enrolled. The fund was created by the authority of federal grant provisions. (PL 103-382)

SPECIAL REVENUE FUNDS (Continued)

Impact Aid (25145 – Special Education, 25147 – Indian Education) – To account for funding of a Federal program to provide financial assistance to local educational agencies (LEA's) where enrollments or availability of revenue are adversely affected by Federal activities, i.e. where the tax base of a district is reduced through the Federal acquisition of real property (Section 2), or where there are a significant number of children who reside on Federal (including Indian) lands and/or children whose parents are employed on Federal property or in the Uniformed Services (Section 3(a) and 3(b)): where there is a significant decrease (Section 3(c)) or a sudden and substantial increase (Section 4) in school enrollment as the result of Federal activities; to provide disaster assistance for reduced or increased operating costs (Section 7(a)), for replacing or repairing damaged or destroyed supplies, equipment, and books, and for repairing minor damage to facilities. Funding authorized by Public Law 81-874.

Title XIX MEDICAID 3/21 Years (25153) – To account for a program providing school-based screening, diagnostic services and other related health services and administrative activities in conformance with the approved Medicaid State Plan in order to improve health and developmental outcomes for children.

Indian Education Formula Grant (25184) – To account for a program funded by a Federal grant to develop and carry out supplementary elementary and secondary school programs designed to meet the special educational and culturally related academic needs of Indian children, for example to: 1) Improve academic performance, 2) Reduce school dropout rates and improve attendance, and 3) Integrate the value of cultural education into the school curriculum for Indian children. Funding authorized by Indian Education Act of 1988, Title V, Part C, Subpart 1, as amended, Public Law 100-297 and 93-638, 25 U.S.C. 2601-2606.

Gear Up USDE (25211) –To encourage eligible entities to provide or maintain a guarantee to eligible low-income students who obtain a secondary diploma, of the financial assistance necessary to permit the student to attend an institution of higher education; and provide additional support services to students who are at risk of dropping out of school. Higher Education act, Title IV, Part A, Subpart 2, Chapter 2, Public Law 105-244.

Native American Program (25248) – The purpose of this grant is to increase Indian student achievement and promote life-long learning by focusing on English Language Acquisition strategies for all staff and students. Authority: PL No Child Left Behind Elementary and Secondary Education Act of 1965.

Technology for Education PED (27117) – The purpose of this grant is to assist the District to develop and implement a strategic, long-term plan for utilizing educational technology in the school system. Funds accounted for in this fund are received from the State of New Mexico. The authority for creation of this fund is NMSA 22-15A-1 to 22-15A-10.

Pre-K Initiative (27149) – To account for monies received from the State of New Mexico to be used to provide direct services to 20 4 year old children in Pre-Kindergarten programs.

Indian Education Act (27150) – To account for funds to help support the educational reform initiatives outlined in the schools' Educational Plan for Student Success (EPSS). The grant expenditures must support how the identified EPSS focus areas / activities / strategies will be deployed for addressing the needs of American Indian students to ensure improved academic performance and closing of the achievement gap.

Beginning Teacher Mentoring Program (27154) – The objective of this program is to provide beginning teachers an effective transition into the teaching profession, retain capable teachers, improve the achievement of students and improve the overall success of the school. Funding is provided by the New Mexico Board of Education. Authority for creation of this fund is NMSA 22-2-8-10.

Breakfast for Elementary Students (27155) – The 2005 Legislative General Appropriations Act allocated 475,000.00 to implement Breakfast in the Classroom for elementary schools in need of improvement based on 2004-2005 AYP designation.

Kindergarten Three Plus (27166) – The funding is part of a pilot project for Kindergarten through third grade students at both Ann Parish Elementary and Desert View Elementary. Funds used for teachers, educational assistants, nurses, an academic coach, and PE coach at both schools.

After School Enrichment Program (27168) – Health Schools initiative to promote active lifestyles.

Pre-Kindergarten - Special State (27169) – to provide Pre K program services for learning materials, transportation, start up and safety improvements for 20(children)

SPECIAL REVENUE FUNDS (Continued)

Libraries SB301 GO Bonds (27170) – In the November 2004 election, New Mexico voters approved GO bond C for \$6,156,000 to fund public school and juvenile detention libraries statewide. Statute specifies that the funds are available to acquire library books, equipment and library resources for public schools and juvenile detention libraries.

2008 Library Book Fund (27549) – The purpose of this fund is to allow each library to acquire library books and library resources to support the library program.

DWI NM Local Grant Fund (28145) – To account for revenues and expenditures provided by a Community DWI grant from the New Mexico Traffic Safety Bureau to provide transportation, meals and lodging in order to implement the Natural Helpers program. The fund was created by grant provisions.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2009

	Food Services 21000	Athletics 22000	Entitlement IDEA-B 24106	Discretionary IDEA-B 24107
ASSETS				
<i>Current Assets</i>				
Cash and temporary investments	\$ 92,640	\$ 8,318	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	3,683	-	20,288	4,712
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	3,255	-	-	-
<i>Total assets</i>	<u>99,578</u>	<u>8,318</u>	<u>20,288</u>	<u>4,712</u>
LIABILITIES AND FUND BALANCES				
<i>Current Liabilities:</i>				
Accounts payable	20,545	-	-	-
Accrued payroll liabilities	-	-	2,359	-
Accrued compensated absences	-	-	-	-
Interfund payables	-	-	17,929	4,712
Deferred revenue - property taxes	-	-	-	-
Deferred revenue - other	-	-	-	-
<i>Total liabilities</i>	<u>20,545</u>	<u>-</u>	<u>20,288</u>	<u>4,712</u>
<i>Fund balances</i>				
Fund Balance:				
Reserved:				
Reserved for inventory	3,255	-	-	-
Reserved for debt service	-	-	-	-
Reserved for capital projects	-	-	-	-
Unreserved:				
Designated for subsequent year's expenditures	66,686	8,318	-	-
Undesignated, reported in General Fund	-	-	-	-
Special Revenue Funds	9,092	-	-	-
<i>Total fund balance</i>	<u>79,033</u>	<u>8,318</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ 99,578</u>	<u>\$ 8,318</u>	<u>\$ 20,288</u>	<u>\$ 4,712</u>

The accompanying notes are an integral part of these financial statements.

Preschool IDEA-B 24109	Title I 1003g Grant 24124	Technology Literacy Challenge 24133	Comprehensive School Reform 24135	Title V Part A Innovative Ed Pro Strategies 24150
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
1,525	26,822	2,756	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>1,525</u>	<u>26,822</u>	<u>2,756</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
1,525	26,822	2,756	-	-
<u>1,525</u>	<u>26,822</u>	<u>2,756</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 1,525</u>	<u>\$ 26,822</u>	<u>\$ 2,756</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2009

	Teacher / Principal Training / Recruiting 24154	Safe & Drug Free Schools & Community 24157	Title I School Improvement 24162	Title I IASA Federal Stimulus 24201
ASSETS				
<i>Current Assets</i>				
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	16,937	2,831	5,074	20,321
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>16,937</u>	<u>2,831</u>	<u>5,074</u>	<u>20,321</u>
LIABILITIES AND FUND BALANCES				
<i>Current Liabilities:</i>				
Accounts payable	-	-	-	-
Accrued payroll liabilities	-	-	-	-
Accrued compensated absences	-	-	-	-
Interfund payables	16,937	2,831	5,074	20,321
Deferred revenue - property taxes	-	-	-	-
Deferred revenue - other	-	-	-	-
<i>Total liabilities</i>	<u>16,937</u>	<u>2,831</u>	<u>5,074</u>	<u>20,321</u>
<i>Fund balances</i>				
Fund Balance:				
Reserved:				
Reserved for inventory	-	-	-	-
Reserved for debt service	-	-	-	-
Reserved for capital projects	-	-	-	-
Unreserved:				
Designated for subsequent year's expenditures	-	-	-	-
Undesignated, reported in General Fund	-	-	-	-
Special Revenue Funds	-	-	-	-
<i>Total fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ 16,937</u>	<u>\$ 2,831</u>	<u>\$ 5,074</u>	<u>\$ 20,321</u>

The accompanying notes are an integral part of these financial statements.

Entitlement IDEA-B Federal Stimulus 24206	Preschool IDEA-B Federal Stimulus 24209	Johnson O'Malley 25131	Impact Aid Special Education 25145	Impact Aid Indian Education 25147
\$ -	\$ -	\$ -	\$ 18,446	\$ 77,950
-	-	-	-	-
512	-	5,459	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>512</u>	<u>-</u>	<u>5,459</u>	<u>18,446</u>	<u>77,950</u>
-	-	-	-	-
-	-	-	-	6,229
-	-	-	-	-
512	-	5,459	-	-
-	-	-	-	-
-	-	-	-	-
<u>512</u>	<u>-</u>	<u>5,459</u>	<u>-</u>	<u>6,229</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>18,446</u>	<u>71,721</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>18,446</u>	<u>71,721</u>
<u>\$ 512</u>	<u>\$ -</u>	<u>\$ 5,459</u>	<u>\$ 18,446</u>	<u>\$ 77,950</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2009

	Title XIX Medicaid 3 / 21 Years 25153	Indian Ed Formula Grant 25184	GEAR UP USDE 25211	Native American Program 25248
ASSETS				
<i>Current Assets</i>				
Cash and temporary investments	\$ 5,567	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	5,300	6,912	-	-
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>10,867</u>	<u>6,912</u>	<u>-</u>	<u>-</u>
LIABILITIES AND FUND BALANCES				
<i>Current Liabilities:</i>				
Accounts payable	-	-	-	-
Accrued payroll liabilities	-	-	-	-
Accrued compensated absences	-	-	-	-
Interfund payables	-	6,912	-	-
Deferred revenue - property taxes	-	-	-	-
Deferred revenue - other	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>6,912</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Fund Balance:				
Reserved:				
Reserved for inventory	-	-	-	-
Reserved for debt service	-	-	-	-
Reserved for capital projects	-	-	-	-
Unreserved:				
Designated for subsequent year's expenditures	-	-	-	-
Undesignated, reported in General Fund	-	-	-	-
Special Revenue Funds	10,867	-	-	-
<i>Total fund balance</i>	<u>10,867</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ 10,867</u>	<u>\$ 6,912</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

Technology for Education PED 27117	Pre K Initiative 27149	Indian Education Act 27150	Beginning Teacher Mentoring Program 27154	Breakfast for Elementary Students 27155
\$ 3,553	\$ -	\$ -	\$ 197	\$ -
-	-	-	-	-
-	20,956	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>3,553</u>	<u>20,956</u>	<u>-</u>	<u>197</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	21,692	-	-	-
-	-	-	-	-
<u>-</u>	<u>21,692</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>3,553</u>	<u>(736)</u>	<u>-</u>	<u>197</u>	<u>-</u>
<u>3,553</u>	<u>(736)</u>	<u>-</u>	<u>197</u>	<u>-</u>
<u>\$ 3,553</u>	<u>\$ 20,956</u>	<u>\$ -</u>	<u>\$ 197</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2009

	Kindergarten Three Plus 27166	After School Enrichment Program 27168	Pre- Kindergarten Special State 27169	Libraries SB301 GO Bonds 27170
	<hr/>	<hr/>	<hr/>	<hr/>
ASSETS				
<i>Current Assets</i>				
Cash and temporary investments	\$ -	\$ 301	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	-	-	-	-
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Total assets</i>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	-	301	-	-
LIABILITIES AND FUND BALANCES				
<i>Current Liabilities:</i>				
Accounts payable	-	-	-	-
Accrued payroll liabilities	-	-	-	-
Accrued compensated absences	-	-	-	-
Interfund payables	12,245	-	-	-
Deferred revenue - property taxes	-	-	-	-
Deferred revenue - other	-	-	-	-
<i>Total liabilities</i>	<hr/>	<hr/>	<hr/>	<hr/>
	12,245	-	-	-
<i>Fund balances</i>				
Fund Balance:				
Reserved:				
Reserved for inventory	-	-	-	-
Reserved for debt service	-	-	-	-
Reserved for capital projects	-	-	-	-
Unreserved:				
Designated for subsequent year's expenditures	-	-	-	-
Undesignated, reported in				
General Fund	-	-	-	-
Special Revenue Funds	(12,245)	301	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Total fund balance</i>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	(12,245)	301	-	-
<i>Total liabilities and fund balance</i>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	\$ -	\$ 301	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

2008 Library Book fund 27549	DWI NM Local Grant Fund 28145	Total
\$ 1,408	\$ -	\$ 208,380
-	-	-
-	-	144,088
-	-	-
-	-	-
-	-	3,255
<u>1,408</u>	<u>-</u>	<u>355,723</u>
-	-	20,545
-	-	8,588
-	-	-
-	-	145,727
-	-	-
-	-	-
<u>-</u>	<u>-</u>	<u>174,860</u>
-	-	3,255
-	-	-
-	-	-
-	-	75,004
-	-	-
<u>1,408</u>	<u>-</u>	<u>102,604</u>
<u>1,408</u>	<u>-</u>	<u>180,863</u>
<u>\$ 1,408</u>	<u>\$ -</u>	<u>\$ 355,723</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDING JUNE 30, 2009

	Food Services 21000	Athletics 22000	Entitlement IDEA-B 24106	Discretionary IDEA-B 24107
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	231,882	-	97,249	4,545
Miscellaneous	8,508	20,280	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>240,390</u>	<u>20,280</u>	<u>97,249</u>	<u>4,545</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	15,428	54,041	4,545
Support Services				
Students	-	-	44,620	-
Instruction	-	-	-	-
General Administration	-	-	(1,412)	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	256,909	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service - Principal	-	-	-	-
Debt service - Interest	-	-	-	-
<i>Total expenditures</i>	<u>256,909</u>	<u>15,428</u>	<u>97,249</u>	<u>4,545</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(16,519)</u>	<u>4,852</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>(16,519)</u>	<u>4,852</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>95,552</u>	<u>3,466</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 79,033</u>	<u>\$ 8,318</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDING JUNE 30, 2009

	Teacher / Principal Training / Recruiting 24154	Safe & Drug Free Schools & Community 24157	Title I School Improvement 24162	Title I IASA Federal Stimulus 24201
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	70,192	19,998	-	20,321
Miscellaneous	-	618	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>70,192</u>	<u>20,616</u>	<u>-</u>	<u>20,321</u>
<i>Expenditures:</i>				
Current:				
Instruction	69,058	19,428	-	20,116
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	1,134	284	-	205
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	904	-	-
Capital outlay	-	-	-	-
Debt service - Principal	-	-	-	-
Debt service - Interest	-	-	-	-
<i>Total expenditures</i>	<u>70,192</u>	<u>20,616</u>	<u>-</u>	<u>20,321</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

Entitlement IDEA-B Federal Stimulus 24206	Preschool IDEA-B Federal Stimulus 24209	Johnson O'Malley 25131	Impact Aid Special Education 25145	Impact Aid Indian Education 25147
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
512	-	14,224	38,097	176,338
-	-	38	-	212
-	-	-	-	-
<u>512</u>	<u>-</u>	<u>14,262</u>	<u>38,097</u>	<u>176,550</u>
512	-	11,612	37,287	118,887
-	-	-	3,749	6,086
-	-	-	-	32,947
-	-	238	674	24,269
-	-	-	-	5,633
-	-	4	-	-
-	-	-	-	-
-	-	30	-	2
-	-	-	-	-
-	-	-	-	3,610
-	-	2,378	-	7,118
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>512</u>	<u>-</u>	<u>14,262</u>	<u>41,710</u>	<u>198,552</u>
-	-	-	(3,613)	(22,002)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	(3,613)	(22,002)
-	-	-	22,059	93,723
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,446</u>	<u>\$ 71,721</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDING JUNE 30, 2009

	Title XIX Medicaid 3 / 21 Years 25153	Indian Ed Formula Grant 25184	GEAR UP USDE 25211	Native American Program 25248
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	47,966	43,053	224	1,345
Miscellaneous	-	876	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>47,966</u>	<u>43,929</u>	<u>224</u>	<u>1,345</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	43,289	-	-
Support Services				
Students	51,604	-	-	-
Instruction	-	-	-	-
General Administration	848	640	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service - Principal	-	-	-	-
Debt service - Interest	-	-	-	-
<i>Total expenditures</i>	<u>52,452</u>	<u>43,929</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(4,486)</u>	<u>-</u>	<u>224</u>	<u>1,345</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	(224)	(1,345)
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(224)</u>	<u>(1,345)</u>
<i>Net changes in fund balances</i>	<u>(4,486)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>15,353</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 10,867</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

Technology for Education PED 27117	Pre K Initiative 27149	Indian Education Act 27150	Beginning Teacher Mentoring Program 27154	Breakfast for Elementary Students 27155
\$ -	\$ -	\$ -	\$ -	\$ -
7,708	82,123	10,938	2,006	2,238
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>7,708</u>	<u>82,123</u>	<u>10,938</u>	<u>2,006</u>	<u>2,238</u>
4,251	57,883	9,937	1,809	-
-	-	-	-	-
1,718	-	-	-	-
98	-	198	-	-
-	68	603	-	-
-	-	-	-	-
-	-	-	-	-
-	23,153	-	-	-
-	-	-	-	-
-	-	-	-	2,238
-	-	200	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>6,067</u>	<u>81,104</u>	<u>10,938</u>	<u>1,809</u>	<u>2,238</u>
<u>1,641</u>	<u>1,019</u>	<u>-</u>	<u>197</u>	<u>-</u>
-	-	-	-	(1)
-	-	-	-	-
-	-	-	-	(1)
<u>1,641</u>	<u>1,019</u>	<u>-</u>	<u>197</u>	<u>(1)</u>
<u>1,912</u>	<u>(1,755)</u>	<u>-</u>	<u>-</u>	<u>1</u>
<u>\$ 3,553</u>	<u>\$ (736)</u>	<u>\$ -</u>	<u>\$ 197</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDING JUNE 30, 2009

	Kindergarten Three Plus 27166	After School Enrichment Program 27168	Pre- Kindergarten Special State 27169	Libraries SB301 GO Bonds 27170
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	38,850	301	2,027	5,713
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>38,850</u>	<u>301</u>	<u>2,027</u>	<u>5,713</u>
<i>Expenditures:</i>				
Current:				
Instruction	93,624	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	1,673
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	1,163	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service - Principal	-	-	-	-
Debt service - Interest	-	-	-	-
<i>Total expenditures</i>	<u>94,787</u>	<u>-</u>	<u>-</u>	<u>1,673</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(55,937)</u>	<u>301</u>	<u>2,027</u>	<u>4,040</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	(49)	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(49)</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>(55,937)</u>	<u>252</u>	<u>2,027</u>	<u>4,040</u>
<i>Fund balances - beginning of year</i>	<u>43,692</u>	<u>49</u>	<u>(2,027)</u>	<u>(4,040)</u>
<i>Fund balances - end of year</i>	<u>\$ (12,245)</u>	<u>\$ 301</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

2008 Library Book Fund 27549	DWI NM Local Grant Fund 28145	Total
\$ -	\$ -	\$ -
1,408	1,310	154,622
-	-	879,540
-	-	30,532
-	-	-
<u>1,408</u>	<u>1,310</u>	<u>1,064,694</u>
-	1,310	676,450
-	-	106,059
-	-	36,497
-	-	27,176
-	-	6,304
-	-	4
-	-	-
-	-	24,348
-	-	-
-	-	262,757
-	-	10,600
-	-	-
-	-	-
-	-	-
<u>-</u>	<u>1,310</u>	<u>1,150,195</u>
<u>1,408</u>	<u>-</u>	<u>(85,501)</u>
-	40	(1,581)
-	-	-
<u>-</u>	<u>40</u>	<u>(1,581)</u>
<u>1,408</u>	<u>40</u>	<u>(87,082)</u>
<u>-</u>	<u>(40)</u>	<u>267,945</u>
<u>\$ 1,408</u>	<u>\$ -</u>	<u>\$ 180,863</u>

The accompanying notes are an integral part of these financial statements.

(This page intentionally left blank.)

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOLS
FOOD SERVICES SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	150,000	150,000	-	(150,000)
Federal grants	-	-	212,651	212,651
Miscellaneous	9,000	9,000	8,508	(492)
Interest	-	-	-	-
<i>Total revenues</i>	159,000	159,000	221,159	62,159
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	194,576	251,503	221,048	30,455
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	194,576	251,503	221,048	30,455
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(35,576)	(92,503)	111	92,614
<i>Other financing sources (uses):</i>				
Designated cash	35,576	92,503	-	(92,503)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	35,576	92,503	-	(92,503)
<i>Net changes in fund balances</i>	-	-	111	111
<i>Fund balances - beginning of year</i>	-	-	92,529	92,529
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 92,640	\$ 92,640
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			19,231	
Adjustments to expenditures			(35,861)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ (16,519)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-4

MAGDALENA MUNICIPAL SCHOOLS
ATHLETICS SPECIAL REVENUE FUNDSTATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	17,927	17,927	20,280	2,353
Interest	-	-	-	-
<i>Total revenues</i>	<u>17,927</u>	<u>17,927</u>	<u>20,280</u>	<u>2,353</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	19,500	19,500	15,428	4,072
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>19,500</u>	<u>19,500</u>	<u>15,428</u>	<u>4,072</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,573)</u>	<u>(1,573)</u>	<u>4,852</u>	<u>6,425</u>
<i>Other financing sources (uses):</i>				
Designated cash	1,573	1,573	-	(1,573)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,573</u>	<u>1,573</u>	<u>-</u>	<u>(1,573)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>4,852</u>	<u>4,852</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>3,466</u>	<u>3,466</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,318</u>	<u>\$ 8,318</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 4,852</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-5

MAGDALENA MUNICIPAL SCHOOLS

ENTITLEMENT IDEA-B SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	120,415	97,951	(22,464)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>120,415</u>	<u>97,951</u>	<u>(22,464)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	72,934	53,590	19,344
Support Services				
Students	-	47,481	44,620	2,861
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>120,415</u>	<u>98,210</u>	<u>22,205</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(259)</u>	<u>(259)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(259)</u>	<u>(259)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(17,670)</u>	<u>(17,670)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (17,929)</u>	<u>\$ (17,929)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(702)	
Adjustments to expenditures			961	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOLS
DISCRETIONARY IDEA-B SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

Statement B-6

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	4,551	-	(4,551)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>4,551</u>	<u>-</u>	<u>(4,551)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	4,551	4,545	6
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>4,551</u>	<u>4,545</u>	<u>6</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(4,545)</u>	<u>(4,545)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(4,545)</u>	<u>(4,545)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(167)</u>	<u>(167)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,712)</u>	<u>\$ (4,712)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			4,545	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOLS
PRESCHOOL IDEA-B SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	11,241	10,875	(366)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>11,241</u>	<u>10,875</u>	<u>(366)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	11,241	10,836	405
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>11,241</u>	<u>10,836</u>	<u>405</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>39</u>	<u>39</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>39</u>	<u>39</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(1,564)</u>	<u>(1,564)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,525)</u>	<u>\$ (1,525)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(39)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-8

MAGDALENA MUNICIPAL SCHOOLS

TITLE I 1003G GRANT SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	100,000	73,178	(26,822)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>100,000</u>	<u>73,178</u>	<u>(26,822)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	100,000	100,000	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(26,822)</u>	<u>(26,822)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(26,822)</u>	<u>(26,822)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (26,822)</u>	<u>\$ (26,822)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			26,822	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOLS
TECHNOLOGY LITERACY CHALLENGE SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

Statement B-9

	Budgeted Amounts			Variance
	Original Budget	Final Budget	Actual	
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	2,756	-	(2,756)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	2,756	-	(2,756)
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	2,597	2,597	-
Support Services				
Students	-	-	-	-
Instruction	-	159	159	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	2,756	2,756	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(2,756)	(2,756)
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	(2,756)	(2,756)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (2,756)	\$ (2,756)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			2,756	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOLS
COMPREHENSIVE SCHOOL REFORM SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

Statement B-10

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	(2)	(2)
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(2)</u>	<u>(2)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(2)</u>	<u>(2)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			2	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-11

MAGDALENA MUNICIPAL SCHOOLS

TITLE V PART A INNOVATIVE ED PRO STRATEGIES SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	37	37
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>37</u>	<u>37</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>37</u>	<u>37</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>37</u>	<u>37</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(37)</u>	<u>(37)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(37)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-12

MAGDALENA MUNICIPAL SCHOOLS

TEACHER / PRINCIPAL TRAINING / RECRUITING SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	59,735	75,811	73,748	(2,063)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>59,735</u>	<u>75,811</u>	<u>73,748</u>	<u>(2,063)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	58,340	74,416	69,058	5,358
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	1,395	1,395	1,134	261
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>59,735</u>	<u>75,811</u>	<u>70,192</u>	<u>5,619</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>3,556</u>	<u>3,556</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>3,556</u>	<u>3,556</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(20,493)</u>	<u>(20,493)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (16,937)</u>	<u>\$ (16,937)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(3,556)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-13

MAGDALENA MUNICIPAL SCHOOLS

SAFE & DRUG FREE SCHOOLS & COMMUNITY SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	4,416	20,621	21,839	1,218
Miscellaneous	-	-	618	618
Interest	-	-	-	-
<i>Total revenues</i>	<u>4,416</u>	<u>20,621</u>	<u>22,457</u>	<u>1,836</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	3,212	19,429	19,428	1
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	104	284	284	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	1,100	908	904	4
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>4,416</u>	<u>20,621</u>	<u>20,616</u>	<u>5</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>1,841</u>	<u>1,841</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>1,841</u>	<u>1,841</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(4,672)</u>	<u>(4,672)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,831)</u>	<u>\$ (2,831)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(1,841)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-14

MAGDALENA MUNICIPAL SCHOOLS

TITLE I SCHOOL IMPROVEMENT SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	26,926	26,926
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>26,926</u>	<u>26,926</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>26,926</u>	<u>26,926</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>26,926</u>	<u>26,926</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(32,000)</u>	<u>(32,000)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,074)</u>	<u>\$ (5,074)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(26,926)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-15

MAGDALENA MUNICIPAL SCHOOLS

TITLE I IASA FEDERAL STIMULUS SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	206,998	-	(206,998)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>206,998</u>	<u>-</u>	<u>(206,998)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	194,335	20,116	174,219
Support Services				
Students	-	2,000	-	2,000
Instruction	-	-	-	-
General Administration	-	3,400	205	3,195
School Administration	-	5,193	-	5,193
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	2,070	-	2,070
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>206,998</u>	<u>20,321</u>	<u>186,677</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(20,321)</u>	<u>(20,321)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(20,321)</u>	<u>(20,321)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (20,321)</u>	<u>\$ (20,321)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			20,321	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-16

MAGDALENA MUNICIPAL SCHOOLS

ENTITLEMENT IDEA-B FEDERAL STIMULUS SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	72,375	-	(72,375)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>72,375</u>	<u>-</u>	<u>(72,375)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	72,375	512	71,863
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>72,375</u>	<u>512</u>	<u>71,863</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(512)</u>	<u>(512)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(512)</u>	<u>(512)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (512)</u>	<u>\$ (512)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			512	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-17

MAGDALENA MUNICIPAL SCHOOLS

PRESCHOOL IDEA-B FEDERAL STIMULUS SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	2,708	-	(2,708)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>2,708</u>	<u>-</u>	<u>(2,708)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	2,708	-	2,708
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>2,708</u>	<u>-</u>	<u>2,708</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-18

MAGDALENA MUNICIPAL SCHOOLS

JOHNSON O'MALLEY SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	14,309	20,182	5,873
Miscellaneous	-	-	38	38
Interest	-	-	-	-
<i>Total revenues</i>	-	14,309	20,220	5,911
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	10,025	11,612	(1,587)
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	238	238	-
School Administration	-	706	-	706
Central Services	-	-	4	(4)
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	30	(30)
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	3,340	2,378	962
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	14,309	14,262	47
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	5,958	5,958
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	5,958	5,958
<i>Fund balances - beginning of year</i>	-	-	(11,417)	(11,417)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (5,459)	\$ (5,459)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(5,958)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-19

MAGDALENA MUNICIPAL SCHOOLS

IMPACT AID SPECIAL EDUCATION SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	59,859	38,097	(21,762)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>59,859</u>	<u>38,097</u>	<u>(21,762)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	55,487	37,287	18,200
Support Services				
Students	-	3,751	3,749	2
Instruction	-	-	-	-
General Administration	-	621	674	(53)
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>59,859</u>	<u>41,710</u>	<u>18,149</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,613)</u>	<u>(3,613)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(3,613)</u>	<u>(3,613)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>22,059</u>	<u>22,059</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,446</u>	<u>\$ 18,446</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (3,613)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-20

MAGDALENA MUNICIPAL SCHOOLS

IMPACT AID INDIAN EDUCATION SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	285,875	176,338	(109,537)
Miscellaneous	-	-	212	212
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>285,875</u>	<u>176,550</u>	<u>(109,325)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	209,541	113,233	96,308
Support Services				
Students	-	6,020	6,086	(66)
Instruction	-	33,218	32,947	271
General Administration	-	25,253	24,250	1,003
School Administration	-	5,412	5,633	(221)
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	2	(2)
Other Support Services	-	-	-	-
Food Services Operations	-	3,611	3,610	1
Community Services	-	2,820	7,118	(4,298)
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>285,875</u>	<u>192,879</u>	<u>92,996</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(16,329)</u>	<u>(16,329)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(16,329)</u>	<u>(16,329)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>94,279</u>	<u>94,279</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 77,950</u>	<u>\$ 77,950</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			(5,673)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (22,002)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOLS
TITLE XIX MEDICAID 3 / 21 YEARS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

Statement B-21

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	58,018	42,666	(15,352)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>58,018</u>	<u>42,666</u>	<u>(15,352)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	57,317	51,604	5,713
Instruction	-	-	-	-
General Administration	-	701	848	(147)
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>58,018</u>	<u>52,452</u>	<u>5,566</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(9,786)</u>	<u>(9,786)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(9,786)</u>	<u>(9,786)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>15,353</u>	<u>15,353</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,567</u>	<u>\$ 5,567</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			5,300	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ (4,486)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

MAGDALENA MUNICIPAL SCHOOLS

INDIAN ED FORMULA GRANT SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	43,929	39,429	(4,500)
Miscellaneous	-	-	876	876
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>43,929</u>	<u>40,305</u>	<u>(3,624)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	43,122	43,289	(167)
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	807	640	167
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>43,929</u>	<u>43,929</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,624)</u>	<u>(3,624)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(3,624)</u>	<u>(3,624)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(3,288)</u>	<u>(3,288)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,912)</u>	<u>\$ (6,912)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			3,624	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-23

MAGDALENA MUNICIPAL SCHOOLS
GEAR UP USDE SPECIAL REVENUE FUNDSTATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	(224)	(224)
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(224)</u>	<u>(224)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(224)</u>	<u>(224)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>224</u>	<u>224</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			224	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-24

MAGDALENA MUNICIPAL SCHOOLS

NATIVE AMERICAN PROGRAM SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	(1,345)	(1,345)
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(1,345)</u>	<u>(1,345)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(1,345)</u>	<u>(1,345)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,345</u>	<u>1,345</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			1,345	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-25

MAGDALENA MUNICIPAL SCHOOLS

TECHNOLOGY FOR EDUCATION PED SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	7,113	7,708	595
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>7,113</u>	<u>7,708</u>	<u>595</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	4,251	4,251	-
Support Services				
Students	-	-	-	-
Instruction	-	2,745	1,718	1,027
General Administration	-	117	98	19
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>7,113</u>	<u>6,067</u>	<u>1,046</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>1,641</u>	<u>1,641</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>1,641</u>	<u>1,641</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,912</u>	<u>1,912</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,553</u>	<u>\$ 3,553</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 1,641</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

MAGDALENA MUNICIPAL SCHOOLS
PRE K INITIATIVE SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	81,104	61,167	(19,937)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>81,104</u>	<u>61,167</u>	<u>(19,937)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	57,883	57,883	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	137	68	69
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	23,084	23,153	(69)
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>81,104</u>	<u>81,104</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(19,937)</u>	<u>(19,937)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(19,937)</u>	<u>(19,937)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(1,755)</u>	<u>(1,755)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (21,692)</u>	<u>\$ (21,692)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			20,956	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 1,019</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

MAGDALENA MUNICIPAL SCHOOLS

INDIAN EDUCATION ACT SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	10,938	10,938	10,938	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>10,938</u>	<u>10,938</u>	<u>10,938</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	9,935	9,937	9,937	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	198	198	198	-
School Administration	605	603	603	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	200	200	200	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>10,938</u>	<u>10,938</u>	<u>10,938</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-28

MAGDALENA MUNICIPAL SCHOOLS

BEGINNING TEACHER MENTORING PROGRAM SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	2,006	2,006	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	2,006	2,006	-
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	2,006	1,809	197
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	2,006	1,809	197
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	197	197
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	197	197
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 197	\$ 197
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ 197	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-29

MAGDALENA MUNICIPAL SCHOOLS

BREAKFAST FOR ELEMENTARY STUDENTS SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	2,238	2,238	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>2,238</u>	<u>2,238</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	2,238	2,238	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>2,238</u>	<u>2,238</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	(1)	(1)
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>(1)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>(1)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (1)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-30

MAGDALENA MUNICIPAL SCHOOLS

KINDERGARTEN THREE PLUS SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	47,123	94,787	38,850	(55,937)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>47,123</u>	<u>94,787</u>	<u>38,850</u>	<u>(55,937)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	47,123	93,624	93,624	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	1,163	1,163	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>47,123</u>	<u>94,787</u>	<u>94,787</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(55,937)</u>	<u>(55,937)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(55,937)</u>	<u>(55,937)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>43,692</u>	<u>43,692</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (12,245)</u>	<u>\$ (12,245)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (55,937)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-31

MAGDALENA MUNICIPAL SCHOOLS

AFTER SCHOOL ENRICHMENT PROGRAM SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	40,965	40,965
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>40,965</u>	<u>40,965</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>40,965</u>	<u>40,965</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	(49)	(49)
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(49)</u>	<u>(49)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>40,916</u>	<u>40,916</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(40,615)</u>	<u>(40,615)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 301</u>	<u>\$ 301</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(40,664)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 252</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-32

MAGDALENA MUNICIPAL SCHOOLS

PRE-KINDERGARTEN STATE SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	6,717	6,717
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>6,717</u>	<u>6,717</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>6,717</u>	<u>6,717</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>6,717</u>	<u>6,717</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(6,717)</u>	<u>(6,717)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(4,690)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 2,027</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-33

MAGDALENA MUNICIPAL SCHOOLS

LIBRARIES SB301 - GO BONDS SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	5,638	5,713	75
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>5,638</u>	<u>5,713</u>	<u>75</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	5,638	1,673	3,965
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>5,638</u>	<u>1,673</u>	<u>3,965</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>4,040</u>	<u>4,040</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>4,040</u>	<u>4,040</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(4,040)</u>	<u>(4,040)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 4,040</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-34

MAGDALENA MUNICIPAL SCHOOLS

2008 LIBRARY BOOK SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	1,408	1,408	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>1,408</u>	<u>1,408</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	1,408	-	1,408
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>1,408</u>	<u>-</u>	<u>1,408</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>1,408</u>	<u>1,408</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>1,408</u>	<u>1,408</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,408</u>	<u>\$ 1,408</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 1,408</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-35

MAGDALENA MUNICIPAL SCHOOLS

DWI NM LOCAL GRANT FUND SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	1,311	7,880	6,569
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>1,311</u>	<u>7,880</u>	<u>6,569</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	1,311	1,310	1
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>1,311</u>	<u>1,310</u>	<u>1</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>6,570</u>	<u>6,570</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	40	40
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>40</u>	<u>40</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>6,610</u>	<u>6,610</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(6,610)</u>	<u>(6,610)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(6,570)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 40</u>	

The accompanying notes are an integral part of these financial statements

(This page intentionally left blank.)

CAPITAL PROJECTS FUNDS

(This page intentionally left blank.)

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The District has the following separate funds classified as Capital Projects Funds:

Bond Building (31100) – The revenues are derived from a School Building Bond issue. The expenditures are restricted to major capital improvements.

Public Schools Capital Outlay (31200) – To account for Critical Capital Outlay funds and other special capital outlay funds received from the State of New Mexico. The funds are restricted for the purposes outlined in the applicable legislation under which the funds were approved. This generally includes construction of new schools or improvements to existing schools.

Special Capital Outlay – Local (31300) – To account revenues that are derived from local sources such as the sale of a building.

Special Capital Outlay – State (31400) – To account for special appropriation monies received from the State of New Mexico under Chapter 4, Laws of 1996 for the purpose of upgrading buildings.

Energy Efficiency Act (31800) – To account for school projects designed to increase the efficiency of the District's buildings. The legislation allows the District to incur long-term contracts to complete these projects. Savings from the modifications made are used to fund the projects. This was approved by the Public Building Energy Efficiency Act (6-21-1 to 6-23-10, NMSA 1978).

Public Schools Capital Outlay 20% (32100) – To account for the 20 percent of the operational property tax revenues that have been set aside for capital outlay projects.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2009

	<u>Bond Building 31100</u>	<u>Public School Capital Outlay 31200</u>	<u>Special Capital Outlay - Local 31300</u>
ASSETS			
<i>Current Assets</i>			
Cash and temporary investments	\$ 4,511	\$ -	\$ 35,298
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	-	-
Interfund receivables	-	-	-
Other	-	-	-
Inventory	-	-	-
	<u>4,511</u>	<u>-</u>	<u>35,298</u>
<i>Total assets</i>	<u><u>4,511</u></u>	<u><u>-</u></u>	<u><u>35,298</u></u>
LIABILITIES AND FUND BALANCES			
<i>Current Liabilities:</i>			
Accounts payable	-	-	-
Accrued payroll liabilities	-	-	-
Accrued compensated absences	-	-	-
Interfund payables	-	-	-
Deferred revenue - property taxes	-	-	-
Deferred revenue - other	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities</i>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
<i>Fund balances</i>			
Fund Balance:			
Reserved:			
Reserved for inventory	-	-	-
Reserved for debt service	-	-	-
Reserved for capital projects	4,511	-	35,298
Unreserved:			
Designated for subsequent year's expenditures	-	-	-
Undesignated, reported in			
General Fund	-	-	-
Special Revenue Funds	-	-	-
	<u>4,511</u>	<u>-</u>	<u>35,298</u>
<i>Total fund balance</i>	<u><u>4,511</u></u>	<u><u>-</u></u>	<u><u>35,298</u></u>
<i>Total liabilities and fund balance</i>	<u><u>\$ 4,511</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 35,298</u></u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
FOR THE YEAR ENDING JUNE 30, 2009

	Bond Building 31100	Public School Capital Outlay 31200	Special Capital Outlay - Local 31300
<i>Revenues:</i>			
Property taxes	\$ -	\$ -	\$ -
State grants	-	-	-
Federal grants	-	-	-
Miscellaneous	-	-	51,148
Interest	-	-	-
<i>Total revenues</i>	-	-	51,148
 <i>Expenditures:</i>			
Current:			
Instruction	-	-	-
Support Services			
Students	-	-	-
Instruction	-	-	-
General Administration	-	-	-
School Administration	-	-	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	-	-	-
Community Service	-	-	-
Capital outlay	-	-	77,565
Debt service - Principal	-	-	-
Debt service - Interest	-	-	-
<i>Total expenditures</i>	-	-	77,565
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(26,417)
 <i>Other financing sources (uses):</i>			
Operating transfers	-	(1)	-
Proceeds from bond issues	-	-	-
<i>Total other financing sources (uses)</i>	-	(1)	-
 <i>Net changes in fund balances</i>	-	(1)	(26,417)
<i>Fund balances - beginning of year</i>	4,511	1	61,715
<i>Fund balances - end of year</i>	\$ 4,511	\$ -	\$ 35,298

The accompanying notes are an integral part of these financial statements.

Special Capital Outlay - State 31400	Energy Efficiency Act 31800	Public School Capital Outlay 20% 32100	Total
\$ -	\$ -	\$ -	\$ -
155,000	-	-	155,000
-	-	-	-
-	-	-	51,148
-	-	-	-
<u>155,000</u>	<u>-</u>	<u>-</u>	<u>206,148</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	11,077	-	88,642
-	-	-	-
-	-	-	-
<u>-</u>	<u>11,077</u>	<u>-</u>	<u>88,642</u>
<u>155,000</u>	<u>(11,077)</u>	<u>-</u>	<u>117,506</u>
-	-	(1)	(2)
-	-	-	-
<u>-</u>	<u>-</u>	<u>(1)</u>	<u>(2)</u>
<u>155,000</u>	<u>(11,077)</u>	<u>(1)</u>	<u>117,504</u>
<u>(155,000)</u>	<u>11,077</u>	<u>1</u>	<u>(77,695)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,809</u>

The accompanying notes are an integral part of these financial statements.

(This page intentionally left blank.)

MAGDALENA MUNICIPAL SCHOOLS
BOND BUILDING CAPITAL PROJECT FUNDSTATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	4,511	-	4,511
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>4,511</u>	<u>-</u>	<u>4,511</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(4,511)</u>	<u>-</u>	<u>4,511</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	4,511	-	(4,511)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>4,511</u>	<u>-</u>	<u>(4,511)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>4,511</u>	<u>4,511</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,511</u>	<u>\$ 4,511</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

MAGDALENA MUNICIPAL SCHOOLS
PUBLIC SCHOOL CAPITAL OUTLAY CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	(1)	(1)
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>(1)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>(1)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>(1)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement C-5

MAGDALENA MUNICIPAL SCHOOLS
SPECIAL CAPITAL OUTLAY - LOCAL CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	51,148	51,148	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>51,148</u>	<u>51,148</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	112,863	77,565	35,298
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>112,863</u>	<u>77,565</u>	<u>35,298</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(61,715)</u>	<u>(26,417)</u>	<u>35,298</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	61,715	-	(61,715)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>61,715</u>	<u>-</u>	<u>(61,715)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(26,417)</u>	<u>(26,417)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>61,715</u>	<u>61,715</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,298</u>	<u>\$ 35,298</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (26,417)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement C-6

MAGDALENA MUNICIPAL SCHOOLS
SPECIAL CAPITAL OUTLAY - STATE CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	155,000	155,000
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>155,000</u>	<u>155,000</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	16,673	16,673	-	16,673
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>16,673</u>	<u>16,673</u>	<u>-</u>	<u>16,673</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(16,673)</u>	<u>(16,673)</u>	<u>155,000</u>	<u>171,673</u>
<i>Other financing sources (uses):</i>				
Designated cash	16,673	16,673	-	(16,673)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>16,673</u>	<u>16,673</u>	<u>-</u>	<u>(16,673)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>155,000</u>	<u>155,000</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(155,000)</u>	<u>(155,000)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 155,000</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement C-7

MAGDALENA MUNICIPAL SCHOOLS

CAPITAL IMPROVEMENTS SB-9 CAPITAL PROJECT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ 42,329	\$ 42,329	\$ 37,993	\$ (4,336)
State grants	89,270	133,780	76,798	(56,982)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>131,599</u>	<u>176,109</u>	<u>114,791</u>	<u>(61,318)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	424	424	380	44
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	153,758	198,268	192,415	5,853
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>154,182</u>	<u>198,692</u>	<u>192,795</u>	<u>5,897</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(22,583)</u>	<u>(22,583)</u>	<u>(78,004)</u>	<u>(55,421)</u>
<i>Other financing sources (uses):</i>				
Designated cash	22,583	22,583	-	(22,583)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>22,583</u>	<u>22,583</u>	<u>-</u>	<u>(22,583)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(78,004)</u>	<u>(78,004)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>34,812</u>	<u>34,812</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (43,192)</u>	<u>\$ (43,192)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			(7,698)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (85,702)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement C-8

MAGDALENA MUNICIPAL SCHOOLS

ENERGY EFFICIENCY ACT CAPITAL PROJECT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	2,092	11,077	11,077	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,092</u>	<u>11,077</u>	<u>11,077</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(2,092)</u>	<u>(11,077)</u>	<u>(11,077)</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	2,092	11,077	-	(11,077)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,092</u>	<u>11,077</u>	<u>-</u>	<u>(11,077)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(11,077)</u>	<u>(11,077)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>11,077</u>	<u>11,077</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (11,077)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement C-9

MAGDALENA MUNICIPAL SCHOOLS

PUBLIC SCHOOL CAPITAL OUTLAY 20% CAPITAL PROJECT FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2009

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	(1)	(1)
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>(1)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>(1)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>(1)</u>	

The accompanying notes are an integral part of these financial statements

(This page intentionally left blank.)

DEBT SERVICE FUNDS

(This page intentionally left blank.)

DEBT SERVICE FUNDS

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.

Deferred Sick Leave Debt Service (42000) – To account for the District’s deferred sick leave program.

(This page intentionally left blank.)

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
JUNE 30, 2009

Statement D-1

	Debt Service 41000	Deferred Sick Leave 42000	Total
ASSETS			
<i>Current Assets</i>			
Cash and temporary investments	\$ 71,578	\$ -	\$ 71,578
Accounts receivable			
Taxes	2,437	-	2,437
Due from other governments	-	-	-
Interfund receivables	-	-	-
Other	-	-	-
Inventory	-	-	-
	<u>74,015</u>	<u>-</u>	<u>74,015</u>
<i>Total assets</i>	<u>74,015</u>	<u>-</u>	<u>74,015</u>
LIABILITIES AND FUND BALANCES			
<i>Current Liabilities:</i>			
Accounts payable	-	-	-
Accrued payroll liabilities	-	-	-
Accrued compensated absences	-	-	-
Interfund payables	-	-	-
Deferred revenue - property taxes	-	-	-
Deferred revenue - other	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>			
Fund Balance:			
Reserved:			
Reserved for inventory	-	-	-
Reserved for debt service	74,015	-	74,015
Reserved for capital projects	-	-	-
Unreserved:			
Designated for subsequent year's expenditures	-	-	-
Undesignated, reported in			
General Fund	-	-	-
Special Revenue Funds	-	-	-
	<u>74,015</u>	<u>-</u>	<u>74,015</u>
<i>Total fund balance</i>	<u>74,015</u>	<u>-</u>	<u>74,015</u>
<i>Total liabilities and fund balance</i>	<u>\$ 74,015</u>	<u>\$ -</u>	<u>\$ 74,015</u>

The accompanying notes are an integral part of these financial statements.

(This page intentionally left blank.)

STATE OF NEW MEXICO

Statement D-2

MAGDALENA MUNICIPAL SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR DEBT SERVICE FUNDS
 FOR THE YEAR ENDING JUNE 30, 2009

	Debt Service 41000	Deferred Sick Leave 42000	Total
<i>Revenues:</i>			
Property taxes	\$ 139,612	\$ -	\$ 139,612
State grants	-	-	-
Federal grants	-	-	-
Miscellaneous	-	-	-
Interest	-	-	-
<i>Total revenues</i>	<u>139,612</u>	<u>-</u>	<u>139,612</u>
<i>Expenditures:</i>			
Current:			
Instruction	-	-	-
Support Services			
Students	-	-	-
Instruction	-	-	-
General Administration	1,396	-	1,396
School Administration	-	-	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	-	-	-
Community Service	-	-	-
Capital outlay	-	-	-
Debt service - Principal	75,000	-	75,000
Debt service - Interest	19,905	-	19,905
<i>Total expenditures</i>	<u>96,301</u>	<u>-</u>	<u>96,301</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>43,311</u>	<u>-</u>	<u>43,311</u>
<i>Other financing sources (uses):</i>			
Operating transfers	-	(1)	(1)
Proceeds from bond issues	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(1)</u>	<u>(1)</u>
<i>Net changes in fund balances</i>	<u>43,311</u>	<u>(1)</u>	<u>43,310</u>
<i>Fund balances - beginning of year</i>	<u>30,704</u>	<u>1</u>	<u>30,705</u>
<i>Fund balances - end of year</i>	<u>\$ 74,015</u>	<u>\$ -</u>	<u>\$ 74,015</u>

The accompanying notes are an integral part of these financial statements.

(This page intentionally left blank.)

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOLS
DEBT SERVICE FUND

Statement D-3

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Property taxes	\$ 188,245	\$ 188,245	\$ 139,575	\$ (48,670)
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>188,245</u>	<u>188,245</u>	<u>139,575</u>	<u>(48,670)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	1,882	1,882	1,396	486
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	75,000	75,000	75,000	-
Interest	19,905	19,905	19,905	-
<i>Total expenditures</i>	<u>96,787</u>	<u>96,787</u>	<u>96,301</u>	<u>486</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>91,458</u>	<u>91,458</u>	<u>43,274</u>	<u>(48,184)</u>
<i>Other financing sources (uses):</i>				
Designated cash	(91,458)	(91,458)	-	91,458
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(91,458)</u>	<u>(91,458)</u>	<u>-</u>	<u>91,458</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>43,274</u>	<u>43,274</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>28,304</u>	<u>28,304</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 71,578</u>	<u>\$ 71,578</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			37	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 43,311</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOLS
DEFERRED SICK LEAVE DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	(1)	(1)
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>(1)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>(1)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (1)</u>	

The accompanying notes are an integral part of these financial statements

SUPPORTING SCHEDULES

(This page intentionally left blank.)

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2009

Schedule I
(Page 1 of 3)

	Balance June 30, 2008	Additions	Adjustments	Deletions	Balance June 30, 2009
Administration Miscellaneous	\$ 635	\$ 16,436	\$ 3,377	\$ 18,513	\$ 1,935
Yearbook	2,328	3,395	-	3,081	2,642
Elementary Fund	2,783	2,643	-	4,688	738
FFA	435	9,997	-	7,981	2,451
Flower Fund	-	660	-	492	168
Football	175	888	-	367	696
Library	3,939	3,566	-	4,101	3,404
Science Club	338	-	-	-	338
Native American Club - HS	17	1,084	-	428	673
Native American Club - MS	159	573	-	-	732
Native American Club - ES	56	294	-	-	350
SPED - Elementary	117	-	-	117	-
SPED - Mid School	377	-	-	-	377
Volleyball	-	1,514	252	1,262	504
Student Council - Mid School	99	487	-	195	391
Student Council - High School	986	3,442	626	5,054	-
Athletic Pepsi Commission Fund	2,590	5,983	-	6,291	2,282
Athletic Concession Fund	9,479	32,913	-	25,056	17,336
HS Boys Basketball	417	1,888	-	1,961	344
Class of 2009	417	888	450	1,540	215
Class of 2010	762	749	-	1,365	146
Class of 2011	819	1,449	-	399	1,869

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2009

Schedule I
(Page 2 of 3)

	Balance June 30, 2008	Additions	Adjustments	Deletions	Balance June 30, 2009
Class of 2012	1,486	577	-	253	1,810
Class of 2013	188	167	-	109	246
Reading is Fundamental	-	372	-	263	109
Cheerleading	2,300	1,483	-	1,875	1,908
High School	2,155	1,087	-	1,731	1,511
MMS Scholarship Fund	1,867	3,466	-	800	4,533
HS Girls Basketball	754	6,049	(450)	5,031	1,322
Renaissance Program	1,692	5,327	-	3,325	3,694
Elementary Renaissance	-	1,380	-	1,265	115
Educators Scholarship	4,510	5,030	-	3,000	6,540
Art Club	124	-	-	-	124
Close-Up	971	2,992	-	2,999	964
Clint Benjamin Memorial	3,449	400	-	-	3,849
Auto Shop	6,964	37,713	(5,000)	32,731	6,946
Math Grant	43	-	-	-	43
TSA	652	490	-	-	1,142
Workstudy	-	-	-	-	-
Board of Education	3,675	2,830	-	3,600	2,905
Jay Apachito Scholarship	1,957	944	-	2,000	901
Eva Trujillo Scholarship	50	-	-	-	50
Insurance Benefits	919	797,503	(3,552)	794,870	-
Federal / State Taxes	2,224	837,133	(2,224)	837,133	-

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2009

Schedule I
(Page 3 of 3)

	Balance June 30, 2008	Additions	Adjustments	Deletions	Balance June 30, 2009
ERB	702	783,532	(889)	783,345	-
PNM Grant	-	-	-	-	-
Mid / High Incentives	197	611	-	629	179
Class of 2014	144	121	-	-	265
PBS	745	3,455	-	850	3,350
Pinon League	683	-	-	175	508
Letterman's Club	-	456	-	107	349
Spanish Club	-	1,036	-	257	779
Class of 2015	-	267	-	-	267
Steve Aragon Memorial	-	250	-	250	-
Department of Health Grant	-	-	5,000	5,000	-
Baseball	-	495	-	-	495
Boxtops for Education	-	71	-	-	71
National Honor Society	500	-	-	-	500
Gear Up Scholarship	313,783	(22,065)	-	-	291,718
Total All Schools	<u>\$ 379,662</u>	<u>\$ 2,562,021</u>	<u>\$ (2,410)</u>	<u>\$ 2,564,489</u>	<u>\$ 374,784</u>

The accompanying notes are an integral part of these financial statements.

(This page intentionally left blank.)

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF CASH AND TEMPORARY INVESTMENT ACCOUNTS
JUNE 30, 2009

Schedule II

Bank Account Type	Wells Fargo Bank	Totals
Checking - Clearing Account	\$ 677,751	\$ 677,751
Checking - Activity Account	217,620	217,620
Invest Account	291,718	291,718
Total On Deposit	1,187,089	1,187,089
Reconciling Items	(399,771)	(399,771)
Reconciled Balance June 30, 2009	\$ 787,318	\$ 787,318
Plus: Petty Cash		25
Less: Fiduciary Funds Cash		(374,784)
Cash per Government-wide Financial Statements		\$ 412,559

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
CASH RECONCILIATION
JUNE 30, 2009

	Operational 11000	Teacherage 12000	Transportation 13000	Instructional Materials 14000	Food Service 21000
Cash, June 30, 2008	\$ 314,689	\$ 2,368	\$ 3,758	\$ 1,938	\$ 92,529
Add:					
2008-09 revenues	4,963,397	-	312,474	67,234	221,159
Transfers from other funds	1,584	-	-	-	-
Loans from other funds	-	-	-	-	-
Total cash available	5,279,670	2,368	316,232	69,172	313,688
Less:					
2008-09 expenditures	(4,805,565)	-	(310,668)	(53,733)	(221,048)
Transfers to other funds	-	-	-	-	-
Loans to other funds	(404,684)	-	-	-	-
Cash, June 30, 2009	<u>\$ 69,421</u>	<u>\$ 2,368</u>	<u>\$ 5,564</u>	<u>\$ 15,439</u>	<u>\$ 92,640</u>

The accompanying notes are an integral part of these financial statements.

Athletics 22000	Student Activities 23000	Gear-Up Scholarship 23000	Federal Flowthrough 24000	Federal Direct 25000	State Flowthrough 27000
\$ 3,466	\$ 65,879	\$ 313,783	\$ (245,850)	\$ 95,581	\$ (7,522)
20,280	2,584,086	-	909,651	573,152	177,710
-	-	-	-	-	-
-	-	-	261,869	65,686	33,937
23,746	2,649,965	313,783	925,670	734,419	204,125
(15,428)	(2,566,899)	(22,065)	(925,668)	(630,887)	(198,616)
-	-	-	(2)	(1,569)	(50)
-	-	-	-	-	-
<u>\$ 8,318</u>	<u>\$ 83,066</u>	<u>\$ 291,718</u>	<u>\$ -</u>	<u>\$ 101,963</u>	<u>\$ 5,459</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
CASH RECONCILIATION
JUNE 30, 2009

	State Direct 28000	Bond Building 31100	Public School Capital Outlay 31200	Spec. Capital Outlay-Local 31300	Spec. Capital Outlay-State 31400
Cash, June 30, 2008	\$ (6,610)	\$ 4,511	\$ 1	\$ 61,715	\$ (155,000)
Add:					
2008-09 revenues	7,880	-	-	51,148	155,000
Transfers from other funds	40	-	-	-	-
Loans from other funds	-	-	-	-	-
Total cash available	1,310	4,511	1	112,863	-
Less:					
2008-09 expenditures	(1,310)	-	-	(77,565)	-
Transfers to other funds	-	-	(1)	-	-
Loans to other funds	-	-	-	-	-
Cash, June 30, 2009	<u>\$ -</u>	<u>\$ 4,511</u>	<u>\$ -</u>	<u>\$ 35,298</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

Cap. Improv. SB 9 31700	Energy Efficiency 31800	Public School Cap. Outlay 20% 32100	Debt Service 41000	Deferred Sick Leave 42000	Total
\$ 34,812	\$ 11,077	\$ 1	\$ 28,304	\$ 1	\$ 619,431
115,040	-	-	140,483	-	10,298,694
-	-	-	-	-	1,624
43,192	-	-	-	-	404,684
193,044	11,077	1	168,787	1	11,324,433
(193,044)	(11,077)	-	(97,209)	-	(10,130,782)
-	-	(1)	-	(1)	(1,624)
-	-	-	-	-	(404,684)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 71,578</u>	<u>\$ -</u>	<u>\$ 787,343</u>

The accompanying notes are an integral part of these financial statements.

(This page intentionally left blank.)

COMPLIANCE SECTION

(This page intentionally left blank.)

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

Hector Balderas
New Mexico State Auditor
The Office of Management and Budget
To the Board of Education
Magdalena Municipal School District
Magdalena, New Mexico

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information consisting of the aggregate nonmajor governmental fund column and the fiduciary fund column in the fund financial statements and the budgetary comparisons of the general and major special revenue funds of Magdalena Municipal School District, New Mexico, 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, and have issued our report thereon dated November 3, 2009. We also have audited the financial statements of each of the District's nonmajor governmental funds and all the budgetary comparisons 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, and have issued our report thereon dated November 3, 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 Magdalena Municipal School District, New Mexico's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affect the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the agency's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting (FS 08-01, 09-01 and 09-02).

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 agency's internal control.

(This page intentionally left blank.)

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 and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Magdalena Municipal School District, New Mexico'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 one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item FS 08-04.

The agency's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the agency's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, others within the organization, the audit committee, the Office of the State Auditor, New Mexico State Legislature, New Mexico Public Education Department, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Grigo Professional Services, LLC

Albuquerque, New Mexico
November 3, 2009

(This page intentionally left blank.)

FEDERAL FINANCIAL ASSISTANCE

(This page intentionally left blank.)



Griego Professional Services, LLC

Certified Public Accountants

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

Hector Balderas
New Mexico State Auditor
The Office of Management and Budget
To the Board of Education
Magdalena Municipal School District
Magdalena, New Mexico

Compliance

We have audited the compliance of Magdalena Municipal School District, New Mexico, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. Magdalena Municipal School District, New Mexico's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Magdalena Municipal School District, New Mexico's management. Our responsibility is to express an opinion on Magdalena Municipal School District, New Mexico's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Magdalena Municipal School District, New Mexico's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Magdalena Municipal School District, New Mexico's compliance with those requirements.

In our opinion, Magdalena Municipal School District, New Mexico complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of Magdalena Municipal School District, New Mexico is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Magdalena Municipal School District, New Mexico's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

(This page intentionally left blank.)

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

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

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

This report is intended solely for the information and use of the audit committee, management, others within the organization, the Office of the State Auditor, New Mexico State Legislature, New Mexico Public Education Department, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Grigo Professional Services, LLC

Albuquerque, New Mexico
November 3, 2009

(This page intentionally left blank.)

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

Schedule IV
(Page 1 of 3)

Federal Grantor or Pass-Through Grantor / Program Title	Passthrough Number	Federal CFDA	Federal Expenditures
U.S. Department of Health and Human Services			
<i>Passthrough State of New Mexico Department of Health</i>			
Medicaid	25153	93.778	\$ 52,452
<i>Subtotal - Passthrough State of New Mexico Department of Health</i>			<u>52,452</u>
Total U.S. Department of Health and Human Services			<u>52,452</u>
U.S. Department of Education			
<i>Passthrough State of New Mexico Department of Education</i>			
Title I (1)	24101	84.010	467,966
IDEA B - Entitlement	24106	84.027	97,249
IDEA B - Discretionary	24107	84.027A	4,545
IDEA B - Pre School	24109	84.173	10,836
Title I - 1003g Grant (1)	24124	84.010	100,000
Technology Literacy Challenge	24133	84.318X	2,756
Enhancing Education Thru Technology	24149	84.318X	132,697
Title IIA Teacher / Principal Training	24154	84.367A	70,192
Title IV Safe & Drug Free Schools	24157	84.186A	20,616
Title I - IASA Federal Stimulus (1)	24201	84.010	20,321
IDEA B - Entitlement Federal Stimulus	24206	84.027	512
<i>Subtotal - Passthrough State of New Mexico Department of Education</i>			<u>927,690</u>
<i>Direct U.S. Department of Education</i>			
Impact Aid	11000	84.041	718,007
Impact Aid - Special Education	25145	84.041	41,710
Impact Aid - Indian Education	25147	84.041	198,552
Indian Education Formula Grant	25184	84.060A	43,929
Special Projects Demonstration USDE	25194	84.299A	283,103
<i>Subtotal - Direct U.S. Department of Education</i>			<u>1,285,301</u>
Total U.S. Department of Education			<u>2,212,991</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

Schedule IV
(Page 2 of 3)

Federal Grantor or Pass-Through Grantor / Program Title	Passthrough Number	Federal CFDA	Federal Expenditures
U.S. Department of Agriculture			
<i>Direct U.S. Department of Agriculture</i>			
Forest Reserve	11000	10.672	<u>103,128</u>
<i>Subtotal - Direct U.S. Department of Agriculture</i>			<u>103,128</u>
<i>Passthrough State of New Mexico Department of Education</i>			
School Lunch Program (1)	21000	10.555	<u>216,334</u>
<i>Subtotal - Passthrough State of New Mexico Department of Education</i>			<u>216,334</u>
<i>Passthrough State of New Mexico Department of Health and Human Services</i>			
Food Distribution (Commodities)	21000	10.550	<u>15,548</u>
<i>Subtotal - Passthrough State of New Mexico Department of Health and Human Services</i>			<u>15,548</u>
Total U.S. Department of Agriculture			<u>335,010</u>
U.S. Department of Interior			
<i>Passthrough State of New Mexico Department of Education</i>			
Johnson O'Malley	25131	15.130	<u>14,262</u>
Total U.S. Department of Interior			<u>14,262</u>
Total Federal Financial Assistance			<u><u>\$ 2,614,715</u></u>

(1) Denotes Major Federal Financial Assistance Program

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

Schedule IV
(Page 3 of 3)

Notes to Schedule of Expenditures of Federal Awards

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of the Magdalena Municipal School District (District) and is presented on the modified accrual basis of accounting, which is the same basis as was used to prepare the fund financial statements. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

2. Subrecipients

During the year, the District provided \$7,663 in federal awards to subrecipients.

3. Non Cash Federal Assistance

The District receives USDA Commodities for use in sponsoring the National School Lunch and Breakfast programs. The value of commodities received for the year ended June 30, 2009 was \$15,548 and is reported in the Schedule of Expenditures of Federal Awards under the Department of Agriculture Commodities program, CFDA number 10.550. Commodities are recorded as revenues and expenditures in the food service fund.

Reconciliation of Schedule of Expenditures of Federal Awards to Financial Statements:

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 2,614,715
Total expenditures funded by other sources	<u>4,965,834</u>
Total expenditures	<u><u>\$ 7,580,549</u></u>

The accompanying notes are an integral part of these financial statements.

(This page intentionally left blank.)

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

Schedule V

Section I – Summary of Audit Results

Financial Statements:

1. Type of auditors' report issued	Unqualified
2. Internal control over financial reporting:	
a. Material weakness identified?	No
b. Significant deficiencies identified not considered to be material weaknesses?	Yes
c. Control deficiencies identified not considered to be significant deficiencies?	No
d. Noncompliance material to financial statements noted?	No

Federal Awards:

1. Internal control over major programs:										
a. Material weakness identified?		No								
b. Significant deficiencies identified not considered to be material weaknesses?		No								
c. Control deficiencies identified not considered to be significant deficiencies?		No								
2. Type of auditors' report issued on compliance for major programs		Unqualified								
3. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?		No								
4. Identification of major programs:										
	<table border="0" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;"><u>CFDA</u></td> <td style="text-align: center;"><u>Federal Program</u></td> </tr> <tr> <td style="text-align: center;"><u>Number</u></td> <td></td> </tr> <tr> <td style="text-align: center;">84.010</td> <td style="text-align: center;">Title I</td> </tr> <tr> <td style="text-align: center;">10.555</td> <td style="text-align: center;">School Lunch Program</td> </tr> </table>	<u>CFDA</u>	<u>Federal Program</u>	<u>Number</u>		84.010	Title I	10.555	School Lunch Program	
<u>CFDA</u>	<u>Federal Program</u>									
<u>Number</u>										
84.010	Title I									
10.555	School Lunch Program									
5. Dollar threshold used to distinguish between type A and type B programs:		\$300,000								
6. Auditee qualified as low-risk auditee?		Yes								

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

Section II – Financial Statement Findings

FS 08-01— Payroll Documentation

Criteria: NMAC 6.20.2.18 states the local board shall establish written payroll policies and procedures which comply with state and federal regulations on payroll as well as maintaining strict internal controls, close supervision and financial accounting in accordance with GAAP. School districts shall maintain and have available for inspection the following employee record documentation: employment contracts (including increments), personnel/payroll action forms, certification records, employment eligibility verification (federal form I-9 for citizenship certification), federal and state withholding allowance certificates, pay deduction authorizations, pay or position change notices, Educational Retirement Act plan application, and direct deposit authorizations. The Immigration Reform & Control Act of 1986 requires all employees hired after November 6, 1986 to complete a form I-9 within 3 days of hire. This form is to be retained for either three years after the date of hire or one year after the date of termination, whichever is later.

Condition: During our test work of personnel files, GPS noted the following:

- Four out of twenty employees tested did not have an accurately completed I-9 on file.
- One out of twenty employees tested were paid incorrectly for time that was reported on their time sheet. The employee was paid for a full day of work when the time sheet indicated that the employee should have been paid for four hours or less. This resulted in the employee being paid \$30 more than they should have.

Cause: The District was unaware that the employees had incomplete files. The overpayment appears to be an isolated instance.

Effect: The District is not in compliance with the Immigration Reform and Control Act of 1986 or with New Mexico State Statutes. The School could be subject to penalties or possibly legal action. Not having correct supporting documentation is a serious failure of internal control procedures and could result in various legal complications in the event of noncompliance with a contract.

Auditors' Recommendations: We recommend the District obtain all required information and retain the necessary documents in the employees' personnel files as well as review all supporting documentation for payroll processed. In the future, the District should make periodic checks to ensure all required information is being maintained.

Management's Response: The Human Resources Secretary, at the supervision of the Superintendent, will ensure that all payroll documents are complete and accurate for every employee.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

FS 08-04 Budgetary Conditions

Criteria: Sound financial management and 6-6-6 NMSA 1978 require that budgets not be exceeded at the legal level of control. For school districts, the expenditure function is the legal level of control.

Condition: The District had the following expenditure functions where actual expenditures exceeded budgetary authority:

Major Funds:		
Special Projects Demonstration USDE		
Support Services (combined)	\$	12,511
Special Revenue Funds:		
Johnson O'Malley		
Instruction		1,587
Impact Aid Special Education		
Support Services (combined)		51
Impact Aid Indian Education		
Community Services		4,298
Indian Ed Formula Grant		
Instruction		167
Total	\$	18,614

Cause: The District did not submit the appropriate budgetary transfers to PED to alleviate the over-expenditure.

Effect: The District is in non compliance with New Mexico law, and the control established by the use of budgets has been compromised.

Auditor's Recommendation: The District should establish a policy of budgetary review at year-end, and submit the necessary budget adjustments to PED.

Management's Response: The Business Manager and Federal and State Programs Coordinator will do budget maintenance to ensure that expenditures on all line items are not exceeded.

FS 09-01: Cash Disbursements (Specifically Credit Cards)

Criteria: According to NMSA 1978 Section 6-6-3, the school is expected to conform to the rules and regulations that they have adopted relating to internal controls.

Condition: During our test work of credit cards, GPS noted that three out of five credit card transactions tested had purchase orders issued after the purchases were made. The purchase amounts totaled \$2,112.76.

Cause: Policies and Procedures that the school has adopted for cash disbursements, specifically credit card transactions, are not being enforced.

Effect: The lack of enforcing the District's policies and procedures may result in the non-authorized purchase of goods and/or services.

Auditor's Recommendation: The District must enforce policies and procedures that are set in place for the purchase of goods and/or services.

Management's Response: The Business Manager and Superintendent will ensure that all requests for purchases are approved and processed before a purchase is made.

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

FS 09-02: Stale Dated Checks

Criteria: According to 6.20.2.14 K, all bank accounts shall be reconciled on a monthly basis. Part of this process should include review of reconciling items such as outstanding checks, deposits in transit and other reconciling items. Items older than three months should be investigated and items older than one year should be removed from the reconciliation. The District may be required to turn these funds over to the State's Unclaimed Property Division.

Condition: During our testwork of cash, we noted that both bank accounts had stale dated checks (checks outstanding longer than one year). The accounts and amounts are as follows: 1) Clearing account – 34 checks totaling \$7,717.89, 2) Activity Fund – 29 checks totaling \$1,462.72.

Cause: The District has been reconciling bank accounts but has not been taking appropriate action with regards to items older than one year.

Effect: The District's bank reconciliations are more time consuming to prepare as there are so many stale dated items. Also, the reconciliations are not as accurate as they would be if the stale dated items were removed. The District would have a more accurate picture of their cash balances on a monthly basis.

Auditor's Recommendation: The District should review bank reconciliations more closely and investigate items outstanding for more than three months. Items included on bank reconciliations that are older than one year should be removed and, as mentioned above, the funds may be required to be turned over to the State's Unclaimed Property Division.

Management's Response: The Business Manager will ensure that all stale dated checks are handled appropriately. Voided checks will be recorded as such and money or credits owed to a customer as a result of a retail business transaction will be reported to the state and unclaimed property.

Section III – Federal Award Findings

None

Section IV – Prior Year Audit Findings

FS 08-01 Payroll Documentation – Repeated
FS 08-02 Compensated Absences – Resolved
FS 08-03 Bank Reconciliations – Resolved
FS 08-04 Budgetary Conditions – Repeated
FS 08-05 Per Diem and Mileage Act – Resolved

STATE OF NEW MEXICO
MAGDALENA MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

Section V – Other Disclosures

Auditor Prepared Financials

The financial statements presented in this report were prepared by the auditors, Griego Professional Services, LLC.

Exit Conference

The contents of this report were discussed on November 3, 2009. The following individuals were in attendance.

Magdalena Municipal School District

Mike Chambers, Superintendent
Dorothy Zamora, Business Manager
Keri James, Federal & State Program Coordinator
Gail Armstrong, Board Member
Kitty Martin, Elementary School Principal

Griego Professional Services, LLC

Monica Yapple, CPA