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STATE OF NEW MEXICO  
San Jon Municipal School  
June 30, 2009

Financial Statements and Supplementary Information  
As Of And For The Year Ended June 30, 2009  
With Independent Auditor's Report Thereon

*Certified Public Accountant, PC*

*1101 E Llano Estacado  
Clovis, New Mexico 88101*

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STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Official Roster  
For the year ended June 30, 2009

Board of Education

Tim Foster	President
Franklin Gibson	Vice-President
Dale Bone	Secretary
Tommy Evans	Member
Cynthia Lee	Member

School Officials

Gary Salazar	Superintendent
Lucy Heddlesten	Business Manager

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

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# *Sandra Rush*

*Certified Public Accountant PC*

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## Independent Auditor's Report

Mr. Hector H. Balderas  
State Auditor of the State of New Mexico  
Board Members of San Jon Municipal School District

Mr. Balderas and Members of the Board

I have audited the accompanying financial statements of the governmental activities, each major fund, the budget comparisons for the general fund and major special revenue funds, and the aggregate remaining fund information of San Jon Municipal School District (District), as of and for the year ended June 30, 2009, which collectively comprise the agency's basic financial statements as listed in the table of contents. I also have audited the financial statements of each of the District's nonmajor governmental funds and budget 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 the District's management. My responsibility is to express opinions on these financial statements based on my audit.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. *An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, I express no such opinion.* An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinions.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2009, and the respective changes in financial position, where applicable, 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 my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental funds of the District as of June 30, 2009, and the respective changes in financial position, where applicable, thereof and the respective budgetary comparisons for the major capital project funds, debt service funds, and all nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.



Mr. Hector H. Balderas  
State Auditor of the State of New Mexico  
Board Members of San Jon Municipal School District  
Page 2

In accordance with *Government Auditing Standards*, I have also issued my report dated October 13, 2009 on my consideration of the District's internal control over financial reporting and on my 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 my 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 my audit.

For the year ended June 30, 2009 the District has not presented the Management's Discussion and Analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of the basic financial statements.

My audit was conducted for the purpose of forming opinions on the basic financial statements, and the combining and individual fund financial statements and budgetary comparisons. The additional schedules listed as "other supplemental information" in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

  
Sandra Rush, CPA PC

October 13, 2009

## Basic Financial Statements

## Government-wide Financial Statements

STATE OF NEW MEXICO  
 SAN JON MUNICIPAL SCHOOL

Statement of Net Assets  
 June 30, 2009

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Current assets:	
Cash and cash equivalents	\$ 978,393
Taxes receivable	959
Accounts receivable	3,471
Delinquent tax	18,376
Due from grantor	<u>47,865</u>
Total current assets	<u>1,049,064</u>
Noncurrent assets:	
Bond issuance cost (net of accumulated amortization \$4,856)	43,708
Capital assets	9,212,653
Less: accumulated depreciation	<u>(2,858,768)</u>
Total non current assets	<u>6,397,593</u>
Total assets	<u>\$ 7,446,657</u>
<u>LIABILITIES AND NET ASSETS</u>	
Current liabilities:	
Accounts payable	\$ 8,898
Current portion of long term debt	<u>60,000</u>
Total current liabilities	<u>68,898</u>
Noncurrent liabilities:	
Bonds and notes	<u>550,000</u>
Total noncurrent liabilities	<u>550,000</u>
Total liabilities	<u>618,898</u>
<u>NET ASSETS</u>	
Invested in capital assets, net of related debt	5,787,593
Restricted	666,745
Unrestricted	<u>373,421</u>
Total net assets	<u>6,827,759</u>
Total liabilities and net assets	<u>\$ 7,446,657</u>

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

STATE OF NEW MEXICO  
 SAN JON MUNICIPAL SCHOOL

Statement of Activities  
 For the year ended June 30, 2009

Functions / Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
Instruction	\$ 1,246,332	\$ 800	\$ 294,879	\$ -
Support services - students	153,248	-	-	-
Support services - instruction	43,552	-	-	-
Support services - general admin	225,250	-	-	-
Support services - school admin	66,209	-	-	-
Central services	70,826	-	-	-
Operation and maintenance of plant	388,768	-	-	-
Other support services	4,856	-	-	-
Food services operations	120,249	20,726	-	-
Community services operations	15,568	-	-	-
Facilities acquisition and construction	-	-	-	133,393
Teacherage	-	10,500	-	-
Transportation	194,830	-	194,252	-
Instructional materials	18,908	-	14,461	-
Transportation	-	-	-	-
Athletics	32,313	9,175	-	-
Depreciation - unclassified	3,123	-	-	-
Debt Service:				
Bond interest payment	9,713	-	-	-
Total governmental activities	<u>\$ 2,593,745</u>	<u>\$ 41,201</u>	<u>\$ 503,592</u>	<u>\$ 133,393</u>

General revenues:  
 Taxes:  
   General purposes  
   Debt service  
   Capital projects  
 State equalization guarantee  
 Miscellaneous income:  
   Capital contributions  
   Caprock Wind  
   Interest

Total general revenues

Change in net assets

Net assets, beginning

Net assets, ending

The accompanying notes are an integral part of these financial statements

Net Program
[Expense]
Revenues
<u>Governmental</u>
<u>Activities</u>
<u>Total</u>

\$	(950,653)
	(153,248)
	(43,552)
	(225,250)
	(66,209)
	(70,826)
	(388,768)
	(4,856)
	(99,523)
	(15,568)
	133,393
	10,500
	(578)
	(4,447)
	-
	(23,138)
	(3,123)
	<u>(9,713)</u>

(1,915,559)

5,813  
115,045  
25,382  
1,836,097

6,587  
86,000  
9,784

2,084,708

169,149

6,658,610

\$ 6,827,759

STATE OF NEW MEXICO  
 SAN JON MUNICIPAL SCHOOL

Balance Sheet  
 Governmental Funds  
 June 30, 2009

	General Fund				
	Operational 11000	Teacherage 12000	Transportation 13000	Instructional Materials 14000	Caprock 29101
<b>ASSETS</b>					
Cash and cash equivalents	\$ 187,973	\$ 16,078	\$ 8,971	\$ 2,362	\$ 88,212
Receivables:					
Taxes	31	-	-	-	-
Accounts receivable	3,471	-	-	-	-
Delinquent taxes	997	-	-	-	-
Due from grantor	11,344	-	-	-	-
Total assets	<u>\$ 203,816</u>	<u>\$ 16,078</u>	<u>\$ 8,971</u>	<u>\$ 2,362</u>	<u>\$ 88,212</u>
<b>LIABILITIES</b>					
Accounts payable	5,906	472	-	-	-
Deferred revenue	997	-	-	-	-
Total liabilities	<u>6,903</u>	<u>472</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>					
Reserved for:					
Retirement of long term debt	-	-	-	-	-
Unreserved, Undesignated, reported in:					
General Fund	196,913	15,606	8,971	2,362	-
Capital Projects	-	-	-	-	-
Debt Service	-	-	-	-	-
Special Revenue Funds	-	-	-	-	88,212
Total fund balance	<u>196,913</u>	<u>15,606</u>	<u>8,971</u>	<u>2,362</u>	<u>88,212</u>
Total liabilities and fund balance:	<u>\$ 203,816</u>	<u>\$ 16,078</u>	<u>\$ 8,971</u>	<u>\$ 2,362</u>	<u>\$ 88,212</u>

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

Bond Building Capital Outlay 31100	Senate Bill - 9 Capital Outlay 31700	Debt Service 41000	Other Governmental Funds	Total Governmental Funds
\$ 451,658	\$ 13,331	\$ 44,888	\$ 164,920	\$ 978,393
-	-	-	-	-
-	159	769	-	959
-	-	-	-	3,471
-	3,918	13,461	-	18,376
-	-	-	36,521	47,865
<u>\$ 451,658</u>	<u>\$ 17,408</u>	<u>\$ 59,118</u>	<u>\$ 201,441</u>	<u>\$ 1,049,064</u>
-	931	-	1,589	8,898
-	3,918	13,461	8,657	27,033
-	4,849	13,461	10,246	35,931
-	-	45,657	-	45,657
-	-	-	-	223,852
451,658	12,559	-	-	464,217
-	-	-	-	-
-	-	-	191,195	279,407
<u>451,658</u>	<u>12,559</u>	<u>45,657</u>	<u>191,195</u>	<u>1,013,133</u>
<u>\$ 451,658</u>	<u>\$ 17,408</u>	<u>\$ 59,118</u>	<u>\$ 201,441</u>	<u>\$ 1,049,064</u>

Reconciliation of Total Fund Balance from Balance Sheet Governmental Funds  
to the Total Net Assets on the Statement of Net Assets:

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

Fund balances - total governmental funds	\$ 1,013,133
Deferred Revenue in the fund financial statements because grant funds not received during the period of availability	27,033
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds	
Capital assets	9,212,653
Accumulated depreciation	(2,858,768)
Bond issue cost	48,564
Amortization of bond issue cost	(4,856)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	<u>(610,000)</u>
Net assets of governmental activities	<u>\$ 6,827,759</u>



STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Statement of Revenues, Expenditures, and Changes in  
Fund Balances - Governmental Funds  
For the year ended June 30, 2009

	General Fund				
	Operational 11000	Teacherage 12000	Transportation 13000	Instructional Materials 14000	Caprock 29101
<b>Revenues:</b>					
Charges for Service	\$ 800	\$ 10,500	\$ -	\$ -	\$ -
Intergovernmental Revenue	-	-	-	-	-
Local	-	-	-	-	86,000
State	1,836,097	-	194,252	14,461	-
Federal	-	-	-	-	-
General revenues:	-	-	-	-	-
Taxes	6,034	-	-	-	-
Miscellaneous	9,562	-	-	-	-
Capital Contributions:	6,587	-	-	-	-
<b>Total revenues</b>	<b>1,859,080</b>	<b>10,500</b>	<b>194,252</b>	<b>14,461</b>	<b>86,000</b>
<b>Expenditures:</b>					
Current operating:					
Instruction	947,890	-	-	-	2,308
Support services - students	75,074	-	-	-	-
Support services - instruction	37,891	-	-	-	-
Support services - general admin	216,310	-	-	-	-
Support services - school admin	66,209	-	-	-	-
Central services	70,826	-	-	-	-
Operation and maintenance of plant	323,860	8,469	-	-	-
Other support services	-	-	-	-	-
Food services operations	38,466	-	-	-	-
Community services operations	-	-	-	-	-
Facilities acquisition and construction	4,000	-	-	-	108,576
Teacherage	-	-	-	-	-
Transportation	-	-	194,252	-	-
Instructional materials	-	-	-	18,908	-
Transportation	-	-	-	-	-
Athletics	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt Service:					
Bond principal payment	-	-	-	-	-
Bond interest payment	-	-	-	-	-
<b>Total expenditures</b>	<b>1,780,526</b>	<b>8,469</b>	<b>194,252</b>	<b>18,908</b>	<b>110,884</b>
Excess (deficiency) of revenues over expenditures	78,554	2,031	-	(4,447)	(24,884)
Other financing sources (uses):					
Bond proceeds	-	-	-	-	-
Operating transfers	22,890	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>22,890</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	101,444	2,031	-	(4,447)	(24,884)
Fund balance, beginning of year	94,700	13,575	8,971	6,809	113,096
Restatements	769	-	-	-	-
Fund balance restated	95,469	13,575	8,971	6,809	113,096
<b>Fund balance, end of year</b>	<b>\$ 196,913</b>	<b>\$ 15,606</b>	<b>\$ 8,971</b>	<b>\$ 2,362</b>	<b>\$ 88,212</b>

The accompanying notes are an integral part of these financial statements

Bond Building Capital Outlay 31100	Senate Bill - 9 Capital Outlay 31700	Debt Service 41000	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 29,901	\$ 41,201
-	-	-	-	-
-	-	-	-	86,000
-	-	-	277,258	2,322,068
-	-	-	158,351	158,351
-	-	-	-	-
-	25,585	119,917	-	151,536
222	-	-	-	9,784
-	-	-	-	6,587
<u>222</u>	<u>25,585</u>	<u>119,917</u>	<u>465,510</u>	<u>2,775,527</u>
-	-	-	174,838	1,125,036
-	-	-	78,174	153,248
-	-	-	2,588	40,479
-	257	1,201	1,625	219,393
-	-	-	-	66,209
-	-	-	-	70,826
-	41,697	-	-	374,026
48,564	-	-	-	48,564
-	-	-	60,343	98,809
-	-	-	-	-
-	-	-	133,393	245,969
-	-	-	-	-
-	-	-	-	194,252
-	-	-	-	18,908
-	-	-	-	-
-	-	-	7,926	7,926
-	-	-	-	-
-	-	-	-	-
-	-	65,000	-	65,000
-	-	9,020	-	9,020
<u>48,564</u>	<u>41,954</u>	<u>75,221</u>	<u>458,887</u>	<u>2,737,665</u>
(48,342)	(16,369)	44,696	6,623	37,862
500,000	-	-	-	500,000
-	-	-	(22,890)	-
<u>500,000</u>	<u>-</u>	<u>-</u>	<u>(22,890)</u>	<u>500,000</u>
451,658	(16,369)	44,696	(16,267)	537,862
-	28,928	961	207,462	474,502
-	-	-	-	769
-	28,928	961	207,462	475,271
<u>\$ 451,658</u>	<u>\$ 12,559</u>	<u>\$ 45,657</u>	<u>\$ 191,195</u>	<u>\$ 1,013,133</u>

STATE OF NEW MEXICO  
 SAN JON MUNICIPAL SCHOOL

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

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

Net change in fund balances - total governmental funds \$ 537,862

Because some property taxes will not be collected for several months  
 after the District's fiscal year ends, they are not considered "available"  
 revenues in the governmental funds, and are instead reported as  
 deferred revenues. They are however, recorded as revenues in the  
 Statement of Activities. This amount reflects the change in  
 delinquent tax for the fiscal year. (5,296)

Increase in deferred revenue from grant revenues not received  
 within the period of availability (2,224)

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

Capital outlays	\$ 245,969	
Depreciation expense	<u>(214,259)</u>	
		31,710

Repayment of bond principal is an expenditure in the governmental  
 funds, but the repayment reduces long-term liabilities in the Statement  
 of Net Assets. 65,000

Bond issue cost 48,564

Amortization of bond issue cost (4,856)

Proceeds of bond issue (500,000)

In the Statement of Activities, interest is accrued on outstanding bonds,  
 whereas in governmental funds, and interest expenditure is reported when  
 due. This amount reflects the change in accrued interest for the fiscal year. (693)

Change in Net Assets of Governmental Activities \$ 170,067

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

General Fund - Operational - 11000  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
Charges for services:				
Fees - educational	\$ -	\$ -	\$ 800	\$ 800
General revenues:				
Ad valorem taxes -school district	6,145	6,145	6,054	(91)
State equalization guarantee	-	1,824,239	1,824,753	514
Miscellaneous:				
Interest income	2,500	2,500	360	(2,140)
Royalties	2,500	2,500	1,840	(660)
Refund prior year expenditure	-	-	1,663	1,663
Insurance recoveries	-	-	2,228	2,228
Capital contributions:	-	-	6,587	6,587
Total revenue	<u>11,145</u>	<u>1,835,384</u>	<u>1,844,285</u>	<u>8,901</u>
Expenditures:				
Current operating:				
Instruction:				
Salaries	636,575	679,500	677,111	2,389
Employee benefits	201,126	209,298	208,452	846
Purchased services	43,000	32,215	22,716	9,499
Supplies and materials	21,383	31,941	30,430	1,511
Travel and training	34,000	31,635	16,265	15,370
Supply assets	21,000	12,495	3,075	9,420
Total instruction	<u>957,084</u>	<u>997,084</u>	<u>958,049</u>	<u>39,035</u>
Support services - students:				
Salaries	57,760	57,916	47,091	10,825
Employee benefits	30,541	30,385	25,419	4,966
Supplies and materials	3,874	3,874	2,528	1,346
Travel and training	5,000	5,000	36	4,964
Total support services - students	<u>97,175</u>	<u>97,175</u>	<u>75,074</u>	<u>22,101</u>
Support services - instruction:				
Salaries	16,806	16,806	16,806	-
Employee benefits	14,350	14,395	14,014	381
Purchased services	9,000	9,000	4,483	4,517
Supplies and materials	4,000	3,955	2,588	1,367
Total support services - instructor	<u>44,156</u>	<u>44,156</u>	<u>37,891</u>	<u>6,265</u>

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

General Fund - Operational - 11000  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

Expenditures: (continued)	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Support services - general administration:				
Salaries	131,292	131,503	131,262	241
Employee benefits	46,118	45,787	45,158	629
Purchased services	40,108	40,870	30,932	9,938
Supplies and materials	4,485	4,485	2,638	1,847
Travel and training	11,000	10,358	6,265	4,093
Total support services - gen admir	233,003	233,003	216,255	16,748
Support services - school administration:				
Salaries	48,936	48,936	48,936	-
Employee benefits	17,335	17,335	17,031	304
Supplies and materials	400	400	242	158
Total support services - school admi	66,671	66,671	66,209	462
Central services:				
Salaries	45,757	45,758	45,758	-
Employee benefits	18,714	18,713	18,291	422
Purchased services	6,500	6,500	5,568	932
Supplies and materials	250	250	146	104
Travel and training	1,500	1,500	1,063	437
Total central services	72,721	72,721	70,826	1,895
Operations & maintenance of plant:				
Salaries	108,033	108,689	107,091	1,598
Employee benefits	51,292	51,316	42,884	8,432
Purchased services	240,391	182,432	152,011	30,421
Supplies and materials	11,382	12,607	12,302	305
Travel and training	2,500	4,786	4,286	500
Total operations & maint. of plant	413,598	359,830	318,574	41,256
Other support services:				
Emergency reserve	35,305	35,305	-	35,305
75% June credit	497	497	-	497
Total other support services:	35,802	35,802	-	35,802

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

General Fund - Operational - 11000  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Expenditures: (continued)				
Food services operations:				
Salaries	12,226	12,226	11,606	620
Employee benefits	3,378	3,378	3,208	170
Supplies and materials	29,000	29,000	23,351	5,649
Travel and training	1,600	1,600	301	1,299
Total food services operations	46,204	46,204	38,466	7,738
Community services operations:				
Salaries	2,000	2,000	-	2,000
Employee benefits	154	154	-	154
Supplies and materials	3,000	3,000	-	3,000
Total community services operatic	5,154	5,154	-	5,154
Facilities acquisition and construction:				
Land	-	4,000	4,000	-
Total facilities acquisition and construction	-	4,000	4,000	-
Total expenditures	1,971,568	1,961,800	1,785,344	176,456
Excess (deficiency) revenues over expenditures	(1,960,423)	(126,416)	58,941	185,357
Other financing sources (uses):				
Operating transfer	-	22,890	22,890	-
Total other financing sources (uses)	-	22,890	22,890	-
Excess (deficiency) revenues and other financing sources (uses) over expenditures	(1,960,423)	(103,526)	81,831	185,357
Cash balance, beginning of year	105,373	105,373	105,373	-
Prior period adjustment	767	767	769	2
Cash balance, beginning of year restated	106,140	106,140	106,142	2
Cash balance, end of year	<u>\$ (1,854,283)</u>	<u>\$ 2,614</u>	<u>\$ 187,973</u>	<u>\$ 185,359</u>

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

General Fund - Operational - 11000  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

Reconciliation of Budgetary Basis to GAAP Basis Statement:

Revenue - budgetary basis	\$ 1,844,285
Current year receivable/other credits	14,846
Prior year receivable/other debits	<u>(51)</u>
Revenue - GAAP basis	<u>\$ 1,859,080</u>
Expenditures - budgetary basis	\$ 1,785,344
Current year payable/other debits	5,906
Prior year payable/other credits	<u>(10,724)</u>
Expenditures - GAAP basis	<u>\$ 1,780,526</u>

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

General Fund - Teacherage - 12000  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
Charges for services:				
Rentals	\$ -	\$ 10,800	\$ 10,500	\$ (300)
Total revenues	-	10,800	10,500	(300)
Expenditures:				
Current operating:				
Operation and maintenance of plant				
Maintenance and repairs	7,000	7,000	135	6,865
Utilities	13,000	13,000	7,430	5,570
Other contract services	1,000	1,000	151	849
Supplies and materials	2,513	2,513	499	2,014
Total expenditures	23,513	23,513	8,215	15,298
Excess (deficiency) revenues over expenditures	(23,513)	(12,713)	2,285	14,998
Cash balance, beginning of year	13,793	13,793	13,793	-
Cash balance, end of year	<u>\$ (9,720)</u>	<u>\$ 1,080</u>	<u>\$ 16,078</u>	<u>\$ 14,998</u>
Reconciliation of Budgetary Basis to GAAP Basis Statement:				
Revenue - budgetary basis			\$ 10,500	
Current year receivable/other credits			-	
Prior year receivable/other debits			-	
Revenue - GAAP basis			<u>\$ 10,500</u>	
Expenditures - budgetary basis			\$ 8,215	
Current year payable/other debits			472	
Prior year payable/other credits			(218)	
Expenditures - GAAP basis			<u>\$ 8,469</u>	

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



STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

General Fund - Transportation - 13000  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
Intergovernmental revenues:				
Transportation distribution	\$ -	\$ 187,127	\$ 187,127	\$ -
Emergency supplemental	-	7,125	7,125	-
Total revenues	-	194,252	194,252	-
Expenditures:				
Current operating:				
Student transportation:				
Salaries	20,432	20,043	20,043	-
Employee benefits	4,636	4,354	4,354	-
Purchased services	165,938	159,281	159,281	-
Supplies and materials	9,000	7,275	7,275	-
Travel and training	5,500	799	799	-
Supply assets	-	2,500	2,500	-
Total expenditures	205,506	194,252	194,252	-
Excess (deficiency) revenues over expenditures	(205,506)	-	-	-
Cash balance, beginning of year	8,971	8,971	8,971	-
Cash balance, end of year	\$ (196,535)	\$ 8,971	\$ 8,971	\$ -
Reconciliation of Budgetary Basis to GAAP Basis Statement:				
Revenue - budgetary basis			\$ 194,252	
Current year receivable/other credits			-	
Prior year receivable/other debits			-	
Revenue - GAAP basis			\$ 194,252	
Expenditures - budgetary basis			\$ 194,252	
Current year payable/other debits			-	
Prior year payable/other credits			-	
Expenditures - GAAP basis			\$ 194,252	

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

General Fund - Instructional Materials - 14000  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
Intergovernmental revenue:				
State flow through grant	\$ -	\$ 904	\$ 891	\$ (13)
Instructional materials - credit	-	7,192	7,192	-
Instructional materials - cash	-	7,192	7,192	-
Total revenues	-	15,288	15,275	(13)
Expenditures:				
Current operating:				
Instructional materials:				
Supplies and materials	18,673	20,303	18,908	1,395
Total expenditures	18,673	20,303	18,908	1,395
Excess (deficiency) revenues over expenditures	(18,673)	(5,015)	(3,633)	1,382
Cash balance, beginning of year	5,995	5,995	5,995	-
Cash balance, end of year	<u>\$ (12,678)</u>	<u>\$ 980</u>	<u>\$ 2,362</u>	<u>\$ 1,382</u>
Reconciliation of Budgetary Basis to GAAP Basis Statement:				
Revenue - budgetary basis			\$ 15,275	
Current year receivable/other credits				
Prior year receivable/other debits			(814)	
Revenue - GAAP basis			<u>\$ 14,461</u>	
Expenditures - budgetary basis			\$ 18,908	
Current year payable/other debits			-	
Prior year payable/other credits			-	
Expenditures - GAAP basis			<u>\$ 18,908</u>	

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Major Special Revenue Fund - Caprock Wind - 29109  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
Miscellaneous:				
Caprock Wind	\$ 87,558	\$ 87,558	\$ 86,000	\$ (1,558)
Total revenues	87,558	87,558	86,000	(1,558)
Expenditures:				
Current operating:				
Instruction:				
Maintenance and repairs	58,892	58,892	-	58,892
Supplies and materials	20,000	15,457	2,308	13,149
Total instruction	78,892	74,349	2,308	72,041
Operation and maintenance of plant:				
Fixed assets (more than \$1,000)	30,000	30,000	14,334	15,666
Total oper and maint of plant	30,000	30,000	14,334	15,666
Facilities acquisition and construction:				
Buses	89,700	94,243	94,242	1
Total facilities acquisition and con:	89,700	94,243	94,242	1
Total expenditures	198,592	198,592	110,884	87,708
Excess (deficiency) revenues over expenditures	(111,034)	(111,034)	(24,884)	(89,266)
Cash balance, beginning of year	113,096	113,096	113,096	-
Cash balance, end of year	\$ 2,062	\$ 2,062	\$ 88,212	\$ 86,150
Reconciliation of Budgetary Basis to GAAP Basis Statement:				
Revenue - budgetary basis			\$ 86,000	
Current year receivable/other credits			-	
Prior year receivable/other debits			-	
Revenue - GAAP basis			\$ 86,000	
Expenditures - budgetary basis			\$ 110,884	
Current year payable/other debits			-	
Prior year payable/other credits			-	
Expenditures - GAAP basis			\$ 110,884	

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Statement of Fiduciary Assets and Liabilities - Agency Funds

June 30, 2009

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ <u>46,975</u>
Total assets	\$ <u><u>46,975</u></u>
<u>LIABILITIES</u>	
Deposits held for others	\$ <u>46,975</u>
Total liabilities	\$ <u><u>46,975</u></u>

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

## Notes to Financial Statements

## **Note 1. Summary of Significant Accounting Policies**

The financial statements of San Jon Municipal School (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

### Financial Reporting Entity

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

All governmental funds of the District follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

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

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

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

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

### *Governmental Funds*

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

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

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

Debt Service Fund – The Debt Service Funds are used to account for the resources for, and the payment of, principal, interest and related costs.

Capital Project Funds – The Capital Project Funds are used to account for all resources for the acquisition of capital facilities by the District.

*Fiduciary Fund Type*

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the District.

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The District reports the following major governmental funds:

General Funds:

Operational (11000)

To account for resources and expenditures traditionally associated with governmental entities that are not required to be accounted for in another fund.

Teacherage (12000)

To account for revenues from the rental of school owned teacher housing. Expenditures from this account are for payment of utilities and maintenance of the rental units.

Transportation (13000)

To account for resources and expenditures associated with the transportation of student's to and from school.

Instructional Materials (14000)

To account for resources and expenditures associated with the purchase of textbooks and other instructional materials.

Major Special Revenue Funds:

Caprock Wind (29109)

To account for local revenue fund payments received from a private company in lue of property tax. This fund was created by the state just for San Jon Municipal School District.

Capital Projects Funds:

Bond Building Capital Projects Fund (31100)

The fund is used to account for resource received from the Department of Education state equalization guarantee for use in remodeling and equipping class room facilities.

Senate Bill Nine (31700)

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

Debt Service Funds:

Debt Service (41000)

The revenues are generated by a tax levy based upon property values. The expenditures are for the payment of general long-term debt principal and interest.

Measurement Focus and Basis of Accounting

*Government-Wide Financial Statements (GWFS)*

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

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

Program Revenues

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayer or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues. Program revenues include charges to users or applicants who purchase, use or directly benefit from the goods or services provided by the given function.

*Fund Financial Statements (FFS)*

Governmental Funds

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for un-matured principal and interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Any effect of interfund activity has been eliminated from the district-wide financial statements.

Revenues

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

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



been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met.

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

#### Expenditures

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

#### Other Financing Sources (Uses)

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

#### Basis of Budgeting

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

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

1. Prior to April 15, (unless a later date is fixed by the Secretary of Education) the local school board submits to the District Budget Planning Unit (SBPU) of the New Mexico Public Education Department (PED) an estimated budget for the District for the ensuing fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the New Mexico Public Education Department by the district shall contain headings and details as prescribed by law.
2. Prior to June 20, of each year, the proposed "operating" budget will be reviewed and approved by the SBPU and certified and approved by the local school board at the public hearing of which notice has been published by the local school board which fixed the estimated budget for the district for the ensuing fiscal year.
3. The "operating" budget will be used by the District until they have been notified that the budget has been approved by the SBPU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element for control and shall be integrated into the budget system.
4. The District shall make corrections, revisions, and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the SBPU.
5. No school board or officer or employee of the District shall make any expenditure or incur any obligation for the expenditures of public funds unless such expenditure or contractual obligation is made in accordance with an operating budget approved by the division. But this does not prohibit the transfer of funds between line items within a series of a budget.

6. Budget change requests are processed in accordance with Supplement I (Budget Preparation and Maintenance) of the *Manual of Procedures Public School Accounting and Budgeting*. Such changes are initiated by the district and approved by the SBPU.
7. Legal budget control for expenditures is by function.
8. Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget of the District has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.

#### Cash and Cash Equivalents

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

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

#### Investments

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

1. bonds or negotiable securities of the United States, the state or any county, municipality or school district which has a taxable valuation of real property for the last preceding year of at least one million dollars (\$1,000,000) and has not defaulted in the payment of any interest or sinking fund obligation or failed to meet any bonds at maturity at any time within five years last preceding; or
2. securities that are issued by the United States government or by its agencies or instrumentalities and that are either direct obligations of the United States or are backed by the full faith and credit of the United States government or agencies guaranteed by the United States government; or
3. in contracts with bank, savings and loan associations or credit unions for the present purchase and resale at a specified time in the future of specific securities at specified prices at a price differential representing the interest income to be earned by the investor. The contract shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with the investment. The contract shall be fully secured by obligations of the United States having a market value of at least one hundred two percent of the contract. The collateral required for investment in the contracts provided for in this subsection shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with investment.

#### Receivables and Payables

Receivables include property taxes, interfund loans that are expected to be paid back and amount due from state government agencies related to various grant agreements. Interfund activities are reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivable and payables as appropriate and are subject to elimination upon consolidation. Service provided, deemed to be at market or near market, is treated as revenue and expenditures/expense. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

The District receives monthly income from a tax levy in Quay 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 amounts remitted by the County Treasurer in July is considered "measurable and available" and accordingly, is recorded as revenue in the government fund statements during the year ended June 30, 2009. The information required to report property taxes at full accrual was not available during the year.

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

#### Instructional Materials

The New Mexico Public Education Department (PED) receives federal mineral leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, seventy percent is restricted to the requisition of materials listed in the New Mexico Public Education Department "State Adopted Instructional Material" list, while thirty percent of each allocation is available for purchases directly from vendors. The districts are allowed to carry forward unused allocations from year to year

Payables represent routine monthly bills for services rendered and products purchased and accrued salaries and benefits.

#### Property Taxes

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

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

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

#### 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 (amount not rounded) 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. Donated capital assets are recorded at estimated fair market value at the date of donation. Information Technology Equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.20.1.9 C (5).

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset 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.

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	20 - 50 Years
Vehicles	2 - 15 Years
Equipment	2 - 15 Years

Capital Leases

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

Short-Term Debt

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

Long-Term Liabilities

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

Restricted Net Assets

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

- Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;
- Imposed by law through constitutional provisions or enabling legislation.

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

Fund Balances of Fund Financial Statements

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

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

Deferred Revenue

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

Compensated Absences

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

Estimates

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

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 costs.

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 \$1,824,753 in state equalization guarantee distributions during the year ended June 30, 2009

**Note 2 Cash and Investments**

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

	<u>Citizens Bank Tucumcari, NM</u>	<u>First National Tucumcari, NM</u>	<u>Type</u>
Total amount of deposits on June 30, 2006			
San Jon Municipal Schools	\$ 1,088,689	\$ -	Checking
San Jon Athletics	-	4,224	Checking
San Jon Activity Fund	41,658	-	Checking
Activity CD	5,500	-	CD
Total deposited	<u>1,135,847</u>	<u>\$ 4,224</u>	
Less FDIC coverage	<u>(255,000)</u>		
Total uninsured public funds	880,847		
50% collateral requirement (as per Section 6-10-17, NMSA 1978)	<u>440,424</u>		
Pledged securities			
U S Treasury Note	<u>500,000</u>		
Over (Under)	<u>\$ 59,577</u>		

Pledged Collateral: FHLDC, pledge receipt no. 154044294, maturity date 7/22/09, market value \$297,000, held at Frost National Bank, San Antonio TX., not in the District's name

Pledged Collateral: FHLMC, pledge receipt no. 160054084, maturity date 6/21/10, market value \$208,000, held at Frost National Bank, San Antonio TX., not in the District's name

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Custodial Credit Risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2009, \$880,847 of the District's bank balance of \$1,170,071 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$380,847
Uninsured and collateral held by pledging bank's trust department not in District's name	<u>500,000</u>
Total	<u>\$880,847</u>

**Note 3. Accounts Receivable**

	General Fund	Debt Service Fund	SB-9 Fund	Other Governmental Funds	Totals
Property taxes receivable:					
Current	\$ 31	\$ 769	\$ 159	\$ -	\$ 959
Delinquent	997	13,461	3,918	-	18,376
Other	3,471	-	-	-	3,471
Due from other gover	11,344	-	-	-	11,344
Technology for Ed	-	-	-	5,738	5,738
PreK Initiative	-	-	-	7,489	7,489
Library	-	-	-	5,433	5,433
School Based Health	-	-	-	6,280	6,280
REC Idea B Entitlemei	-	-	-	11,581	11,581
	<u>\$ 15,843</u>	<u>\$ 14,230</u>	<u>\$ 4,077</u>	<u>\$ 36,521</u>	<u>\$ 70,671</u>

The above receivables are deemed 100% collectible.

**Note 4. Deferred Revenues**

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

	Deferred Property Tax	Totals
General Fund	\$ 997	997
Debt Service	13,461	13,461
SB-9	3,918	3,918
Total	<u>\$ 18,376</u>	<u>\$ 18,376</u>

**Note 5. Transfers**

Interfund Transfers

In governmental funds, transfers should be reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as

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debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

	Interfund Receivable	Interfund Payable	Total
General Fund	\$ 44,548	\$ (21,658)	\$ 22,890
Title I		(22,680)	(22,680)
Title v		(120)	(120)
PreK Initiative	7,489		7,489
Legislative appropriation		(10,266)	(10,266)
PreK		(708)	(708)
Library	2,588		2,588
REC Idea B Entitlement	11,581		11,581
REC Idea B Discretionary		(9,442)	(9,442)
Teacher/Principal Training		(1,332)	(1,332)
Totals	<u>\$ 66,206</u>	<u>\$ (66,206)</u>	<u>\$ -</u>

**Note 6. Changes in Capital Assets**

A summary of changes in capital assets follows:

	Beginning Balance	Increases	Adjustments/ Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated				
Land	\$ 31,998	\$ 4,000	\$ -	\$ 35,998
Construction in progress	336,986		(336,987)	(1)
Total capital assets not being depreciated	<u>\$ 368,984</u>	<u>\$ 4,000</u>	<u>\$ (336,987)</u>	<u>\$ 35,997</u>
Capital assets being depreciated				
Buildings and improvements	\$ 8,117,685	\$ 377,378	\$ -	\$ 8,495,063
Vehicles	212,588	149,243	-	361,831
Equipment	267,427	52,335	-	319,762
Total capital assets being depreciated	<u>8,597,700</u>	<u>578,956</u>	<u>-</u>	<u>9,176,656</u>
Less accumulated depreciation for:				
Buildings and improvements	(2,326,833)	(173,531)		(2,500,364)
Vehicles	(137,476)	(21,687)	-	(159,163)
Equipment	(180,200)	(19,041)	-	(199,241)
Total accumulated depreciated	<u>(2,644,509)</u>	<u>(214,259)</u>	<u>-</u>	<u>(2,858,768)</u>
Total capital assets being depreciated, net	<u>5,953,191</u>	<u>364,697</u>	<u>-</u>	<u>6,317,888</u>
Governmental activity capital assets, net	<u>\$ 6,322,175</u>	<u>\$ 368,697</u>	<u>\$ (336,987)</u>	<u>\$ 6,353,885</u>

Depreciation expense was charged to governmental activities as follows:

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Instruction	\$ 125,491
Support services - instruction	3,073
Support services - general administration	5,857
Operation / maintenance of plant	14,742
Community service operation	15,568
Food service operation	21,440
Athletics	24,387
Transportation	578
Unclassified	<u>3,123</u>
Total depreciation expense	<u>\$ 214,259</u>

**Note 7. Long-Term Debt**

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

Governmental activities:	<u>Balance 6/30/08</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 6/30/09</u>	<u>Amount Due Within One Year</u>
Bonds and notes payable:					
General Obligation Bond	\$ 175,000	\$ 500,000	\$ (65,000)	\$ 610,000	\$ 60,000
Total bonds payable	<u>\$ 175,000</u>	<u>\$ 500,000</u>	<u>\$ (65,000)</u>	<u>\$ 610,000</u>	<u>\$ 60,000</u>

Payments on the general obligation bonds are made by the Debt Service Funds.

General Obligations Bonds.

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

<u>Series</u>	<u>Date of issue</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Balance</u>
1998	03-09-98	540,000	4.50 - 6.00%	\$ 60,000
1999	12-15-99	150,000	5.15% - 5.75%	50,000
2009	05-01-09	500,000	4.875%-5.15%	500,000
				<u>\$ 610,000</u>

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



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 June 30, 2009

Year Ended June 30,	Principal	Interest	Total
2010	\$ 60,000	30,080	\$ 90,080
2011	60,000	26,985	86,985
2012	70,000	23,932	93,932
2013	50,000	20,415	70,415
2014	50,000	17,977	67,977
2015-2019	290,000	51,300	341,300
2020	30,000	1,546	31,546
Totals	<u>\$ 610,000</u>	<u>\$ 172,235</u>	<u>\$ 782,235</u>

Reconciliation of Long-term Debt to Statement of Net Assets

Total Long Term Debt	\$ 610,000
Net Issue Costs/Premium/Discounts on Bond Issue	48,564
Accumulated Amortization	(4,856)
	<u>\$ 653,708</u>

The payments made to liquidate the debt are usually paid by debt service fund.

**Note 8. Pension Plan – Educational Retirement Board**

**Plan Description.** Substantially all of the District’s full-time employees participate in a public employee retirement system authorized under the Educational Retirement Act (Chapter 22, Article 11, NMSA 1978). The Educational Retirement Board (ERB) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members (certified teachers, and other employees of State public school districts, colleges and universities) and beneficiaries. ERB issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to ERB, P.O. Box 26129, Santa Fe, NM 87502. The report is also available on ERB’s website at [www.nmerb.org](http://www.nmerb.org).

**Funding Policy.** Plan members are required to contribute 7.42% of their gross salary. The District is required to contribute 10.9% of the gross covered salary. Effective July 1, 2008, plan members are required to contribute 7.9% of their gross salary. The employer contribution will increase .75% each year until July 1, 2011 when the employer contribution will be 13.9%. The contribution requirements of plan members and the District are established in 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 \$236,217, \$204,941, and \$192,579, respectively, which equal the amount of the required contributions for each fiscal year.

**Note 9. -Employment Benefits – State Retiree Health Care Plan**

**Plan Description.** San Jon Municipal School District contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

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

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

*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 fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at [www.nmrhca.state.nm.us](http://www.nmrhca.state.nm.us).

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. The statute requires each participating employer to contribute 1.3% of each participating employee's annual salary; each participating employee is required to contribute .65% of their salary.

Employers joining the program after 1/1/98 are also required to make a surplus-amount contribution to the RHCA based on one of two formulas at agreed-upon intervals.

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

The San Jon Municipal School District's contributions to the RHCA for the years ended June 30, 2009, 2008 and 2007 were \$23,557, \$21,352 and \$21,177, respectively, which equal the required contributions for each year.

## **Note 10. Risk Management**

The District is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets, error and omissions, injuries to employees and natural disasters. The District, as a New Mexico Public School, is insured through the New Mexico Public Schools Insurance Authority (NMPSIA). Amounts of settlements have not exceeded insurance coverage for the past three years. The District pays annual premiums to NMPSIA for coverage provided in the following areas:

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

**Note 11. Surety Bond**

A surety bond as required by Section 12-6-7 NMSA 1978 Compilation and the New Mexico State Auditor Rule NMAC 2.2.2 covers the officials and certain employees of the District.

**Note 12. Memorandum of Understanding**

REC

Purpose: To allow the submission of a consolidated application to the State Department of Education for certain funds granted to the State of New Mexico by the USDE under the Education of the Handicapped Act, Part B, PL 94-142 among others.

Participants: Regional Education Cooperative and San Jon Municipal Schools

Responsible Party for Operation and Audit: Regional Education Cooperative

Beginning and Ending Date of Agreement: July 1, 1995 until the end of any fiscal year during which the school give notice of intent to terminate.

Total Estimated Amount of Project and Actual Amount Contributed: The REC paid expenditures on behalf of the District.

**NOTE 13. Subsequent Accounting Standard Pronouncements**

In August 2008, the Governmental Accounting Standards Board (GASB) issued Statement No 53, Accounting and Financial Reporting for Derivative Instruments, which is effective for financial statements for periods beginning after June 15, 2009. The Statement addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by State and Local Governments. The District is analyzing the effect that this statement will have on its financial statements, and currently believes it will have no significant effect on the financial statements of the upcoming year.

In April 2009, the Governmental Standards Board (GASB) issued GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which is effective for financial statements for periods beginning after June 30, 2010. Early implementation is encouraged. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. The District is analyzing the effect that this statement will have on its financial statements, and currently believes it will have no significant effect on the financial statements of the upcoming year.

Supplementary Information  
Related to Major Funds

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Capital Project Fund - Bond Building - 31100  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
Local sources:				
Interest income	\$ -	\$ -	\$ 222	\$ 222
Total revenue	-	-	222	222
Expenditures:				
Current operating:				
Facilities Acquisition and Construction				
Other services	-	100,000	48,564	51,436
Construction services	-	400,000	-	400,000
Total expenditures	-	500,000	48,564	451,436
Excess (deficiency) revenues over expenditures	-	(500,000)	(48,342)	451,658
Other financing sources (uses):				
Operating transfer	-	-	-	-
Bond proceeds		500,000	500,000	-
Total other financing sources (uses)	-	500,000	500,000	-
Excess (deficiency) revenues and other financing sources (uses) over expenditures		-	451,658	451,658
Cash balance, beginning of year	-	-	-	-
Cash balance, end of year	\$ -	\$ -	\$ 451,658	\$ 451,658
Reconciliation of Budgetary Basis to GAAP Basis Statement:				
Revenue - budgetary basis			\$ 222	
Current year receivable/other credits			-	
Prior year receivable/other debits			-	
Revenue - GAAP basis			\$ 222	
Expenditures - budgetary basis			\$ 48,564	
Current year payable/other debits			-	
Prior year payable/other credits			-	
Expenditures - GAAP basis			\$ 48,564	

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Capital Project Fund - Senate Bill Nine - 31700  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance favorable (unfavor.)</u>
Revenue:				
Intergovernmental revenue:				
PED state flowthrough funds	\$ -	\$ 41,951	\$ -	\$ (41,951)
General revenue:				
Ad valorem taxes-school district	<u>26,184</u>	<u>26,184</u>	<u>25,672</u>	<u>(512)</u>
Total revenue	26,184	68,135	25,672	(42,463)
Expenditures:				
Current operating:				
Support services - general administration:				
County tax collection costs	<u>262</u>	<u>262</u>	<u>257</u>	<u>5</u>
Total support services - gen admir	262	262	257	5
Facilities acquisition and construction:				
Professional development	2,000	2,000	440	1,560
Maintenance and repair-building	30,000	25,000	5,433	19,567
General supplies and materials	13,792	22,149	15,164	6,985
Supply assets (\$1,000 or less)	<u>10,000</u>	<u>48,594</u>	<u>20,430</u>	<u>28,164</u>
Total facilities acquisition and construction	<u>55,792</u>	<u>97,743</u>	<u>41,467</u>	<u>56,276</u>
Total expenditures	<u>56,054</u>	<u>98,005</u>	<u>41,724</u>	<u>56,281</u>
Excess (deficiency) revenues over expenditures	(29,870)	(29,870)	(16,052)	13,818
Cash balance, beginning of year	<u>29,383</u>	<u>29,383</u>	<u>29,383</u>	<u>-</u>
Cash balance, end of year	<u>\$ (487)</u>	<u>\$ (487)</u>	<u>\$ 13,331</u>	<u>\$ 13,818</u>
Reconciliation of Budgetary Basis to GAAP Basis Statement:				
Revenue - budgetary basis			\$ 25,672	
Current year receivable/other credits			159	
Prior year receivable/other debits			<u>(246)</u>	
Revenue - GAAP basis			<u>\$ 25,585</u>	
Expenditures - budgetary basis			\$ 41,724	
Current year payable/other debits			931	
Prior year payable/other credits			<u>(701)</u>	
Expenditures - GAAP basis			<u>\$ 41,954</u>	

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Debt Service Fund - Debt Service Fund - 41000  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
General revenues:				
Ad valorem taxes-school district	\$ 82,000	\$ 82,000	\$ 120,108	\$ 38,108
Total revenue	<u>82,000</u>	<u>82,000</u>	<u>120,108</u>	<u>38,108</u>
Expenditures:				
Current operating:				
Support services - general administration:				
County collection cost	820	1,820	1,201	619
Total support service - gen admin	<u>820</u>	<u>1,820</u>	<u>1,201</u>	<u>619</u>
Debt service:				
Reserve	7,160	6,160	-	6,160
Bond principal payment	65,000	65,000	65,000	-
Bond interest payment	9,020	9,020	9,020	-
Total debt service	<u>81,180</u>	<u>80,180</u>	<u>74,020</u>	<u>6,160</u>
Total expenditures	<u>82,000</u>	<u>82,000</u>	<u>75,221</u>	<u>6,779</u>
Excess (deficiency) revenues over expenditures	-	-	44,887	31,329
Cash balance, beginning of year	<u>1</u>	<u>1</u>	<u>1</u>	<u>-</u>
Cash balance, end of year	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 44,888</u>	<u>\$ 31,329</u>
Reconciliation of Budgetary Basis to GAAP Basis Statement:				
Revenue - budgetary basis			\$ 120,108	
Current year receivable/other credits			769	
Prior year receivable/other debits			<u>(960)</u>	
Revenue - GAAP basis			<u>\$ 119,917</u>	
Expenditures - budgetary basis			\$ 75,221	
Current year payable/other debits			-	
Prior year payable/other credits			<u>-</u>	
Expenditures - GAAP basis			<u>\$ 75,221</u>	

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

Supplementary Information Related  
to Non-Major Governmental Funds



## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds:

#### Food Service (21000)

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

#### Athletics (22000)

To account for revenue and expenditures associated with the District's budgeted athletic activities. NMAC 6.20.2.

#### IASA Title I (24101)

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

#### Title V Innovation Education Program Strategies (24150)

To account for monies received to improve elementary and secondary education for children attending both public and private schools. The fund was created grant provisions. (PL 103-382).

#### Rural Education Achievement Program (25233)

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

#### Technology for Education Act (27117)

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

#### Computerized Learning (25355)

To account for funds received from a state grant provided to use computer technology to accumulate and report test scores. Funding provided by a state grant.

#### Pre K Initiative (27149)

To account for funds to identify, screen, and evaluate children who may have a developmental delay. (P.L. 94-142 and P.L. 99-457).

#### Legislative Appropriations (27165)

To account for funds received from New Mexico State Legislature. (NM Legislative).

#### Pre K (27165)

To account for funds to identify, screen, and evaluate children who may have a developmental delay. (P.L. 94-142 and P.L. 99-457).

#### Library (27170)

Laws 2004, Chapter 117, appropriates funds "to acquire supplementary library books, equipment, and library resources for public school and juvenile detention libraries statewide."

#### Library Book Fund (27549)

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

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds:

#### School Based Home Center (29130)

To support a Level Two School-Based Health Center that will provide quality direct care to students, children of students, and school staff, through the coordination of integrated primary care and behavioral health services. Funds have been allocated from the New Mexico Department of Health, Public Health Division, based on DOH Strategic Plan (07.01.05)

#### SBHC Value Options (29131)

To account for resources administered by New Mexico Department of Health. Funded by a contract with New Mexico Department of Health.

### REC Special Revenue Funds:

#### IDEA-B – Entitlement (24106)

To account for federal funds appropriated by Individuals with Disabilities Education Improvement Act of 2004 reauthorization.

#### IDEA-B – Discretionary (24107)

To account for federal funds appropriated by Individuals with Disabilities Education Improvement Act of 2004 reauthorization.

#### IDEA-B – Preschool (24109)

To account for federal funds appropriated by Individuals with Disabilities Education Improvement Act of 2004 reauthorization.

#### Title IIA Teacher/Principal Training and Recruiting (24154)

To account for a federal grant designed for preparing, training, and recruiting high quality teachers and principals to provide grants to State educational agencies to increase student academic achievement.

#### Safe and Drug Free Schools and Communities (24157)

To offer a disciplined environment conducive to learning, by preventing violence in and around schools and strengthen programs that prevent the illegal use of alcohol, tobacco, and drugs, involve parents, and coordinated with federal, state, and community efforts and resources. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Public Education Department. Authority for the creation of this fund is the Elementary and Secondary Education Act of 1965, Title IV, Part A, Subpart 1, as amended, 20 W.S.C. 7111-7118.

STATE OF NEW MEXICO  
 SAN JON MUNICIPAL SCHOOL

All Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2009

	Food Service 21000	Athletics 22000	IASA Title I 24101	Title V Innovation Education Program Strat 24150
<u>ASSETS</u>				
Cash and cash equivalents	\$ 10,614	\$ 4,224	\$ -	\$ -
Due from grantor	-	-	-	-
Total assets	<u>\$ 10,614</u>	<u>\$ 4,224</u>	<u>\$ -</u>	<u>\$ -</u>
<u>LIABILITIES</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Deferred revenue	-	-	-	-
Total liabilities	-	-	-	-
<u>FUND BALANCE</u>				
Undesignated, reported in Special Revenue	10,614	4,224	-	-
Total fund balance	10,614	4,224	-	-
Total liabilities and fund balance	<u>\$ 10,614</u>	<u>\$ 4,224</u>	<u>\$ -</u>	<u>\$ -</u>

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

Rural Education Achievement Program 25233	Technology for Education 27117	Computerized Learning 27123	PreK Initiative 27149	Legislative Appropriation 27165	PreK 27169
\$ 4,624	\$ 1,722	\$ 400	\$ -	\$ -	\$ -
-	5,738	-	7,489	-	-
<u>\$ 4,624</u>	<u>\$ 7,460</u>	<u>\$ 400</u>	<u>\$ 7,489</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,589	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>1,589</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3,035	7,460	400	7,489	-	-
3,035	7,460	400	7,489	-	-
-	-	-	-	-	-
<u>\$ 4,624</u>	<u>\$ 7,460</u>	<u>\$ 400</u>	<u>\$ 7,489</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO  
 SAN JON MUNICIPAL SCHOOL

All Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2009

	Library 27170	Library Book Fund 27549	School Based Health Center 29130	SBHC Value Options 29131
<u>ASSETS</u>				
Cash and cash equivalents	\$ -	\$ 453	\$ 113,834	\$ 29,049
Due from grantor	5,433	-	6,280	-
Total assets	<u>\$ 5,433</u>	<u>\$ 453</u>	<u>\$ 120,114</u>	<u>\$ 29,049</u>
<u>LIABILITIES</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Deferred revenue	-	-	-	8,657
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,657</u>
<u>FUND BALANCE</u>				
Undesignated, reported in Special Revenue	5,433	453	120,114	20,392
Total fund balance	<u>5,433</u>	<u>453</u>	<u>120,114</u>	<u>20,392</u>
Total liabilities and fund balance	<u>\$ 5,433</u>	<u>\$ 453</u>	<u>\$ 120,114</u>	<u>\$ 29,049</u>

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

REC IDEA-B Entitlement 24106	REC IDEA-B Discretionary 24107	REC IDEA-B Preschool 24109	REC Teacher/ Principal Training and Recruiting 24154	REC Safe and Drug Free Schools & Communities 25157
\$ -	\$ -	\$ -	\$ -	\$ -
<u>11,581</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 11,581</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>11,581</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>11,581</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 11,581</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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STATE OF NEW MEXICO  
 SAN JON MUNICIPAL SCHOOL

All Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2009

	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Total Non-major Governmental Funds
<u>ASSETS</u>			
Cash and cash equivalents	\$ -	\$ -	\$ 164,920
Due from grantor	-	-	36,521
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 201,441</u>
<u>LIABILITIES</u>			
Accounts payable	\$ -	\$ -	\$ 1,589
Deferred revenue	-	-	8,657
Total liabilities	<u>-</u>	<u>-</u>	<u>10,246</u>
<u>FUND BALANCE</u>			
Undesignated, reported in Special Revenue	<u>-</u>	<u>-</u>	<u>191,195</u>
Total fund balance	<u>-</u>	<u>-</u>	<u>191,195</u>
Total liabilities and fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 201,441</u>

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



STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

All Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the year ended June 30, 2009

	Food Service 21000	Athletics 22000	IASA Title I 24101	Title V Innovation Education Program Strat 24150
Revenues:				
Charges for Service	\$ 20,726	\$ 9,175	\$ -	\$ -
Intergovernmental Revenue				
Local	-	-	-	-
State	-	-	-	-
Federal	47,082	-	57,128	-
Interest income	-	-	-	-
Total revenues	<u>67,808</u>	<u>9,175</u>	<u>57,128</u>	<u>-</u>
Expenditures:				
Current operating:				
Instruction	-	-	57,128	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general admin	-	-	-	-
Support services - school admin	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Other support services	-	-	-	-
Food services operations	60,343	-	-	-
Community services operations	-	-	-	-
Facilities acquisition and construction	-	-	-	-
Teacherage	-	-	-	-
Transportation	-	-	-	-
Instructional materials	-	-	-	-
Transportation	-	-	-	-
Athletics	-	7,926	-	-
Total expenditures	<u>60,343</u>	<u>7,926</u>	<u>57,128</u>	<u>-</u>
Excess (deficiency) revenues over expenditures	7,465	1,249	-	-
Other financing sources (uses):				
Operating transfer	-	-	(22,680)	(120)
Bond proceeds	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(22,680)</u>	<u>(120)</u>
Net change in fund balances	7,465	1,249	(22,680)	(120)
Fund balance, beginning	<u>3,149</u>	<u>2,975</u>	<u>22,680</u>	<u>120</u>
Fund balance, ending	<u>\$ 10,614</u>	<u>\$ 4,224</u>	<u>\$ -</u>	<u>\$ -</u>

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

Rural Education Achievement Program 25233	Technology for Education 27117	Computerized Learning 27123	PreK Initiative 27149	Legislative Appropriation 27165	PreK 27169
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	10,126	-	42,548	-	10,000
11,876	-	-	-	-	-
-	-	-	-	-	-
<u>11,876</u>	<u>10,126</u>	<u>-</u>	<u>42,548</u>	<u>-</u>	<u>10,000</u>
11,876	10,126	-	46,399	-	10,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>11,876</u>	<u>10,126</u>	<u>-</u>	<u>46,399</u>	<u>-</u>	<u>10,000</u>
-	-	-	(3,851)	-	-
-	-	-	7,489	(10,266)	(708)
-	-	-	-	-	-
-	-	-	<u>7,489</u>	<u>(10,266)</u>	<u>(708)</u>
-	-	-	3,638	(10,266)	(708)
<u>3,035</u>	<u>7,460</u>	<u>400</u>	<u>3,851</u>	<u>10,266</u>	<u>708</u>
<u>\$ 3,035</u>	<u>\$ 7,460</u>	<u>\$ 400</u>	<u>\$ 7,489</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

All Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the year ended June 30, 2009

	Library 27170	Library Book Fund 27549	School Based Health Center 29130	SBHC Value Options 29131
Revenues:				
Charges for Service	\$ -	\$ -	\$ -	\$ -
Intergovernmental Revenue	-			
Local				
State	2,588	453	60,000	18,150
Federal	-	-	-	-
Interest income	-	-	-	-
Total revenues	<u>2,588</u>	<u>453</u>	<u>60,000</u>	<u>18,150</u>
Expenditures:				
Current operating:				
Instruction	-	-	-	-
Support services - students	-	-	60,024	18,150
Support services - instruction	2,588	-	-	-
Support services - general admin	-	-	-	-
Support services - school admin	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Facilities acquisition and construction	-	-	-	-
Teacherage	-	-	-	-
Transportation	-	-	-	-
Instructional materials	-	-	-	-
Transportation	-	-	-	-
Athletics	-	-	-	-
Total expenditures	<u>2,588</u>	<u>-</u>	<u>60,024</u>	<u>18,150</u>
Excess (deficiency) revenues over expenditures	-	453	(24)	-
Other financing sources (uses):				
Operating transfer	2,588	-	-	-
Bond proceeds	-	-	-	-
Total other financing sources (uses)	<u>2,588</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	2,588	453	(24)	-
Fund balance, beginning	<u>2,845</u>	<u>-</u>	<u>120,138</u>	<u>20,392</u>
Fund balance, ending	<u>\$ 5,433</u>	<u>\$ 453</u>	<u>\$ 120,114</u>	<u>\$ 20,392</u>

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

REC IDEA-B Entitlement 24106	REC IDEA-B Discretionary 24107	REC IDEA-B Preschool 24109	REC Teacher/ Principal Training and Recruiting 24154	REC Safe and Drug Free Schools & Communities 25157
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
26,891	-	4,378	9,496	1,500
-	-	-	-	-
<u>26,891</u>	<u>-</u>	<u>4,378</u>	<u>9,496</u>	<u>1,500</u>
26,891	-	4,378	6,540	1,500
-	-	-	-	-
-	-	-	-	-
-	-	-	1,625	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>26,891</u>	<u>-</u>	<u>4,378</u>	<u>8,165</u>	<u>1,500</u>
-	-	-	1,331	-
11,581	(9,442)	-	(1,332)	-
-	-	-	-	-
<u>11,581</u>	<u>(9,442)</u>	<u>-</u>	<u>(1,332)</u>	<u>-</u>
11,581	(9,442)	-	(1)	-
-	9,442	-	1	-
<u>\$ 11,581</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

All Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the year ended June 30, 2009

	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Total Non-major Governmental Funds
Revenues:			
Charges for Service	\$ -	\$ -	\$ 29,901
Intergovernmental Revenue			
Local	-	-	-
State	78,393	55,000	277,258
Federal	-	-	158,351
Interest income	-	-	-
<b>Total revenues</b>	<b>78,393</b>	<b>55,000</b>	<b>465,510</b>
Expenditures:			
Current operating:			
Instruction	-	-	174,838
Support services - students	-	-	78,174
Support services - instruction	-	-	2,588
Support services - general admin	-	-	1,625
Support services - school admin	-	-	-
Central services	-	-	-
Operation and maintenance of plant	-	-	-
Other support services	-	-	-
Food services operations	-	-	60,343
Community services operations	-	-	-
Facilities acquisition and construction	78,393	55,000	133,393
Teacherage	-	-	-
Transportation	-	-	-
Instructional materials	-	-	-
Transportation	-	-	-
Athletics	-	-	7,926
<b>Total expenditures</b>	<b>78,393</b>	<b>55,000</b>	<b>458,887</b>
Excess (deficiency) revenues over expenditures	-	-	6,623
Other financing sources (uses):			
Operating transfer	-	-	(22,890)
Bond proceeds	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(22,890)</b>
Net change in fund balances	-	-	(16,267)
Fund balance, beginning	-	-	207,462
Fund balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 191,195</u>

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Special Revenue Fund - Food Service - 21000  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
Charges for services:				
Fees-adults / food services	\$ -	\$ 3,190	\$ 3,761	\$ 571
Fees-students / food services	-	17,000	17,296	296
Intergovernmental revenue:				
PED federal flow through grant	43,114	43,114	42,303	(811)
Total revenues	43,114	63,304	63,360	56
Expenditures:				
Current operating:				
Food services:				
Salaries	13,983	13,983	13,983	-
Employee benefits	14,242	14,242	13,950	292
Food - instructional programs	38,505	38,505	27,631	10,874
Total expenditures	66,730	66,730	55,564	11,166
Excess (deficiency) revenues over expenditures	(23,616)	(3,426)	7,796	11,222
Cash balance, beginning of year	2,818	2,818	2,818	-
Cash balance, end of year	\$ (20,798)	\$ (608)	\$ 10,614	\$ 11,222

Reconciliation of Budgetary Basis to GAAP Basis Statement:

Revenue - budgetary basis	\$ 63,360
Current year receivable/other credits	4,779
Prior year receivable/other debits	(331)
Revenue - GAAP basis	\$ 67,808
Expenditures - budgetary basis	\$ 55,564
Current year payable/other debits	4,779
Prior year payable/other credits	
Expenditures - GAAP basis	\$ 60,343

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Special Revenue Fund - Athletics - 22000  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
Charges for services:				
Fees - activities	\$ 10,550	\$ 10,550	\$ 9,175	\$ (1,375)
Total revenues	<u>10,550</u>	<u>10,550</u>	<u>9,175</u>	<u>(1,375)</u>
Expenditures:				
Current operating:				
Athletics:				
Student travel	1,500	1,500	-	1,500
Other contract services	<u>11,949</u>	<u>11,949</u>	<u>7,926</u>	<u>4,023</u>
Total expenditures	<u>13,449</u>	<u>13,449</u>	<u>7,926</u>	<u>5,523</u>
Excess (deficiency) revenues over expenditures	(2,899)	(2,899)	1,249	4,148
Cash balance, beginning of year	<u>2,975</u>	<u>2,975</u>	<u>2,975</u>	<u>-</u>
Cash balance, end of year	<u>\$ 76</u>	<u>\$ 76</u>	<u>\$ 4,224</u>	<u>\$ 4,148</u>
Reconciliation of Budgetary Basis to GAAP Basis Statement:				
Revenue - budgetary basis			\$ 9,175	
Current year receivable/other credits			-	
Prior year receivable/other debits			<u>-</u>	
Revenue - GAAP basis			<u>\$ 9,175</u>	
Expenditures - budgetary basis			\$ 7,926	
Current year payable/other debits			-	
Prior year payable/other credits			<u>-</u>	
Expenditures - GAAP basis			<u>\$ 7,926</u>	

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Special Revenue Fund - IASA Title I - 24101  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
Intergovernmental revenue:				
IASA Title I	\$ 54,024	\$ 59,174	\$ 79,808	\$ 20,634
Total revenue	54,024	59,174	79,808	20,634
Expenditures:				
Current operating:				
Instruction:				
Salaries	29,222	26,911	26,911	-
Employee benefits	7,609	7,436	6,904	532
Supplies and materials	1,100	13,534	13,457	77
Travel and training	4,533	7,213	6,856	357
Supply assets	-	3,000	3,000	-
Total instruction	42,464	58,094	57,128	966
Support services - general administration:				
Contracts-interagency	1,080	1,080	-	1,080
Total support services - gen admin	1,080	1,080	-	1,080
Total expenditures	43,544	59,174	57,128	2,046
Excess (deficiency) revenues over expenditures	10,480	-	22,680	22,680
Other financing sources (uses):				
Operating transfer	-	(22,680)	(22,680)	-
Total other financing sources (uses)	-	(22,680)	(22,680)	-
Excess (deficiency) revenues and other financing sources (uses) over expenditures	10,480	(22,680)	-	22,680
Cash balance, beginning of year	-	-	-	-
Cash balance, end of year	\$ 10,480	\$ (22,680)	\$ -	\$ 22,680
Reconciliation of Budgetary Basis to GAAP Basis Statement:				
Revenue - budgetary basis			\$ 79,808	
Current year receivable/other credits			-	
Prior year receivable/other debits			(22,680)	
Revenue - GAAP basis			\$ 57,128	
Expenditures - budgetary basis			\$ 57,128	
Current year payable/other debits			-	
Prior year payable/other credits			-	
Expenditures - GAAP basis			\$ 57,128	

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



STATE OF NEW MEXICO  
 SAN JON MUNICIPAL SCHOOL

Special Revenue Fund - Title V Innovation Education Program Strategies - 24150  
 Statement of Revenues, Expenditures, and Changes in Cash  
 Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
 For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
Intergovernmental revenue:				
Title V Innovation Ed Program Strateg	\$ -	\$ -	\$ 120	\$ 120
Total revenue	-	-	120	120
Expenditures:				
Current operating:				
Support services - instruction:				
Purchased services	-	-	-	-
Supplies and materials	-	-	-	-
Travel and training	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) revenues over expenditures	-	-	120	120
Other financing sources (uses):				
Operating transfer		(120)	(120)	-
Total other financing sources (uses)	-	(120)	(120)	-
Excess (deficiency) revenues and other financing sources (uses) over expenditures	-	(120)	-	120
Cash balance, beginning of year	-	-	-	-
Cash balance, end of year	\$ -	\$ (120)	\$ -	\$ 120

Reconciliation of Budgetary Basis to GAAP Basis Statement:

Revenue - budgetary basis	\$ 120
Current year receivable/other credits	-
Prior year receivable/other debits	(120)
Revenue - GAAP basis	\$ -
Expenditures - budgetary basis	\$ -
Current year payable/other debits	-
Prior year payable/other credits	-
Expenditures - GAAP basis	\$ -

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Special Revenue Fund - Rural Education Achievement Program - 25233  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
Intergovernmental revenue:				
Rural Education Achievement Program	\$ -	\$ 11,876	\$ 11,876	\$ -
Total revenue	-	11,876	11,876	-
Expenditures:				
Current operating:				
Instruction				
Other charges	-	3,085	1,198	1,887
Other contract services	-	5,876	3,590	2,286
Supplies and materials	3,033	3,033	2,584	449
Supply assets (\$1,000 or less)	-	2,915	2,915	-
Total expenditures	3,033	14,909	10,287	4,622
Excess (deficiency) revenues over expenditures	(3,033)	(3,033)	1,589	4,622
Cash balance, beginning of year	3,035	3,035	3,035	-
Cash balance, end of year	\$ 2	\$ 2	\$ 4,624	\$ 4,622

Reconciliation of Budgetary Basis to GAAP Basis Statement:

Revenue - budgetary basis	\$ 11,876
Current year receivable/other credits	-
Prior year receivable/other debits	-
Revenue - GAAP basis	\$ 11,876
Expenditures - budgetary basis	\$ 10,287
Current year payable/other debits	1,589
Prior year payable/other credits	-
Expenditures - GAAP basis	\$ 11,876

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Special Revenue Fund - Technology for Education - 27117  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
Intergovernmental revenue:				
State flow through grants	\$ -	\$ 4,388	\$ 4,388	\$ -
Total revenue	-	4,388	4,388	-
Expenditures:				
Current operating:				
Instruction:				
Other charges	3,000	7,388	7,361	27
Supplies and materials	2,779	2,779	2,765	14
Total expenditures	5,779	10,167	10,126	41
Excess (deficiency) revenues over expenditures	(5,779)	(5,779)	(5,738)	41
Cash balance, beginning of year	7,460	7,460	7,460	-
Cash balance, end of year	\$ 1,681	\$ 1,681	\$ 1,722	\$ 41

Reconciliation of Budgetary Basis to GAAP Basis Statement:

Revenue - budgetary basis	\$ 4,388
Current year receivable/other credits	5,738
Prior year receivable/other debits	-
Revenue - GAAP basis	\$ 10,126
Expenditures - budgetary basis	\$ 10,126
Current year payable/other debits	-
Prior year payable/other credits	-
Expenditures - GAAP basis	\$ 10,126

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

STATE OF NEW MEXICO  
 SAN JON MUNICIPAL SCHOOL

Special Revenue Fund - Computerized Learning - 27123  
 Statement of Revenues, Expenditures, and Changes in Cash  
 Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
 For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
Intergovernmental revenue:				
Computerized Learning	\$ _____	\$ _____	\$ _____	\$ _____ -
Total revenue	_____ -	_____ -	_____ -	_____ -
Expenditures:				
Current operating:				
Direct instruction:				
Supplies and materials	_____	_____	_____	_____ -
Total expenditures	_____ -	_____ -	_____ -	_____ -
Excess (deficiency) revenues over expenditures	-	-	-	-
Cash balance, beginning of year	_____ 400	_____ 400	_____ 400	_____ -
Cash balance, end of year	<u>\$ _____ 400</u>	<u>\$ _____ 400</u>	<u>\$ _____ 400</u>	<u>\$ _____ -</u>

Reconciliation of Budgetary Basis to GAAP Basis Statement:

Revenue - budgetary basis	\$ -
Current year receivable/other credits	-
Prior year receivable/other debits	_____ -
Revenue - GAAP basis	<u>\$ -</u>
Expenditures - budgetary basis	\$ -
Current year payable/other debits	-
Prior year payable/other credits	_____ -
Expenditures - GAAP basis	<u>\$ -</u>

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Special Revenue Funds - PreK Initiative - 27149  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
Intergovernmental revenues:				
Prek Initiative	\$ 17,406	\$ 46,416	\$ 38,910	\$ (7,506)
Total revenues	<u>17,406</u>	<u>46,416</u>	<u>38,910</u>	<u>(7,506)</u>
Expenditures:				
Current operating:				
Instruction				
Salaries	13,910	35,395	35,395	-
Employee benefits	2,867	7,388	7,373	15
Supplies and materials	629	3,500	3,499	1
Travel and training	-	133	132	1
Total expenditures	<u>17,406</u>	<u>46,416</u>	<u>46,399</u>	<u>17</u>
Excess (deficiency) revenues over expenditures	-	-	(7,489)	(7,489)
Other financing sources (uses):				
Operating transfer	-	-	7,489	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>7,489</u>	<u>-</u>
Excess (deficiency) revenues and other financing sources (uses) over expenditures	-	-	-	(7,489)
Cash balance, beginning of year	-	-	-	-
Cash balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Reconciliation of Budgetary Basis to GAAP Basis Statement:

Revenue - budgetary basis	\$ 38,910
Current year receivable/other credits	7,489
Prior year receivable/other debits	<u>(3,851)</u>
Revenue - GAAP basis	<u>\$ 42,548</u>
Expenditures - budgetary basis	\$ 46,399
Current year payable/other debits	-
Prior year payable/other credits	<u>-</u>
Expenditures - GAAP basis	<u>\$ 46,399</u>

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Special Revenue Fund - Legislative Appropriation - 27165  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
State sources:				
Legislative Appropriation	\$ -	\$ -	\$ 10,265	\$ 10,265
Total revenue	-	-	10,265	10,265
Expenditures:				
Current operating:				
Direct instruction:				
Purchased services	-	-	-	-
Supply assets	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) revenues over expenditures	-	-	10,265	10,265
Other financing sources (uses):				
Operating transfer			(10,266)	(10,266)
Total other financing sources (uses)	-	-	(10,266)	(10,266)
Excess (deficiency) revenues and other financing sources (uses) over expenditures	-	-	(1)	(1)
Cash balance, beginning of year	1	1	1	-
Cash balance, end of year	\$ 1	\$ 1	\$ -	\$ (1)

Reconciliation of Budgetary Basis to GAAP Basis Statement:

Revenue - budgetary basis	\$ 10,265
Current year receivable/other credits	-
Prior year receivable/other debits	(10,265)
Revenue - GAAP basis	\$ -
Expenditures - budgetary basis	\$ -
Current year payable/other debits	-
Prior year payable/other credits	-
Expenditures - GAAP basis	\$ -

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Special Revenue Fund - PreK - 27169  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
Intergovernmental revenue:				
PreK	\$ -	\$ 10,000	\$ 10,000	\$ -
Total revenue	-	10,000	10,000	-
Expenditures:				
Current operating:				
Instruction:				
Supplies and materials	-	10,000	10,000	-
Total expenditures	-	10,000	10,000	-
Excess (deficiency) revenues over expenditures	-	-	-	-
Other financing sources (uses):				
Operating transfer			(1)	-
Total other financing sources (uses)	-	-	(1)	-
Excess (deficiency) revenues and other financing sources (uses) over expenditures	-	-	(1)	-
Cash balance, beginning of year	1	1	1	-
Cash balance, end of year	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ (1)</u>

Reconciliation of Budgetary Basis to GAAP Basis Statement:

Revenue - budgetary basis	\$ 10,000
Current year receivable/other credits	-
Prior year receivable/other debits	-
Revenue - GAAP basis	<u>\$ 10,000</u>
Expenditures - budgetary basis	\$ 10,000
Current year payable/other debits	-
Prior year payable/other credits	-
Expenditures - GAAP basis	<u>\$ 10,000</u>

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Special Revenue Fund - Libraries - 27170  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
Intergovernmental revenue:				
Libraries	\$ 2,588	\$ 2,588	\$ -	\$ (2,588)
Total revenue	<u>2,588</u>	<u>2,588</u>	<u>-</u>	<u>(2,588)</u>
Expenditures:				
Current operating:				
Support services - instruction:				
Library and audio visual	<u>2,588</u>	<u>2,588</u>	<u>2,588</u>	<u>-</u>
Total expenditures	<u>2,588</u>	<u>2,588</u>	<u>2,588</u>	<u>-</u>
Excess (deficiency) revenues over expenditures	-	-	(2,588)	(2,588)
Other financing sources (uses):				
Operating transfer	<u>-</u>	<u>-</u>	<u>2,588</u>	<u>2,588</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>2,588</u>	<u>2,588</u>
Excess (deficiency) revenues and other financing sources (uses) over expenditures	-	-	-	-
Cash balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Reconciliation of Budgetary Basis to GAAP Basis Statement:

Revenue - budgetary basis	\$ -
Current year receivable/other credits	2,588
Prior year receivable/other debits	<u>-</u>
Revenue - GAAP basis	<u>\$ 2,588</u>
Expenditures - budgetary basis	\$ 2,588
Current year payable/other debits	-
Prior year payable/other credits	<u>-</u>
Expenditures - GAAP basis	<u>\$ 2,588</u>

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



STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Special Revenue Fund - Library Book Fund - 27549  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
Intergovernmental revenue:				
Library Book Fund	\$ -	\$ 453	\$ 453	\$ -
Total revenue	-	453	453	-
Expenditures:				
Current operating:				
Support services - instruction				
Library and audio-visual	-	453	-	453
Total expenditures	-	453	-	453
Excess (deficiency) revenues over expenditures	-	-	453	453
Cash balance, beginning of year	-	-	-	-
Cash balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 453</u>	<u>\$ 453</u>

Reconciliation of Budgetary Basis to GAAP Basis Statement:

Revenue - budgetary basis	\$ 453
Current year receivable/other credits	-
Prior year receivable/other debits	-
Revenue - GAAP basis	<u>\$ 453</u>
Expenditures - budgetary basis	\$ -
Current year payable/other debits	-
Prior year payable/other credits	-
Expenditures - GAAP basis	<u>\$ -</u>

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Special Revenue Fund - School Based Health Center - 29130  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
Intergovernmental revenue:				
Administration categorical	\$ 60,000	\$ 60,000	\$ 56,950	\$ (3,050)
Total revenue	60,000	60,000	56,950	(3,050)
Expenditures:				
Current operating:				
Support services - students:				
Salaries	23,464	23,464	23,464	-
Employee benefits	4,836	4,836	4,646	190
Professional development	4,000	2,000	-	2,000
Travel and training	4,319	4,319	99	4,220
Other contract services	36,300	36,300	25,490	10,810
Supplies and materials	6,000	8,000	6,325	1,675
Total support services - students	78,919	78,919	60,024	18,895
Facilities acquisition and construction:				
Construction service	100,000	100,000	-	100,000
Total facilities acquisition and const	100,000	100,000	-	100,000
Total expenditures	178,919	178,919	60,024	118,895
Excess (deficiency) revenues over expenditures	(118,919)	(118,919)	(3,074)	115,845
Cash balance, beginning of year	116,908	116,908	116,908	-
Cash balance, end of year	\$ (2,011)	\$ (2,011)	\$ 113,834	\$ 115,845
Reconciliation of Budgetary Basis to GAAP Basis Statement:				
Revenue - budgetary basis			\$ 56,950	
Current year receivable/other credits			6,280	
Prior year receivable/other debits			(3,230)	
Revenue - GAAP basis			\$ 60,000	
Expenditures - budgetary basis			\$ 60,024	
Current year payable/other debits			-	
Prior year payable/other credits			-	
Expenditures - GAAP basis			\$ 60,024	

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

STATE OF NEW MEXICO  
 SAN JON MUNICIPAL SCHOOL

Special Revenue Fund - SBHC Value Options - 29131  
 Statement of Revenues, Expenditures, and Changes in Cash  
 Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
 For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
State sources:				
SBHC Value Options	\$ -	\$ 28,740	\$ 26,807	\$ (1,933)
Total revenue	-	28,740	26,807	(1,933)
Expenditures:				
Current operating:				
Support services - students:				
Salaries	-	3,330	3,330	-
Employee benefits	-	688	652	36
Purchased services	20,000	20,830	5,780	15,050
Professional development	1,000	2,600	-	2,600
Travel and training	1,000	4,000	-	4,000
Other contract services	-	5,330	-	5,330
Supplies and materials	3,727	17,689	8,388	9,301
Total expenditures	25,727	54,467	18,150	36,317
Excess (deficiency) revenues over expenditures	(25,727)	(25,727)	8,657	34,384
Cash balance, beginning of year	20,392	20,392	20,392	-
Cash balance, end of year	\$ (5,335)	\$ (5,335)	\$ 29,049	\$ 34,384
Reconciliation of Budgetary Basis to GAAP Basis Statement:				
Revenue - budgetary basis			\$ 26,807	
Current year receivable/other credits			-	
Prior year receivable/other debits			(8,657)	
Revenue - GAAP basis			\$ 18,150	
Expenditures - budgetary basis			\$ 18,150	
Current year payable/other debits			-	
Prior year payable/other credits			-	
Expenditures - GAAP basis			\$ 18,150	

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

REC Special Revenue Fund - IDEA-B Entitlement - 24106  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
Intergovernmental:				
IDEA-B Entitlement	\$ 35,658	\$ 35,287	\$ 15,310	\$ (19,977)
Total revenue	<u>35,658</u>	<u>35,287</u>	<u>15,310</u>	<u>(19,977)</u>
Expenditures:				
Current operating:				
Instruction:				
Salaries	17,889	14,790	12,749	2,041
Employee benefits	4,568	4,568	2,699	1,869
Other contract services	2,721	5,721	5,000	721
Supplies and materials	-	1,097	1,062	35
Supply assets (\$1,000 or less)	-	9,111	5,381	3,730
Total expenditures	<u>25,178</u>	<u>35,287</u>	<u>26,891</u>	<u>8,396</u>
Excess (deficiency) revenues over expenditures	10,480	-	(11,581)	(11,581)
Other financing sources (uses):				
Operating transfer	-	-	11,581	11,581
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>11,581</u>	<u>11,581</u>
Excess (deficiency) revenues and other financing sources (uses) over expenditures	<u>10,480</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash balance, beginning of year	-	-	-	-
Cash balance, end of year	<u>\$ 10,480</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Reconciliation of Budgetary Basis to GAAP Basis Statement:

Revenue - budgetary basis	\$ 15,310
Current year receivable/other credits	11,581
Prior year receivable/other debits	<u>-</u>
Revenue - GAAP basis	<u>\$ 26,891</u>
Expenditures - budgetary basis	\$ 26,891
Current year payable/other debits	-
Prior year payable/other credits	<u>-</u>
Expenditures - GAAP basis	<u>\$ 26,891</u>

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

REC Special Revenue Fund - IDEA-B Discretionary- 24107  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
Intergovernmental revenue:				
IDEA-B Discretionary	\$ -	\$ -	\$ 9,441	\$ 9,441
Total revenue	-	-	9,441	9,441
Expenditures:				
Current operating:				
Total expenditures	-	-	-	-
Excess (deficiency) revenues over expenditures	-	-	9,441	9,441
Other financing sources (uses):				
Operating transfer	-	-	(9,442)	(9,442)
Total other financing sources (uses)	-	-	(9,442)	(9,442)
Excess (deficiency) revenues and other financing sources (uses) over expenditures	-	-	(1)	(1)
Cash balance, beginning of year	-	-	1	1
Cash balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of Budgetary Basis to GAAP Basis Statement:				
Revenue - budgetary basis			\$ 9,441	
Current year receivable/other credits			-	
Prior year receivable/other debits			<u>(9,441)</u>	
Revenue - GAAP basis			<u>\$ -</u>	
Expenditures - budgetary basis			\$ -	
Current year payable/other debits			-	
Prior year payable/other credits			<u>-</u>	
Expenditures - GAAP basis			<u>\$ -</u>	

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

REC Special Revenue Fund - IDEA-B Preschool - 24109  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
Intergovernmental revenue:				
IDEA-B Preschool	\$ 4,386	\$ 4,386	\$ 4,378	\$ (8)
Total revenue	<u>4,386</u>	<u>4,386</u>	<u>4,378</u>	<u>(8)</u>
Expenditures:				
Current operating:				
Instruction:				
Salaries	3,630	3,630	3,630	-
Employee benefits	<u>756</u>	<u>756</u>	<u>748</u>	<u>8</u>
Total expenditures	<u>4,386</u>	<u>4,386</u>	<u>4,378</u>	<u>8</u>
Excess (deficiency) revenues over expenditures	-	-	-	-
Cash balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Reconciliation of Budgetary Basis to GAAP Basis Statement:

Revenue - budgetary basis	\$ 4,378
Current year receivable/other credits	-
Prior year receivable/other debits	<u>-</u>
Revenue - GAAP basis	<u>\$ 4,378</u>
Expenditures - budgetary basis	\$ 4,378
Current year payable/other debits	-
Prior year payable/other credits	<u>-</u>
Expenditures - GAAP basis	<u>\$ 4,378</u>

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

REC Special Revenue Fund - Title IIA Teacher/Principal Training and Recruiting - 24154  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
Intergovernmental revenue:				
Teacher/Principal Training&Recruiting	\$ 11,686	\$ 12,238	\$ 9,496	\$ (2,742)
Total revenue	<u>11,686</u>	<u>12,238</u>	<u>9,496</u>	<u>(2,742)</u>
Expenditures:				
Current operating:				
Instruction:				
Professional development	4,000	3,378	2,098	1,280
Travel and training	<u>5,000</u>	<u>6,174</u>	<u>4,442</u>	<u>1,732</u>
Total instruction	<u>9,000</u>	<u>9,552</u>	<u>6,540</u>	<u>3,012</u>
Support services - general administration				
Professional development	1,452	1,362	535	827
Employee benefits	1,000	1,090	1,090	-
Contracts - interagency	<u>234</u>	<u>234</u>	<u>-</u>	<u>234</u>
Total support services - gen admir	<u>2,686</u>	<u>2,686</u>	<u>1,625</u>	<u>1,061</u>
Total expenditures	<u>11,686</u>	<u>12,238</u>	<u>8,165</u>	<u>4,073</u>
Excess (deficiency) revenues over expenditures	-	-	1,331	1,331
Other financing sources (uses):				
Operating transfer	<u>-</u>	<u>-</u>	<u>(1,332)</u>	<u>(1,332)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(1,332)</u>	<u>(1,332)</u>
Excess (deficiency) revenues and other financing sources (uses) over expenditures			(1)	(1)
Cash balance, beginning of year	<u>1</u>	<u>1</u>	<u>1</u>	<u>-</u>
Cash balance, end of year	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ (1)</u>
Reconciliation of Budgetary Basis to GAAP Basis Statement:				
Revenue - budgetary basis			\$ 9,496	
Current year receivable/other credits			-	
Prior year receivable/other debits			<u>-</u>	
Revenue - GAAP basis			<u>\$ 9,496</u>	
Expenditures - budgetary basis			\$ 8,165	
Current year payable/other debits			-	
Prior year payable/other credits			<u>-</u>	
Expenditures - GAAP basis			<u>\$ 8,165</u>	

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

STATE OF NEW MEXICO  
 SAN JON MUNICIPAL SCHOOL

REC Special Revenue Fund - Safe and Drug Free Schools and Communities - 24157  
 Statement of Revenues, Expenditures, and Changes in Cash  
 Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
 For the year ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance favorable (unfavor.)</u>
	<u>Original</u>	<u>Final</u>		
Revenue:				
Intergovernmental revenue:				
Safe/Drug Free School/Communities	\$ 1,016	\$ 2,516	\$ 1,500	\$ (1,016)
Total revenue	<u>1,016</u>	<u>2,516</u>	<u>1,500</u>	<u>(1,016)</u>
Expenditures:				
Instruction:				
Professional development	<u>1,016</u>	<u>2,516</u>	<u>1,500</u>	<u>1,016</u>
Total expenditures	<u>1,016</u>	<u>2,516</u>	<u>1,500</u>	<u>1,016</u>
Excess (deficiency) revenues over expenditures	-	-	-	-
Cash balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Reconciliation of Budgetary Basis to GAAP Basis Statement:

Revenue - budgetary basis	\$ 1,500
Current year receivable/other credits	-
Prior year receivable/other debits	<u>-</u>
Revenue - GAAP basis	<u>\$ 1,500</u>
Expenditures - budgetary basis	\$ 1,500
Current year payable/other debits	-
Prior year payable/other credits	<u>-</u>
Expenditures - GAAP basis	<u>\$ 1,500</u>

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



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## NONMAJOR GOVERNMENTAL FUNDS

### Capital Project 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 two separate funds classified as non-major Capital Projects Funds as follows:

#### Public School Capital Outlay-State (31200)

The purpose of this fund is to account for capital projects funded from awards made by the Public School Capital Outlay Council.

#### Special Public School Capital Outlay-State (31400)

The purpose of this fund is to account for capital projects funded from awards made by the Public School Capital Outlay Council

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Capital Projects Fund - Public School Capital Outlay - 31200  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
Intergovernmental revenues:				
Critical capital outlay	\$ 97,201	\$ 97,201	\$ 78,393	\$ (18,808)
Total revenue	97,201	97,201	78,393	(18,808)
Expenditures:				
Current operating:				
Facilities acquisition and construction				
Construction services	97,201	97,201	78,393	18,808
Total expenditures	97,201	97,201	78,393	18,808
Excess (deficiency) revenues over expenditures	-	-	-	-
Cash balance, beginning of year	-	-	-	-
Cash balance, end of year	\$ -	\$ -	\$ -	\$ -
Reconciliation of Budgetary Basis to GAAP Basis Statement:				
Revenue - budgetary basis			\$ 78,393	
Current year receivable/other credits			-	
Prior year receivable/other debits			-	
Revenue - GAAP basis			\$ 78,393	
Expenditures - budgetary basis			\$ 78,393	
Current year payable/other debits			-	
Prior year payable/other credits			-	
Expenditures - GAAP basis			\$ 78,393	

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

Capital Projects Fund - Special Capital Outlay State - 31400  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2009

	Budgeted Amounts		Actual	Variance favorable (unfavor.)
	Original	Final		
Revenue:				
Intergovernmental revenues:				
Special capital outlay-state	\$ 55,000	\$ 55,000	\$ 55,000	\$ -
Total revenue	55,000	55,000	55,000	-
Expenditures:				
Facilities acquisition and construction				
Buses	55,000	55,000	55,000	-
Total expenditures	55,000	55,000	55,000	-
Excess (deficiency) revenues over expenditures	-	-	-	-
Cash balance, beginning of year	-	-	-	-
Cash balance, end of year	\$ -	\$ -	\$ -	\$ -
Reconciliation of Budgetary Basis to GAAP Basis Statement:				
Revenue - budgetary basis			\$ 55,000	
Current year receivable/other credits			-	
Prior year receivable/other debits			-	
Revenue - GAAP basis			\$ 55,000	
Expenditures - budgetary basis			\$ 55,000	
Current year payable/other debits			-	
Prior year payable/other credits			-	
Expenditures - GAAP basis			\$ 55,000	

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

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Supplementary Information  
Related to Fiduciary Funds

## AGENCY FUNDS

### Activity Trust Fund

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Agency Funds  
Statement of Changes in Assets and Liabilities  
June 30, 2009

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<u>ASSETS</u>				
Student activity groups	\$ 36,173	\$ 73,627	\$ 62,825	\$ 46,975
Total assets	<u>\$ 36,173</u>	<u>\$ 73,627</u>	<u>\$ 62,825</u>	<u>\$ 46,975</u>
<u>LIABILITIES</u>				
Funds handled on behalf of: Student activity groups	\$ 36,173	\$ 73,627	\$ 62,825	\$ 46,975
Total liabilities	<u>\$ 36,173</u>	<u>\$ 73,627</u>	<u>\$ 62,825</u>	<u>\$ 46,975</u>

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



STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Agency Funds - Activity  
Statement of Changes in Assets and Liabilities  
June 30, 2009

	Beginning Balance	Additions	Deductions	Ending Balance
<u>ASSETS</u>				
General	\$ 1,642	\$ 9,160	\$ 7,375	\$ 3,427
Annual	3,865	3,368	3,069	4,164
Class of 2021	-	228	-	228
Class of 2020	126	228	128	226
Class of 2019	246	229	-	475
Class of 2018	587	196	49	734
Class of 2017	602	147	-	749
Class of 2016	1,147	218	-	1,365
Class of 2015	1,476	291	-	1,767
Class of 2014	586	203	-	789
Class of 2013	2,307	163	-	2,470
Class of 2012	765	200	93	872
Class of 2011	1,699	6,054	3,444	4,309
Class of 2010	3,896	2,985	5,494	1,387
Class of 2009	2,485	307	2,438	354
Class of 2008	135	-	-	135
Class of 2007	168	-	-	168
100+ Student Meals	530	-	-	530
Cheerleaders	876	3,063	2,770	1,169
Library	568	1,177	1,618	127
National Honor Society	-	69	69	-
BPA	481	-	-	481
Special Travel	406	958	-	1,364
Student Council	1,361	927	607	1,681
FFA	30	22,614	19,210	3,434
Science	453	8,346	6,203	2,596
Concessions	448	2,620	1,309	1,759
Basketball	-	9,736	8,599	1,137
Bidegain	3,788	140	350	3,578
CD	5,500	-	-	5,500
	<u>\$ 36,173</u>	<u>\$ 73,627</u>	<u>\$ 62,825</u>	<u>\$ 46,975</u>
Total assets	<u>\$ 36,173</u>	<u>\$ 73,627</u>	<u>\$ 62,825</u>	<u>\$ 46,975</u>
<u>LIABILITIES</u>				
Due to student groups	<u>\$ 36,173</u>	<u>\$ 73,627</u>	<u>\$ 62,825</u>	<u>\$ 46,975</u>
Total liabilities	<u>\$ 36,173</u>	<u>\$ 73,627</u>	<u>\$ 62,825</u>	<u>\$ 46,975</u>

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

Supporting Schedules  
Cash Reconciliation

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Cash Reconciliation - All Funds  
For the year ended June 30, 2009

	General 11000-14000	Caprock Wind 29109	Debt Service 41000	Bond Bldg 31100
Cash in bank, beginning of year	\$ 134,132	\$ 113,096	\$ 1	\$ -
Prior year voided check	<u>769</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash	134,901	113,096	1	-
Add:				
Revenues	2,064,312	86,000	120,108	500,965
Other financing sources	<u>22,890</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash available	2,222,103	199,096	120,109	500,965
Less:				
Expenditures	2,006,719	110,884	75,221	49,307
Other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash balance, end of year	<u>\$ 215,384</u>	<u>\$ 88,212</u>	<u>\$ 44,888</u>	<u>\$ 451,658</u>
Balance per bank	\$ 320,556	\$ 88,212	\$ 44,888	\$ 451,658
Deduct outstanding checks	<u>(105,172)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net cash, end of year	<u>\$ 215,384</u>	<u>\$ 88,212</u>	<u>\$ 44,888</u>	<u>\$ 451,658</u>

<u>SB-9 31700</u>	<u>PSCO 31200</u>	<u>Capital Outlay State 31400</u>	<u>Food 21000</u>	<u>Athletics 22000</u>	<u>Federal 24101-25233</u>
\$ 29,383	\$ -	\$ -	\$ 2,818	\$ 2,975	\$ 3,035
	-	-	-	-	-
29,383	-	-	2,818	2,975	3,035
25,672	78,393	55,000	63,360	9,175	91,804
-	-	-	-	-	-
55,055	78,393	55,000	66,178	12,150	94,839
41,724	78,393	55,000	55,564	7,926	67,415
-	-	-	-	-	22,800
<u>\$ 13,331</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,614</u>	<u>\$ 4,224</u>	<u>\$ 4,624</u>
\$ 13,388	\$ -	\$ -	\$ 14,496	\$ 4,224	\$ 6,120
(57)	-	-	(3,882)	-	(1,496)
<u>\$ 13,331</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,614</u>	<u>\$ 4,224</u>	<u>\$ 4,624</u>

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Cash Reconciliation - All Funds  
For the year ended June 30, 2009

	Local & State <u>27117-29131</u>	REC <u>24106-24157</u>	All Governmental Funds Totals	<u>Activities</u>
Cash in bank, beginning of year	\$ 145,162	\$ 2	\$ 430,604	\$ 36,173
Prior year voided check	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 769</u>	<u>\$ -</u>
Total cash	145,162	2	431,373	36,173
Add:				
Revenues	148,480	40,125	3,283,394	73,627
Other financing sources	<u>10,077</u>	<u>11,581</u>	<u>44,548</u>	<u>-</u>
Total cash available	303,719	51,708	3,759,315	109,800
Less:				
Expenditures	147,287	40,934	2,736,374	62,825
Other financing sources	<u>10,974</u>	<u>10,774</u>	<u>44,548</u>	<u>-</u>
Total cash balance, end of year	<u>\$ 145,458</u>	<u>\$ -</u>	<u>\$ 978,393</u>	<u>\$ 46,975</u>
Balance per bank	\$ 146,841	\$ 2,530	\$ 1,092,913	\$ 47,158
Deduct outstanding checks	<u>(1,383)</u>	<u>(2,530)</u>	<u>(114,520)</u>	<u>(183)</u>
Net cash, end of year	<u>\$ 145,458</u>	<u>\$ -</u>	<u>\$ 978,393</u>	<u>\$ 46,975</u>

## Compliance Section

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# *Sandra Rush*

*Certified Public Accountant PC*

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## Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Mr. Hector H. Balderas  
State Auditor of the State of New Mexico  
Board Members of the San Jon Municipal School District

Mr. Balderas and Members of the Board

I have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons for the general fund and major special revenue funds, and the combining and individual funds and budgetary comparisons presented as supplemental information of the San Jon Municipal School District (District) as of and for the year ended June 30, 2009, and have issued my report thereon dated October 13, 2009. I conducted my 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 my audit, I considered the District's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my 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, I do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the District's financial statements that is more than inconsequential will not be prevented or detected by the district's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the District's internal control.

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

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, I 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



Mr. Hector H. Balderas  
State Auditor of the State of New Mexico  
Board Members of San Jon Municipal School District  
Page 2

objective of my audit, and accordingly, I do not express such an opinion. The results of my test disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the school board members, the State Auditor, the New Mexico Legislature, and applicable federal grantors, and is not intended to be and should not be used by anyone other than these specified parties.



Sandra Rush, CPA  
October 13, 2009

STATE OF NEW MEXICO  
San Jon Municipal School

Schedule of Findings and Responses  
June 30, 2009

Prior Year Audit Findings

In the prior year the audit report was not submitted to the New Mexico State Auditor by the due date. This was corrected and not repeated in the current year

Current Year Audit Findings

None  
Financial Statement Preparation

The financial statements were prepared by District personnel with assistance from Sandra Rush, CPA. The financial statements remain the responsibility of the District's management.

Exit Conference

The contents of this report were discussed with, Gary Salazar, Superintendent, Tim Foster, Board President, and Sandra Rush, CPA, in an exit conference on November 3, 2009.