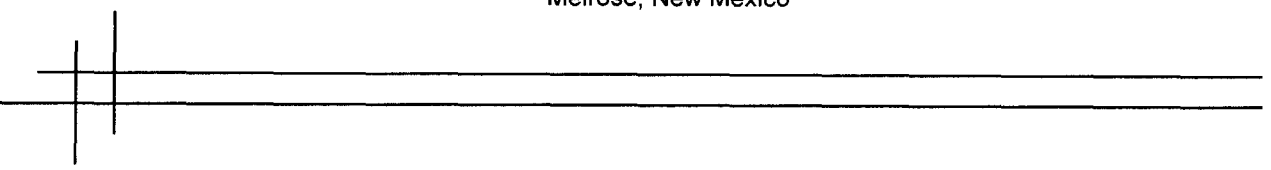




**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS**

ANNUAL FINANCIAL REPORT
June 30, 2008

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



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TAOS MUNICIPAL SCHOOLS
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STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
Official Roster
For the Year Ended June 30, 2008

BOARD OF EDUCATION

Patrick Romero	President
Lorraine Coca-Ruiz	Vice-President
Roy Martinez	Secretary
Michael Torrez	Member
Arsenio Cordova	Member

SCHOOL OFFICIALS

Dr Loretta DeLong	Superintendent
Elizabeth Trujillo	Business Manager

De'Aun Willoughby CPA, PC

Certified Public Accountant

P.O. Box 223 Melrose, NM 88124

(505) 253-4313

Independent Auditor's Report

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

Mr. Balderas and Members of the Board

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of TAOS MUNICIPAL SCHOOLS, (District), as of and for the year ended June 30, 2008, which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2008, as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2008, and the respective changes in financial position and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the District as of June 30, 2008, and the respective changes in financial position and the respective budgetary comparisons for the major capital projects 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.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 14, 2008, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* and should be considered in assessing the results of our audit.

The 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 a part of, the basic financial statements and the combining and individual financial statements and budgetary comparisons presented as supplemental information.

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

De'Ann Willoughby CPA PC

November 14, 2008

FINANCIAL SECTION

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
Statement of Net Assets
June 30, 2008

	Primary	Component Units		
	Governmental Activities	Taos Charter School	Anansi Charter School	Vista Grande High School
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$ 5,074,648	\$ 323,011	\$ 79,508	\$ 79,659
Taxes Receivable	439,741	0	0	0
Due From Other Governmental Agencies	970,852	90,269	19,305	195,709
Inventory	52,802	0	0	0
Total Current Assets	<u>6,538,043</u>	<u>413,280</u>	<u>98,813</u>	<u>275,368</u>
Noncurrent Assets				
Capital Assets	40,610,588	1,378,107	93,844	0
Less: Accumulated Depreciation	<u>(13,840,045)</u>	<u>(178,758)</u>	<u>(55,030)</u>	<u>0</u>
Total Noncurrent Assets	<u>26,770,543</u>	<u>1,199,349</u>	<u>38,814</u>	<u>0</u>
Total Assets	<u>33,308,586</u>	<u>1,612,629</u>	<u>137,627</u>	<u>275,368</u>
LIABILITIES				
Current Liabilities				
Accounts Payable	74,425	48,372	12,269	0
Accrued Interest	109,457	0	0	0
Deferred Revenue	8,101	0	0	0
Portion Principal	2,120,000	0	0	0
Total Current Liabilities	<u>2,311,983</u>	<u>48,372</u>	<u>12,269</u>	<u>0</u>
Noncurrent Liabilities				
Bonds and Notes, Net	<u>4,638,619</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Noncurrent Liabilities	<u>4,638,619</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>6,950,602</u>	<u>48,372</u>	<u>12,269</u>	<u>0</u>
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	19,902,467	1,199,349	38,814	0
Restricted for:				
Capital Projects	2,745,004	0	0	80,891
Debt Service	1,222,974	0	0	0
Unrestricted	2,487,539	364,908	86,544	194,477
Total Net Assets	<u>\$ 26,357,984</u>	<u>\$ 1,564,257</u>	<u>\$ 125,358</u>	<u>\$ 275,368</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
Statement of Activities
For the Year Ended June 30, 2008

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Assets	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Component Unit
Governmental Activities						
Instruction	\$ 16,913,388	\$ 120,243	\$ 2,652,608	\$ 0	\$ (14,140,537)	\$ 0
Support Services-Students	3,520,926	0	1,077,754	0	(2,443,172)	0
Support Services-Instruction	412,581	0	110,216	0	(302,365)	0
General Administration	892,354	0	189,037	0	(703,317)	0
School Administration	946,151	0	20,570	0	(925,581)	0
Central Services	747,107	0	51,447	0	(695,660)	0
Operation of Plant	3,108,174	0	12,281	0	(3,095,893)	0
Student Transportation	1,173,525	0	1,164,853	0	(8,672)	0
Food Services Operations	1,863,664	122,930	1,631,387	0	(109,347)	0
Community Service	58,274	0	58,274	0	0	0
Depreciation	0	0	0	0	0	0
Interest on Long-Term Obligations	300,637	0	0	0	(300,637)	0
Total Governmental Activities	<u>29,936,781</u>	<u>243,173</u>	<u>6,968,427</u>	<u>0</u>	<u>(22,725,181)</u>	<u>0</u>
Component Unit						
Taos Charter School	1,663,877	28,693	263,346	0	0	(1,371,838)
Anansi Charter School	540,317	14,649	54,552	0	0	(471,116)
Vista Grande Charter School	1,212,760	9,728	663,952	0	0	(539,080)
Total Component Units	<u>3,416,954</u>	<u>53,070</u>	<u>981,850</u>	<u>0</u>	<u>0</u>	<u>(2,382,034)</u>
General Revenues						
Taxes						
Property Taxes, Levied for General Purposes				\$ 120,943	\$ 0	0
Property Taxes, Levied for Debt Service				1,945,293		0
Property Taxes, Levied for Capital Projects				1,627,591		0
Federal and State aid not restricted to specific purpose						
General				19,337,099		2,618,953
Capital				166,983		0
Interest and investment earnings				188,969		1,850
Miscellaneous				89,602		259,417
Subtotal, General Revenues				<u>23,476,480</u>		<u>2,880,220</u>
Change in Net Assets					<u>751,299</u>	<u>498,186</u>
Net Assets - beginning balance as reported					26,449,501	1,466,797
Restatement					(842,816)	0
Restated Beginning Net Assets					<u>25,606,685</u>	<u>1,466,797</u>
Net Assets - ending					<u>\$ 26,357,984</u>	<u>\$ 1,964,983</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 GOVERNMENTAL FUNDS
 Balance Sheet
 June 30, 2008

	General Fund		
	Operational 11000	Transportation 13000	Instructional Materials 14000
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	17,198	0	0
Interfund Balances	695,523	41,468	27,394
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 712,721</u>	<u>\$ 41,468</u>	<u>\$ 27,394</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 49,233	\$ 0	\$ 0
Interfund Balances	0	0	0
Current Portion Due for Debt Obligations			
Principal	0	0	0
Interest	0	0	0
Deferred Revenue	13,718	0	0
Total Liabilities	<u>62,951</u>	<u>0</u>	<u>0</u>
Fund Balances			
Reserved for:			
Inventory	0	0	0
Capital Improvements	0	0	0
Retirement of Long Term Debt	0	0	0
Unreserved, Undesignated for			
General fund	649,770	41,468	27,394
Special Revenue Funds	0	0	0
Total Fund Balances	<u>649,770</u>	<u>41,468</u>	<u>27,394</u>
Total Liabilities and Fund Balances	<u>\$ 712,721</u>	<u>\$ 41,468</u>	<u>\$ 27,394</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 GOVERNMENTAL FUNDS
 Balance Sheet
 June 30, 2008

	Food Service 21000	Title I 24101	Senate Bill Nine 31700
ASSETS			
Cash and Cash Equivalents	\$ 75,502	\$ 0	\$ 758,153
Receivables			
Taxes	0	0	135,603
Interfund Balances	0	0	198,533
Due From Grantor	0	548,688	0
Inventory	52,802	0	0
Total Assets	<u>\$ 128,304</u>	<u>\$ 548,688</u>	<u>\$ 1,092,289</u>
 LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 15,373	\$ 3,326	\$ 1,885
Interfund Balances	0	545,362	0
Current Portion Due for Debt Obligations			
Principal	0	0	0
Interest	0	0	0
Deferred Revenue	0	0	88,813
Total Liabilities	<u>15,373</u>	<u>548,688</u>	<u>90,698</u>
 Fund Balances			
Reserved for:			
Inventory	52,802	0	0
Capital Improvements	0	0	1,001,591
Retirement of Long Term Debt	0	0	0
Unreserved, Undesignated for			
General fund	0	0	0
Special Revenue Funds	60,129	0	0
Total Fund Balances	<u>112,931</u>	<u>0</u>	<u>1,001,591</u>
 Total Liabilities and Fund Balances	 <u>\$ 128,304</u>	 <u>\$ 548,688</u>	 <u>\$ 1,092,289</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 GOVERNMENTAL FUNDS
 Balance Sheet
 June 30, 2008

	Ed Tech Equipment 31900	Debt Service 41000	Educational Technology Debt Service 43000
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 1,711,260	\$ 791,000	\$ 959,416
Receivables			
Taxes	0	179,009	107,931
Interfund Balances	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 1,711,260</u>	<u>\$ 970,009</u>	<u>\$ 1,067,347</u>
 LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balances	0	0	0
Current Portion Due for Debt Obligations			
Principal	0	0	525,000
Interest	0	0	57,825
Deferred Revenue	0	152,035	79,522
Total Liabilities	<u>0</u>	<u>152,035</u>	<u>662,347</u>
 Fund Balances			
Reserved for:			
Inventory	0	0	0
Capital Improvements	1,711,260	0	0
Retirement of Long Term Debt	0	817,974	405,000
Unreserved, Undesignated for			
General fund	0	0	0
Special Revenue Funds	0	0	0
Total Fund Balances	<u>1,711,260</u>	<u>817,974</u>	<u>405,000</u>
Total Liabilities and Fund Balances	<u>\$ 1,711,260</u>	<u>\$ 970,009</u>	<u>\$ 1,067,347</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 GOVERNMENTAL FUNDS
 Balance Sheet
 June 30, 2008

	Other Governmental Funds	Total
ASSETS		
Cash and Cash Equivalents	\$ 779,317	\$ 5,074,648
Receivables		
Taxes	0	439,741
Interfund Balances	0	962,918
Due From Grantor	422,164	970,852
Inventory	0	52,802
Total Assets	<u>\$ 1,201,481</u>	<u>\$ 7,500,961</u>
 LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts Payable	\$ 4,608	\$ 74,425
Interfund Balances	417,556	962,918
Current Portion Due for Debt Obligations		
Principal	0	525,000
Interest	0	57,825
Deferred Revenue	8,101	342,189
Total Liabilities	<u>430,265</u>	<u>1,962,357</u>
 Fund Balances		
Reserved for:		
Inventory	0	52,802
Capital Improvements	32,153	2,745,004
Retirement of Long Term Debt	0	1,222,974
Unreserved, Undesignated for		
General fund	0	718,632
Special Revenue Funds	739,063	799,192
Total Fund Balances	<u>771,216</u>	<u>5,538,604</u>
Total Liabilities and Fund Balances	<u>\$ 1,201,481</u>	<u>\$ 7,500,961</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 Reconciliation of the Governmental Funds
 Balance Sheet to the Statement of Net Assets
 June 30, 2008

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

Total Fund Balance - Governmental Funds	\$	5,538,604
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Property taxes receivable will be collected after the period of availability, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.	334,088
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Capital assets used in governmental activities are not financial
resources and therefore are not reported as assets in governmental
funds.

The cost of capital assets	\$	40,610,588	
Accumulated depreciation is		<u>(13,840,045)</u>	26,770,543

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

Bond payable	(6,280,000)	
Issue Costs	267,231	
Accumulated Amortization of Issue Costs	(220,850)	
Accrued interest on bonds	<u>(51,632)</u>	<u>(6,285,251)</u>

Total net assets - governmental activities	\$	<u><u>26,357,984</u></u>
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The notes to the financial statements are an integral part of this statement..

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and Changes
in Fund Balance
For the Year Ended June 30, 2008

	General Fund		
	Operational 11000	Transportation 13000	Instructional Materials 14000
Revenues			
Property Taxes	\$ 120,657	\$ 0	\$ 0
Investment Income	141,742	0	0
Fees	67,382	0	0
State & Local Grants	19,020,525	1,159,026	301,759
Federal Grants	316,574	0	0
Miscellaneous	80,064	0	8,409
Total Revenues	19,746,944	1,159,026	310,168
Expenditures			
Current			
Instruction	12,290,006	0	379,629
Support Services-Students	2,544,272	0	0
Support Services-Instruction	285,712	0	13,419
Support Services-General Administration	721,775	0	0
Support Services-School Administration	925,388	0	0
Central Services	695,571	0	0
Operation & Maintenance of Plant	2,552,801	0	0
Student Transportation	968	1,117,564	0
Food Services	0	0	0
Community Services	0	0	0
Capital Outlay	17,700	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	20,034,193	1,117,564	393,048
Excess (Deficiency) of Revenues Over Expenditures	(287,249)	41,462	(82,880)
Other Financing Uses			
Bond Issue	0	0	0
Transfers	145,311	0	0
Total Other Uses	145,311	0	0
Net Change in Fund Balances	(141,938)	41,462	(82,880)
Fund Balances at Beginning of Year	791,708	6	110,274
Fund Balance End of Year	\$ 649,770	\$ 41,468	\$ 27,394

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and Changes
in Fund Balance
For the Year Ended June 30, 2008

	Food Service 21000	Title I 24101	Senate Bill Nine 31700
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 1,634,080
Investment Income	328	0	34,832
Fees	122,930	0	0
State & Local Grants	133,050	0	0
Federal Grants	1,481,338	1,335,212	0
Miscellaneous	829	0	0
Total Revenues	<u>1,738,475</u>	<u>1,335,212</u>	<u>1,668,912</u>
Expenditures			
Current			
Instruction	0	996,167	0
Support Services-Students	0	80,789	0
Support Services-Instruction	0	81,650	0
Support Services-General Administration	0	116,059	16,332
Support Services-School Administration	0	0	0
Central Services	0	51,447	0
Operation & Maintenance of Plant	0	700	518,878
Student Transportation	0	0	0
Food Services	1,838,774	0	0
Community Services	0	0	0
Capital Outlay	0	8,400	1,200,919
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>1,838,774</u>	<u>1,335,212</u>	<u>1,736,129</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(100,299)</u>	<u>0</u>	<u>(67,217)</u>
Other Financing Uses			
Bond Issue	0	0	0
Transfers	0	0	0
Total Other Uses	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	(100,299)	0	(67,217)
Fund Balances at Beginning of Year	<u>213,230</u>	<u>0</u>	<u>1,068,808</u>
Fund Balance End of Year	<u>\$ 112,931</u>	<u>\$ 0</u>	<u>\$ 1,001,591</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and Changes
in Fund Balance
For the Year Ended June 30, 2008

	Ed Tech Equipment 31900	Debt Service 41000	Educational Technology Debt Service 43000
Revenues			
Property Taxes	\$ 0	\$ 934,496	\$ 996,762
Investment Income	6,106	2,145	3,816
Fees	0	0	0
State & Local Grants	0	0	0
Federal Grants	0	0	0
Miscellaneous	300	0	0
Total Revenues	<u>6,406</u>	<u>936,641</u>	<u>1,000,578</u>
Expenditures			
Current			
Instruction	1,030,666	0	0
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	13,220	9,910
Support Services-School Administration	0	0	0
Central Services	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Services	0	0	0
Community Services	0	0	0
Capital Outlay	443,629	0	0
Debt Service			
Principal	0	650,000	1,320,000
Interest	0	148,871	123,450
Total Expenditures	<u>1,474,295</u>	<u>812,091</u>	<u>1,453,360</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,467,889)</u>	<u>124,550</u>	<u>(452,782)</u>
Other Financing Uses			
Bond Issue	3,000,000	0	0
Transfers	0	0	0
Total Other Uses	<u>3,000,000</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	1,532,111	124,550	(452,782)
Fund Balances at Beginning of Year	<u>179,149</u>	<u>693,424</u>	<u>857,782</u>
Fund Balance End of Year	<u>\$ 1,711,260</u>	<u>\$ 817,974</u>	<u>\$ 405,000</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and Changes
in Fund Balance
For the Year Ended June 30, 2008

	Other Governmental Funds	Total Governmental Funds
Revenues		
Property Taxes	\$ 0	\$ 3,685,995
Investment Income	0	188,969
Fees	52,861	243,173
State & Local Grants	927,603	21,541,963
Federal Grants	1,797,422	4,930,546
Miscellaneous	0	89,602
Total Revenues	<u>2,777,886</u>	<u>30,680,248</u>
Expenditures		
Current		
Instruction	1,251,669	15,948,137
Support Services-Students	895,865	3,520,926
Support Services-Instruction	28,566	409,347
Support Services-General Administration	73,034	950,330
Support Services-School Administration	20,570	945,958
Central Services	0	747,018
Operation & Maintenance of Plant	9,702	3,082,081
Student Transportation	5,827	1,124,359
Food Services	17,129	1,855,903
Community Services	58,274	58,274
Capital Outlay	0	1,670,648
Debt Service		
Principal	41,680	2,011,680
Interest	735	273,056
Total Expenditures	<u>2,403,051</u>	<u>32,597,717</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>374,835</u>	<u>(1,917,469)</u>
Other Financing Uses		
Bond Issue	0	3,000,000
Transfers	(145,311)	0
Total Other Uses	<u>(145,311)</u>	<u>3,000,000</u>
Net Change in Fund Balances	229,524	1,082,531
Fund Balances at Beginning of Year	<u>541,692</u>	<u>4,456,073</u>
Fund Balance End of Year	<u>\$ 771,216</u>	<u>\$ 5,538,604</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 Reconciliation of the Governmental Funds
 Statement of Revenues, Expenditures and Changes in Fund Balance
 To the Statement of Activities
 June 30, 2008

Net Change in Fund Balance-Governmental Funds \$ 1,082,531

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

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. 7,832

Capital outlays to purchase or build capital assets are reported in
 Depreciation expense (1,051,787)
 Capital Outlays 1,670,648 618,861

The issuance of long-term debt provides current financial resources to governmental funds but has no effect on net assets. (3,000,000)

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

Principal paid for bonds (Note H) 1,445,000
 Principal paid for lease obligation (Note I) 55,574
 Net Current Amount Due disclosed on the Balance Sheet 511,106 2,011,680

Bond issue costs are amortized in the Statement of Activities but are netted with proceeds of bond issues in the year of issue on the Statement of Revenues, Expenditures and Changes in Fund Balances. This is the amount of the amortized bond issue costs.

Bond Issue Costs this year 57,976
 Amortization of Issue Costs this Year (43,569) 14,407

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 15,988

Changes in Net Assets of Governmental Activities \$ 751,299

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 OPERATIONAL-GENERAL FUND-11000
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Local Sources				
Taxes	\$ 111,049	\$ 111,049	\$ 120,901	\$ 9,852
Fees	63,500	63,500	67,382	3,882
Investment Income	84,590	84,590	141,742	57,152
State Grant	18,837,628	19,002,603	19,020,525	17,922
Miscellaneous	12,662	12,662	15,143	2,481
Total Local Sources	<u>19,109,429</u>	<u>19,274,404</u>	<u>19,365,693</u>	<u>91,289</u>
Federal Sources				
Impact Aid	191,826	191,826	189,979	(1,847)
Forest Reserve	45,118	45,118	45,077	(41)
Indirect	46,432	46,432	81,517	35,085
Miscellaneous	44,521	44,521	64,922	20,401
Total Federal Sources	<u>327,897</u>	<u>327,897</u>	<u>381,495</u>	<u>53,598</u>
Total Revenues	<u>19,437,326</u>	<u>19,602,301</u>	<u>19,747,188</u>	<u>144,887</u>
Expenditures				
Instruction				
Personnel Services	8,879,667	9,068,334	9,029,638	38,696
Employee Benefits	2,627,302	2,885,787	2,885,787	0
Professional & Tech Services	24,066	24,066	5,153	18,913
Purchased Property Services	28,340	30,638	30,638	0
Purchased Services	161,104	177,104	119,297	57,807
Supplies	205,297	218,297	180,628	37,669
Property	43,300	43,300	27,461	15,839
Total Instruction	<u>11,969,076</u>	<u>12,447,526</u>	<u>12,278,602</u>	<u>168,924</u>
Support Services-Students				
Personnel Services	1,713,829	1,648,000	1,646,596	1,404
Employee Benefits	559,852	526,152	516,776	9,376
Professional & Tech Services	149,525	207,326	207,326	0
Purchased Property Services	8,353	8,353	250	8,103
Purchased Services	200,130	118,000	117,942	58
Supplies	149,571	53,000	52,377	623
Property	9,131	9,131	1,107	8,024
Total Support Services-Students	<u>\$ 2,790,391</u>	<u>\$ 2,569,962</u>	<u>\$ 2,542,374</u>	<u>\$ 27,588</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 OPERATIONAL-GENERAL FUND-11000
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Support Services-Instruction				
Personnel Services	\$ 190,417	\$ 138,871	\$ 138,871	\$ 0
Employee Benefits	107,667	88,114	88,114	0
Purchased Services	40,000	8,500	7,206	1,294
Supplies	34,759	51,521	51,521	0
Total Support Services-Instruction	372,843	287,006	285,712	1,294
Support Services-General Administration				
Personnel Services	314,790	436,954	436,954	0
Employee Benefits	99,677	126,510	126,510	0
Professional & Tech Services	79,603	92,991	92,991	0
Purchased Property Services	5,615	7,074	7,074	0
Purchased Services	50,422	61,422	33,578	27,844
Supplies	18,830	30,536	21,934	8,602
Property	4,000	4,000	0	4,000
Total Support Services-General Administration	572,937	759,487	719,041	40,446
Support Services-School Administration				
Personnel Services	677,206	698,442	687,799	10,643
Employee Benefits	206,888	202,448	193,519	8,929
Professional & Tech Services	0	3,596	3,596	0
Purchased Property Services	2,000	11,102	11,102	0
Purchased Services	2,000	4,270	4,270	0
Supplies	3,500	24,626	24,626	0
Property	0	346	346	0
Total Support Services-School Administration	891,594	944,830	925,258	19,572
Central Services				
Personnel Services	503,488	503,488	489,741	13,747
Employee Benefits	140,551	140,551	139,607	944
Professional & Tech Services	47,200	34,265	8,553	25,712
Purchased Property Services	2,400	2,400	1,961	439
Purchased Services	38,500	38,500	32,284	6,216
Supplies	6,808	8,375	8,375	0
Property	7,100	7,100	1,058	6,042
Total Central Services	\$ 746,047	\$ 734,679	\$ 681,579	\$ 53,100

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 OPERATIONAL-GENERAL FUND-11000
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Operation & Maintenance of Plant				
Personnel Services	\$ 887,511	\$ 889,935	\$ 889,935	\$ 0
Employee Benefits	374,373	328,173	321,285	6,888
Professional & Tech Services	200	200	4	196
Purchased Property Services	784,694	827,110	827,110	0
Other Purchased Services	432,449	432,449	427,640	4,809
Supplies	116,645	112,258	112,258	0
Property	13,300	13,300	5,825	7,475
Total Operation & Maintenance of Plant	<u>2,609,172</u>	<u>2,603,425</u>	<u>2,584,057</u>	<u>19,368</u>
Transportation				
Purchased Property Services	5,000	5,000	956	4,044
Supplies	0	12	12	0
Property	1,500	1,500	0	1,500
Total Transportation	<u>6,500</u>	<u>6,512</u>	<u>968</u>	<u>5,544</u>
Total Expenditures	<u>19,958,560</u>	<u>20,353,427</u>	<u>20,017,591</u>	<u>335,836</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(521,234)</u>	<u>(751,126)</u>	<u>(270,403)</u>	<u>480,723</u>
Other Financing Sources (Uses)				
Due from Other Funds	0	0	145,311	145,311
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>145,311</u>	<u>145,311</u>
Net Change in Cash Balance	(521,234)	(751,126)	(125,092)	626,034
Cash Balance Beginning of Year	<u>820,615</u>	<u>820,615</u>	<u>820,615</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 299,381</u>	<u>\$ 69,489</u>	<u>\$ 695,523</u>	<u>\$ 626,034</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (270,403)	
Net change in Taxes Receivable			41	
Net change in Accounts Payable			(16,601)	
Net change in Deferred Revenue			(286)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (287,249)</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
TRANSPORTATION-GENERAL FUND-13000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grant	\$ 1,243,857	\$ 1,159,026	\$ 1,159,026	\$ 0
Total State & Local Sources	<u>1,243,857</u>	<u>1,159,026</u>	<u>1,159,026</u>	<u>0</u>
Total Revenues	<u>1,243,857</u>	<u>1,159,026</u>	<u>1,159,026</u>	<u>0</u>
Expenditures				
Transportation				
Personnel Services	225,363	225,363	212,472	12,891
Employee Benefits	112,709	112,709	103,417	9,292
Professional & Tech Services	0	0	0	0
Purchased Property Services	138,651	199,590	194,599	4,991
Other Purchased Services	752,128	606,358	601,226	5,132
Supplies	10,000	10,000	4,708	5,292
Property	5,000	5,000	1,142	3,858
Total Transportation	<u>1,243,851</u>	<u>1,159,020</u>	<u>1,117,564</u>	<u>41,456</u>
Total Expenditures	<u>1,243,851</u>	<u>1,159,020</u>	<u>1,117,564</u>	<u>41,456</u>
Excess (Deficiency) of Revenues Over Expenditures	6	6	41,462	41,456
Cash Balance Beginning of Year	<u>6</u>	<u>6</u>	<u>6</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 12</u>	<u>\$ 12</u>	<u>\$ 41,468</u>	<u>\$ 41,456</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 41,462</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 41,462</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 INSTRUCTIONAL MATERIALS-GENERAL FUND-14000
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grant	\$ 275,806	\$ 282,774	\$ 301,759	\$ 18,985
Miscellaneous	0	0	8,409	8,409
Total State & Local Sources	<u>275,806</u>	<u>282,774</u>	<u>310,168</u>	<u>27,394</u>
Total Revenues	<u>275,806</u>	<u>282,774</u>	<u>310,168</u>	<u>27,394</u>
Expenditures				
Instruction				
Supplies	<u>372,662</u>	<u>379,629</u>	<u>379,629</u>	<u>0</u>
Total Instruction	<u>372,662</u>	<u>379,629</u>	<u>379,629</u>	<u>0</u>
Support Services-Instruction				
Supplies	<u>13,418</u>	<u>13,419</u>	<u>13,419</u>	<u>0</u>
Total Support-Services Instruction	<u>13,418</u>	<u>13,419</u>	<u>13,419</u>	<u>0</u>
Total Expenditures	<u>386,080</u>	<u>393,048</u>	<u>393,048</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	(110,274)	(110,274)	(82,880)	27,394
Cash Balance Beginning of Year	<u>110,274</u>	<u>110,274</u>	<u>110,274</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 27,394</u>	<u>\$ 27,394</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ (82,880)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (82,880)</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND - FOOD SERVICE-21000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
Fees	\$ 36,059	\$ 600	\$ 328	\$ (272)
Investment Income	600	36,059	122,930	86,871
Federal Grant	1,752,000	1,752,000	1,394,069	(357,931)
State Grant	71,000	71,000	169,375	98,375
Miscellaneous	0	0	829	829
Total State & Local Sources	<u>1,859,659</u>	<u>1,859,659</u>	<u>1,687,531</u>	<u>(172,128)</u>
Total Revenues	<u>1,859,659</u>	<u>1,859,659</u>	<u>1,687,531</u>	<u>(172,128)</u>
Expenditures				
Food Service Operatons				
Personnel Services	727,551	727,551	711,795	15,756
Employee Benefits	305,691	305,691	291,684	14,007
Professional & Tech Services	9,000	9,000	8,126	874
Purchased Property Services	19,231	21,128	21,127	1
Other Purchased Services	40,501	40,501	29,229	11,272
Supplies	808,227	808,227	678,226	130,001
Property	25,000	25,000	4,752	20,248
Total Food Service Operations	<u>1,935,201</u>	<u>1,937,098</u>	<u>1,744,939</u>	<u>192,159</u>
Total Expenditures	<u>1,935,201</u>	<u>1,937,098</u>	<u>1,744,939</u>	<u>192,159</u>
Excess (Deficiency) of Revenues Over Expenditures	(75,542)	(77,439)	(57,408)	20,031
Cash Balance Beginning of Year	<u>132,910</u>	<u>132,910</u>	<u>132,910</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 57,368</u>	<u>\$ 55,471</u>	<u>\$ 75,502</u>	<u>\$ 20,031</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (57,408)	
Net change in Due from Grantor			(36,325)	
Net change in Inventory			8,807	
Net change in Accounts Payable			(15,373)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (100,299)</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-TITLE I-24101
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 1,133,680	\$ 1,298,199	\$ 539,850	\$ (758,349)
Total Federal Sources	<u>1,133,680</u>	<u>1,298,199</u>	<u>539,850</u>	<u>(758,349)</u>
Total Revenues	<u>1,133,680</u>	<u>1,298,199</u>	<u>539,850</u>	<u>(758,349)</u>
Expenditures				
Instruction				
Personnel Services	490,886	498,780	498,780	0
Employee Benefits	175,022	185,981	185,981	0
Other Purchased Services	366,806	366,806	293,567	73,239
Supplies	12,610	15,525	15,525	0
Property	6,000	8,400	8,400	0
Total Instruction	<u>1,051,324</u>	<u>1,075,492</u>	<u>1,002,253</u>	<u>73,239</u>
Support Services-Students				
Personnel Services	54,259	54,259	54,259	0
Employee Benefits	19,639	21,095	21,095	0
Professional & Tech Services	0	110	110	0
Other Purchased Services	11,000	11,000	3,932	7,068
Supplies	3,073	3,073	1,393	1,680
Total Support Services-Students	<u>87,971</u>	<u>89,537</u>	<u>80,789</u>	<u>8,748</u>
Support Services-Instruction				
Personnel Services	44,091	67,375	67,375	0
Employee Benefits	0	14,275	14,275	0
Total Support Services-Instruction	<u>44,091</u>	<u>81,650</u>	<u>81,650</u>	<u>0</u>
Support Services-General Administration				
Personnel Services	11,508	110,508	48,715	61,793
Employee Benefits	46,724	46,724	23,680	23,044
Professional & Tech Services	40,723	42,705	39,402	3,303
Other Purchased Services	0	4,237	4,236	1
Total Support Services-General Administration	<u>\$ 98,955</u>	<u>\$ 204,174</u>	<u>\$ 116,033</u>	<u>\$ 88,141</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-TITLE I-24101
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Central Services				
Personnel Services	\$ 0	\$ 42,855	\$ 42,855	\$ 0
Employee Benefits	0	51,451	8,592	42,859
Total Central Services	0	94,306	51,447	42,859
Operation & Maintenance of Plant				
Purchased Property Services	0	701	701	0
Total Operation & Maintenance of Plant	0	701	701	0
Total Expenditures	1,282,341	1,545,860	1,332,873	212,987
Excess (Deficiency) of Revenues Over Expenditures	(148,661)	(247,661)	(793,023)	(545,362)
Cash Balance Beginning of Year	247,661	247,661	247,661	0
Cash Balance End of Year	\$ 99,000	\$ 0	\$ (545,362)	\$ (545,362)
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (793,023)	
Net change in Due from Grantor			548,688	
Net change in Accounts Payable			(2,338)	
Net change in Deferred Revenue			246,673	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

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

STATEMENT OF FIDUCIARY NET ASSETS

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
Schedule of Fiduciary Net Assets and Liabilities-Agency Funds
For the Year Ended June 30, 2008

	<u>Agency Funds</u>
Assets	
Cash and Cash Equivalents	\$ <u>385,169</u>
Total Assets	\$ <u><u>385,169</u></u>
Liabilities	
Deposits Held for Others	\$ <u>385,169</u>
Total Liabilities	\$ <u><u>385,169</u></u>

See accompanying notes to the basic financial statements

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the TAOS MUNICIPAL SCHOOLS (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) prior to November 30, 1989 that do not conflict with or contradict GASB pronouncements. 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.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis for State and Local Governments*. Some of the significant changes in the Statement include the following:

- A Management's Discussion and Analysis (MD & A) providing an analysis of the District's overall financial position and results of operations.
- Financial Statements prepared using full-accrual accounting for all the District's activities.
- A change in fund financial statements to focus on major funds.

These and other changes are reflected in the accompanying financial statements (including the notes to the financial statements) as of June 30, 2008.

In addition, in June 2001, the GASB issued Statement No. 37, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments: Omnibus - an amendment of GASB Statement No. 21 and No. 34 and Statement No. 38, Certain Financial Note Disclosures*. These two statements clarify, modify, establish and rescind certain disclosure requirements under GASB No. 34. Both statements are being implemented in conjunction with GASB Statement No. 34. These statements do not have an impact on the results of operations or the financial position of the District.

Financial Reporting Entity

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

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
Notes to the Financial Statements
June 30, 2008

The District has three discretely presented component units, Taos Charter School, Anansi Charter School and Vista Grande High School as defined by GASB Statement No. 14. The Charter Schools are responsible for separate elementary and secondary education within the Taos Municipal School District's jurisdiction. Taos Municipal School is accountable for the Charter Schools because the school district approves their charter. Taos Charter is located 313 Randall Ln Taos, NM 87571 or P.O. Box 3009 Ranchos de Taos, NM 87557. Anansi Charter is Located 57 St. Hwy 230 El Prado, NM 87571 or P.O. Box 1709 El Prado, NM 87529. Vista Grande High School is located at 313 Randall Lane Taos, New Mexico 87571 or PO Box 850 Taos, New Mexico 87571. Separately issued financial statements for the Charter Schools can be obtained at the addresses provided.

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

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

Governmental Funds

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

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

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

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

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

Fiduciary Fund Type

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

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

Major Funds

The District reports the following major governmental funds:

General Fund-11000

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

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.

Title I-24101

To account for revenues and expenditures for a collaborative consortium of education, health, culture enrichment, and social support system in rural communities. The fund was created by grant provisions.

Capital Project Funds

Senate Bill Nine-31700

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

Ed Tech Equipment-31900

Revenues are derived from a bond issue used for the purchase of technology equipment.

Debt Service Funds

Debt Service-41000

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

Education Technology Debt Service-43000

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

Measurement Focus and Basis of Accounting

Government-Wide Financial Statements (GWFS)

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
Notes to the Financial Statements
June 30, 2008

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

Program Revenues

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

Expenses

Some functions, such as general government, support services, or administration, include expenses that are, in essence, indirect expenses of other functions. Governments are not required to allocate those indirect expenses among functions. It is the policy of this District not to allocate indirect expenses to functions.

Fund Financial Statements (FFS)

Governmental Funds

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

Revenues

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.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
Notes to the Financial Statements
June 30, 2008

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, the susceptible to accrual criteria have been met and all of the eligibility requirements have been met.

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

Expenditures

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

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 Superintendent of Public Instruction) the local school board submits to the District Budget Planning Unit (SBPU) of the New Mexico Public Education Department an estimated budget for the District for the ensuing fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the New Mexico Public Education Department (PED) by the district shall contain headings and details as prescribed by law.
2. Prior to June 20, of each year, the proposed "operating" budget will be reviewed and approved by the SBPU and certified and approved by the local school board at the public hearing of which notice has been published by the local school board which fixed the estimated budget for the district for the ensuing fiscal year.
3. The "operating" budget will be used by the District until they have been notified that the budget has been approved by the SBPU and the local school board. The budget shall be integrated formally in to the accounting system. Encumbrances shall be used as an element for control and shall be integrated into the budget system.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
Notes to the Financial Statements
June 30, 2008

4. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the SBPU.
5. No school board or officer or employee of the District shall make any expenditures or incur any obligation for the expenditures of public funds unless such expenditure or contractual obligation is made in accordance with an operating budget approved by the division. But this does not prohibit the transfer of funds between line items within a series of a budget.
6. Budget change requests are processed in accordance with Supplement I (Budget Preparation and Maintenance) of the *Manual of Procedures Public School Accounting and Budgeting*. Such changes are initiated by the District and approved by the SBPU.
7. Legal budget control for expenditures is by function.
8. Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget of the District has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.

Cash and Cash Equivalents

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

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

Investments

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

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

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
Notes to the Financial Statements
June 30, 2008

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

Receivables and Payables

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

Property Taxes

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

Elimination and Reclassifications of Certain Receivables and Payables

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

Inventories and Prepaid Items

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

Capital Assets

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

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

Buildings & Improvements	20-50 Years
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	3-15 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.

Interfund Transfers

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

Deferred Revenue

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

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

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

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

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental fund financial statements the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts, if any, are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported.

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 OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
Notes to the Financial Statements
June 30, 2008

NOTE B: CASH AND INVESTMENTS

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

<u>Name of Account</u>	Balance Per Bank 06-30-08	Reconciled Balance	Type
Federal Projects Fund	\$ 2,133,579	\$ 1,424,850	Checking
Taos Hot Lunch	181,506	75,502	Checking
Activity Fund	415,630	385,169	Checking
Accounts Payable Clearing Account	13,389	0	Checking
TOTAL Deposited	<u>2,744,104</u>	<u>\$ 1,885,521</u>	
Less: FDIC Coverage	(100,000)		
Uninsured Amount	<u>2,644,104</u>		
50% collateral requirement	1,322,052		
Pledged securities	<u>1,324,961</u>		
Over (Under) requirement	<u>\$ 2,909</u>		

The difference between the bank balance and the reconciled balance is outstanding deposits, outstanding checks and pending bank adjustments.

The following securities are pledged at **Centinel Bank of Taos**:

<u>Description</u>	<u>Type</u>	<u>CUSIP #</u>	<u>Market or Par Value*</u>	<u>Maturity Date</u>
Bernalillo Schools	Bond	085279JR9	\$ 150,000	08-01-09
FNMA 313932	Note	31374GVZ7	30,606	03-01-23
Valencia County, NM	Bond	91911SAH8	100,000 *	08-01-09
GNMA ARM Pool	Bond	36202KGX7	14,910 *	11-20-23
FNMA CT 2512246	Note	31371GBP4	30,533 *	09-01-17
FHLB	Note	3133M8AU8	51,050 *	03-30-09
FHLB	Note	3133M6TD0	810,500	12-22-08
FHLB	Note	3133M8AU8	76,574	03-30-09
FHLB	Note	3133M6TD0	60,788	12-22-08
			<u>\$ 1,324,961</u>	

The above securities are located at FHLB Dallas, Texas.

<u>Name of Account</u>	Balance Per Bank 06-30-08	Reconciled Balance	Type
General Operational Fund	\$ 4,086,851	\$ 3,574,296	Checking
Payroll Clearing Funds	1,527,859	0	Checking
TOTAL Deposited	<u>5,614,710</u>	<u>\$ 3,574,296</u>	
Less: FDIC Coverage	(100,000)		
Uninsured Amount	<u>5,514,710</u>		
50% collateral requirement	2,757,355		
Pledged securities	<u>3,346,653</u>		
Over (Under) requirement	<u>\$ 589,298</u>		

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Notes to the Financial Statements
June 30, 2008

The difference between the bank balance and the reconciled balance is outstanding deposits, outstanding checks and pending bank adjustments.

The following securities are pledged at **First Community**:

<u>Description</u>	<u>Type</u>	<u>CUSIP #</u>	<u>Market or Par Value*</u>	<u>Maturity Date</u>
FHLB	Note	31339YVV1	\$ 326,462 *	07-21-08
FHLB	Note	31339YVV1	939,207	07-21-08
FHLB	Note	31339YVV2	919,117	07-21-18
MBS FNMA 576601	Note	31386XRW8	145,238	07-01-12
Los Lunas NM School District	Bond	545562KX7	300,000	07-15-13
Cochise County AZ SD #9	Bond	189414FZ3	50,747	08-01-17
Elbert County Colo SD	Bond	257578DH4	297,298	08-01-17
FHR 3229 VA	Note	31396JS63	48,669	12-15-13
FHR 2984 AD	Note	31395FS70	266,413	06-15-28
FHR 2551 CH	Note	31393GH54	53,502	12-15-13
			<u>\$ 3,346,653</u>	

All of the above securities are located at Texas Independent Bank, Dallas, Texas

Custodial Credit Risk-Deposits

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ 200,000
Collateralized:	
Collateral held by the pledging bank in District's name	4,671,614
Uninsured and uncollateralized	3,487,200
Total Deposits	<u>\$ 8,358,814</u>

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2008 \$3,487,200 of the banks \$8,358,814 of the District's bank balance was exposed to custodial credit risk.

NOTE C: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances is as follows:

<u>Receivable Fund</u>	<u>Payable Funds</u>		
	<u>Title I Fund</u>	<u>Non Major Funds</u>	<u>Total</u>
Operational Fund	\$ 545,362	\$ 150,161	\$ 695,523
Transportation	0	41,468	41,468
Instructional Materials	0	27,394	27,394
Senate Bill Nine	0	198,533	198,533
Totals	<u>\$ 545,362</u>	<u>\$ 417,556</u>	<u>\$ 962,918</u>

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

Following is a schedule of the transfer among funds:

From	To	
Energy Efficiency Act-31800	Operational	\$ <u>145,311</u>

The transfer was made to end the 31800 fund as the related debt for the energy lease ended. The money reverts back to the Operational Fund.

NOTE D: TAXES RECEIVABLE

Following is a schedule of property taxes receivable as of June 30, 2008:

	General 11000	Senate Bill-Nine 31700	Debt Service 41000	Educational Technology Debt Service 43000	Total
Property Taxes					
Receivable					
Available	\$ 3,480	\$ 46,790	\$ 26,974	\$ 28,409	\$ 105,653
Unavailable	<u>13,718</u>	<u>88,813</u>	<u>152,035</u>	<u>79,522</u>	<u>334,088</u>
Total Property Taxes					
Receivable	<u>\$ 17,198</u>	<u>\$ 135,603</u>	<u>\$ 179,009</u>	<u>\$ 107,931</u>	<u>\$ 439,741</u>

NOTE E: DUE FROM OTHER GOVERNMENT UNITS

Amounts due from other agencies and units of government were as follows as of June 30, 2008:

State Agencies	\$ 178,627
Federal Agencies	<u>838,672</u>
Total	<u>\$ 1,017,299</u>

NOTE F: 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, 2008:

	General 11000	Senate Bill-Nine 31700	Debt Service 41000	Education Technology Debt Service 43000
Property Taxes	\$ 13,718	\$ 88,813	\$ 152,035	79,522
Federal Projects	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL Deferred Revenues	<u>\$ 13,718</u>	<u>\$ 88,813</u>	<u>\$ 152,035</u>	<u>79,522</u>

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	Other Governmental Funds	Total Deferred Revenues
Property Taxes	\$ 0	\$ 334,088
Federal Projects	8,101	8,101
TOTAL Deferred Revenues	\$ 8,101	\$ 342,189

NOTE G: CAPITAL ASSETS

Capital Assets Balances and Activity for the Year Ended June 30, 2008, is as follows:

	Balance 6/30/07	Increases	Decreases	Balance 6/30/08
Governmental Activities				
Capital Assets, not being Depreciated				
Land	\$ 2,309,586	\$ 0	\$ 0	\$ 2,309,586
Total Capital Assets, not being Depreciated	<u>2,309,586</u>	<u>0</u>	<u>0</u>	<u>2,309,586</u>
Capital Assets, being Depreciated				
Buildings & Improvements	34,075,127	981,697	0	35,056,824
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	<u>2,555,228</u>	<u>688,950</u>	<u>0</u>	<u>3,244,178</u>
Total Capital Assets, being Depreciated	<u>36,630,355</u>	<u>1,670,647</u>	<u>0</u>	<u>38,301,002</u>
Total Capital Assets	<u>38,939,941</u>	<u>1,670,647</u>	<u>0</u>	<u>40,610,588</u>
Less Accumulated Depreciation				
Buildings & Improvements	11,097,704	747,030	0	11,844,734
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	<u>1,690,554</u>	<u>304,757</u>	<u>0</u>	<u>1,995,311</u>
Total Accumulated Depreciation	<u>12,788,258</u>	<u>1,051,787</u>	<u>0</u>	<u>13,840,045</u>
Total Governmental Activities Capital Assets, net	<u>\$ 26,151,683</u>	<u>\$ 618,860</u>	<u>\$ 0</u>	<u>\$ 26,770,543</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 964,380
Support Services-Students	0
Support Services-Instruction	3,235
Support Services-General Administration	0
Support Services-School Administration	193
Central Services	89
Operation & Maintenance of Plant	26,093
Transportation	49,166
Other Support Services	870
Food Service	7,761
Total depreciation expenses	<u>\$ 1,051,787</u>

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TAOS MUNICIPAL SCHOOLS
Notes to the Financial Statements
June 30, 2008

NOTE H: LONG TERM DEBT

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

	Balance 6/30/07	Additions	Reductions	Balance 6/30/08	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General Obligation					
Bonds	\$ 5,250,000	\$ 3,000,000	\$ 1,445,000	\$ 6,805,000	\$ 2,120,000
Total Bonds	<u>\$ 5,250,000</u>	<u>\$ 3,000,000</u>	<u>\$ 1,445,000</u>	<u>\$ 6,805,000</u>	<u>\$ 2,120,000</u>

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

General Obligation Bonds.

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

	Original Amount	Interest Rates	Balance 6-30-08
Series 1996 General Obligation Bonds	\$ 1,195,000	4.45% to 5.25%	\$ 970,000
Series 2001 General Obligation Bonds	2,340,000	4.2% to 5.0%	1,915,000
Series 2004 Educational Technology Notes	1,715,000	1.24% to 2.15%	920,000
Series 2007 Educational Technology Notes	3,000,000	3.25% to 4.25%	3,000,000
			<u>\$ 6,805,000</u>

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

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

	Principal	Interest	Total
2009	2,120,000	231,420	2,351,420
2010	1,270,000	168,771	1,438,771
2011	1,370,000	114,071	1,484,071
2012	1,395,000	55,554	1,450,554
2013	650,000	12,837	662,837
	<u>\$ 6,805,000</u>	<u>\$ 582,653</u>	<u>\$ 7,387,653</u>

Reconciliation of Long-Term Debt to the Government Wide Financial Statements.

Long-Term Debt Per Notes	\$ 6,805,000
Net Issue Costs/ Premium Discounts	(46,381)
	<u>\$ 6,758,619</u>
Long-Term Per Government Wide Financial Statements	\$ 4,638,619
Current Portion	2,120,000
Statement of Net Assets	<u>\$ 6,758,619</u>

NOTE I: ENERGY EFFICIENCY LEASE

The District entered into a lease purchase agreement with Banc One on December 2, 1997. The cost of the equipment was \$530,656. The terms of the agreement are quarterly payments of \$17,747, beginning April 28, 1998. The interest rate is 5.902%. The maturity date is January 28, 2008. The payments are made from the Energy Efficiency Capital Projects Fund (31800).

A summary of activity in the lease purchase is as follows:

	Balance 6/30/07	Additions	Reductions	Balance 6/30/08	Amounts Due Within One Year
Banc One	\$ 55,574	\$ 0	\$ 55,574	\$ 0	\$ 0

NOTE J: COMMITMENTS

The District was not involved in any long-term commitments on June 30, 2008.

NOTE K: PENSION PLAN

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

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, 2008, 2007, and 2006, were \$2,868,280, \$2,639,660, and \$2,457,325, respectively, which equal the amount of the required contributions for each fiscal year.

NOTE J: RETIREE HEALTH CARE ACT CONTRIBUTIONS

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

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

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

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

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

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

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

The District's contributions to the RHCA for the years ended June 30, 2008, 2007 and 2006 were \$301,087, \$290,281 and \$283,657, respectively, which equal the required contributions for each year.

NOTE M: RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS STATEMENTS

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

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

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

Reconciliations are located at the bottom of each budget actual.

NOTE N: INSURANCE COVERAGE

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

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

NOTE O: SURETY BOND

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

**SUPPLEMENTAL INFORMATION RELATED TO
MAJOR FUNDS**

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 CAPITAL PROJECTS FUND-SENATE BILL NINE-31700
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
Taxes	\$ 1,354,629	\$ 1,354,629	\$ 1,633,261	\$ 278,632
Investment Income	19,049	19,049	34,832	15,783
Total State & Local Sources	<u>1,373,678</u>	<u>1,373,678</u>	<u>1,668,093</u>	<u>294,415</u>
Total Revenues	<u>1,373,678</u>	<u>1,373,678</u>	<u>1,668,093</u>	<u>294,415</u>
Expenditures				
Support Services-General Administration				
Professional & Tech Services	9,984	16,333	16,333	0
Total Support Services-General Administration	<u>9,984</u>	<u>16,333</u>	<u>16,333</u>	<u>0</u>
Operation & Maintenance of Plant				
Purchased Property Services	784,694	827,110	16,333	810,777
Total Operation & Maintenance of Plant	<u>784,694</u>	<u>827,110</u>	<u>16,333</u>	<u>810,777</u>
Capital Outlay				
Purchased Property Services	2,085,040	1,961,245	1,312,248	648,997
Land Improvements	0	88,366	88,366	0
Building Purchases	39,450	39,450	26,176	13,274
Vehicle Purchases	209,350	231,485	231,485	0
Fixed Assets	0	43,876	43,876	0
Supply Assets	0	15,761	15,761	0
Total Capital Outlay	<u>2,333,840</u>	<u>2,380,183</u>	<u>1,717,912</u>	<u>662,271</u>
Total Expenditures	<u>2,343,824</u>	<u>2,396,516</u>	<u>1,734,245</u>	<u>662,271</u>
Excess (Deficiency) of Revenues Over Expenditures	(970,146)	(1,022,838)	(66,152)	956,686
Cash Balance Beginning of Year	<u>1,022,838</u>	<u>1,022,838</u>	<u>1,022,838</u>	<u>0</u>
Cash Balance End of Year	\$ <u>52,692</u>	\$ <u>0</u>	\$ <u>956,686</u>	\$ <u>956,686</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (66,152)	
Net change in Taxes Receivable			3,621	
Net change in Accounts Payable			(1,885)	
Net change in Deferred Revenue			(2,801)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>(67,217)</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 CAPITAL PROJECTS FUND-ED TECH EQUIPMENT-31900
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
Investment Income	\$ 0	\$ 0	\$ 6,106	\$ 6,106
Miscellaneous	0	0	300	300
Sale of Bonds	0	2,378,625	3,000,000	621,375
Total State & Local Sources	0	2,378,625	3,006,406	627,781
Total Revenues	0	2,378,625	3,006,406	627,781
Expenditures				
Instruction				
Professional & Tech Services	0	0	0	0
Supplies	205,297	218,297	0	218,297
Total Instruction	205,297	218,297	0	218,297
Capital Outlay				
Professional & Tech Services	99,312	638,304	633,195	5,109
Supplies	0	596,924	363,783	233,141
Property	0	925,100	602,777	322,323
Total Capital Outlay	99,312	2,160,328	1,599,755	560,573
Total Expenditures	304,609	2,378,625	1,599,755	778,870
Excess (Deficiency) of Revenues Over Expenditures	(304,609)	0	1,406,651	1,406,651
Cash Balance Beginning of Year	304,609	304,609	304,609	0
Cash Balance End of Year	\$ 0	\$ 304,609	\$ 1,711,260	\$ 1,406,651
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 1,406,651	
Net change in Accounts Payable			125,460	
Sale of Bonds			(3,000,000)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ (1,467,889)	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
DEBT SERVICE FUND-41000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
Taxes	\$ 804,155	804,155	\$ 933,525	\$ 129,370
Investment Income	1,334	1,334	2,145	811
Total State & Local Sources	<u>805,489</u>	<u>805,489</u>	<u>935,670</u>	<u>130,181</u>
Total Revenues	<u>805,489</u>	<u>805,489</u>	<u>935,670</u>	<u>130,181</u>
Expenditures				
Support Services-General Administration				
Professional & Tech Services	<u>8,042</u>	<u>9,335</u>	<u>9,335</u>	<u>0</u>
Total Support Services-General Administration	<u>8,042</u>	<u>9,335</u>	<u>9,335</u>	<u>0</u>
Debt Service				
Debt Service Reserve	539,673	539,673	3,884	535,789
Bond Principle Payment	650,000	650,000	650,000	0
Interest Payment	<u>154,155</u>	<u>154,155</u>	<u>148,872</u>	<u>5,283</u>
Total Debt Service	<u>1,343,828</u>	<u>1,343,828</u>	<u>802,756</u>	<u>541,072</u>
Total Expenditures	<u>1,351,870</u>	<u>1,353,163</u>	<u>812,091</u>	<u>541,072</u>
Excess (Deficiency) of Revenues Over Expenditures	(546,381)	(547,674)	123,579	671,253
Cash Balance Beginning of Year	<u>667,421</u>	<u>667,421</u>	<u>667,421</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 121,040</u>	<u>\$ 119,747</u>	<u>\$ 791,000</u>	<u>\$ 671,253</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 123,579	
Net change in Taxes Receivable			4,647	
Net change in Deferred Revenue			(3,676)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 124,550</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
EDUCATIONAL TECHNOLOGY DEBT SERVICE FUND-43000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
Taxes	\$ 822,075	\$ 822,075	\$ 991,026	\$ 168,951
Investment Income	21,828	21,828	3,816	(18,012)
Total State & Local Sources	<u>843,903</u>	<u>843,903</u>	<u>994,842</u>	<u>150,939</u>
Total Revenues	<u>843,903</u>	<u>843,903</u>	<u>994,842</u>	<u>150,939</u>
Expenditures				
Support Services-General Administration				
Professional & Tech Services	8,222	9,910	9,910	0
Total Support Services-General Administration	<u>8,222</u>	<u>9,910</u>	<u>9,910</u>	<u>0</u>
Debt Service				
Principal	795,000	1,377,825	795,000	582,825
Interest	27,075	65,625	65,625	0
Total Debt Service	<u>822,075</u>	<u>1,443,450</u>	<u>860,625</u>	<u>582,825</u>
Total Expenditures	<u>830,297</u>	<u>1,453,360</u>	<u>870,535</u>	<u>582,825</u>
Excess (Deficiency) of Revenues Over Expenditures	13,606	(609,457)	124,307	733,764
Cash Balance Beginning of Year	<u>835,109</u>	<u>835,109</u>	<u>835,109</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 848,715</u>	<u>\$ 225,652</u>	<u>\$ 959,416</u>	<u>\$ 733,764</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 124,307	
Net change in Taxes Receivable			6,803	
Net change in Principal			(525,000)	
Net change in Interest			(57,825)	
Net change in Deferred Revenue			(1,067)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (452,782)</u>	

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

**SUPPLEMENTAL INFORMATION RELATED TO
NON MAJOR FUNDS**

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR GOVERNMENT FUNDS
Combining Balance Sheet - By Fund Type
June 30, 2008

	Special Revenue	Capital Projects	Total
ASSETS			
Cash and Cash Equivalents	\$ 747,164	\$ 32,153	\$ 779,317
Receivables			
Due From Grantor	422,164	0	422,164
Total Assets	<u>\$ 1,169,328</u>	<u>\$ 32,153</u>	<u>\$ 1,201,481</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 4,608	\$ 0	\$ 4,608
Interfund Balances	417,556	0	417,556
Deferred Revenue	8,101	0	8,101
Total Liabilities	<u>430,265</u>	<u>0</u>	<u>430,265</u>
Fund Balance			
Reserved for :			
Capital Projects	0	32,153	32,153
Unreserved, Undesignated			
Special Revenue	739,063	0	739,063
Total Fund Balance	<u>739,063</u>	<u>32,153</u>	<u>771,216</u>
 Total Liabilities and Fund Balance	 <u>\$ 1,169,328</u>	 <u>\$ 32,153</u>	 <u>\$ 1,201,481</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures and Changes in
Fund Balance - By Fund Type
For the Year Ended June 30, 2008

	Special Revenue	Capital Projects	Total
Revenues			
Fees	\$ 52,861	\$ 0	\$ 52,861
State & Local Grants	760,620	166,983	927,603
Federal Grants	1,797,422	0	1,797,422
Miscellaneous	0	0	0
Total Revenues	<u>2,610,903</u>	<u>166,983</u>	<u>2,777,886</u>
Expenditures			
Current			
Instruction	1,251,669	0	1,251,669
Support Services-Students	895,865	0	895,865
Support Services-Instruction	28,566	0	28,566
Support Services-General Administration	73,034	0	73,034
Support Services-School Administration	20,570	0	20,570
Operation & Maintenance of Plant	9,702	0	9,702
Student Transportation	5,827	0	5,827
Food Services	17,129	0	17,129
Community Services	58,274	0	58,274
Debt Service			
Principal	0	41,680	41,680
Interest	0	735	735
Capital Outlay	0	0	0
Total Expenditures	<u>2,360,636</u>	<u>42,415</u>	<u>2,403,051</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>250,267</u>	<u>124,568</u>	<u>374,835</u>
Other Financing Sources (Uses)			
Transfer In (Out)	0	(145,311)	(145,311)
Total Other Sources (Uses)	<u>0</u>	<u>(145,311)</u>	<u>(145,311)</u>
Net Change in Fund Balances	250,267	(20,743)	229,524
Fund Balances at Beginning of Year	<u>488,796</u>	<u>52,896</u>	<u>541,692</u>
Fund Balance End of Year	<u>\$ 739,063</u>	<u>\$ 32,153</u>	<u>\$ 771,216</u>

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

NONMAJOR SPECIAL REVENUE FUNDS

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

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

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

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

Enhancing Education through Technology (24133). To account for revenues and expenditures received from a federal grant to be used to encourage elementary and secondary schools and community-based agencies to create, develop, and offer service learning opportunities for school-age youth. The fund was created by the authority of the National and Community Service Act of 1990, as amended.

Comprehensive School Reform (24135). To account for revenues and expenditures received from a federal grant to provide financial incentives for schools that need to substantially improve student achievement, particularly Title I schools. The fund was created by the authority of the Elementary and Secondary Education Act of 1965., Title I, Part A.(PL 107-110).

Title V (24150). To account for monies received to improve elementary and secondary education for children attending both public and private schools. The fund was created by grant provisions. (PL 103-382).

English Language Acquisition (24153). To account for revenues and expenditures received from a federal grant provided to develop school-wide programs for limited English proficient students that reform, restructure, and upgrade all relevant programs. The fund was created by the Elementary and Secondary Education Act of 1965, as amended, Title VII, Part A.

Teacher/Principal Training & Recruiting (24154). To provide grants to State Education Agencies (SEAs) on a formula basis to increase student academic achievement through strategies such as improving teacher and principal quality and increasing the number of highly qualified teachers in the classroom and highly qualified principals and assistant principals in schools and hold local educational agencies and schools accountable for improvements in student academic achievement. Elementary and Secondary Education Act of 1965, as amended, Title II, Part A (PL 107-110).

NONMAJOR SPECIAL REVENUE FUNDS

Safe & Drug Free Schools & 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 related Federal, State, and community efforts and resources. Elementary and Secondary Education Act , Title IV, Part A, Subpart 1, as amended. 20 USC 7111-7118.

21st Century (24159) To account for revenues and expenditures for a collaborative consortium of education, health, culture enrichment and social support system in rural communities. The fund was created by grant provisions.

Rural and Low Income Grant (24160) To account for a federal grant to provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools. The grant is authorized by the Elementary and Secondary Education Act of 1965 (ESEA), Title VI, Part B, as amended.

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

Carl Perkins (24168, 24171, 24174). To account for funds distributed by the U. S. Department of Education through the State Department of Education to provide services which impact school district vocational programs, educators, and students. This fund was created by the authority of the Carl D. Perkins Vocational, and Applied Technology Education Amendments of 1998, Title I, Part B and C and Sections 115 and 116, and Workforce Investment Act, Section 503.

Teaching American History (25107). To account for revenues and expenditures to teach students about the history in the Enchanted Circle and Taos area. The fund was created by the authority of federal grant provisions.

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

GRADS Child Care CYFD (25149). To account for funds received from New Mexico Department of Health for the Graduation and Dual Skills (GRADS) program for pregnant and parenting skills. The fund was created by state grant provisions.

NONMAJOR SPECIAL REVENUE FUNDS

Medicaid (25153). To account for a program providing school-based screening, diagnostic services and other related health services and administrative activities in conformance with the approved Medicaid State Plan in order to improve health and developmental outcomes for children. The fund was created by the authority of federal grant provisions. (Title XIX Social Security Act).

TANF/GRADS HSD (25162). To provide grants to States, Territories, or Tribes to assist needy families with children so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work, and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families. Social Security Act, Title IV, Part A, as amended; Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193. The fund was created by state grant provisions.

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

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

LANL Foundation (26113). To account for a grant for educational enrichment in support of The Renaissance Program. The fund was created by state grant provisions.

Intel Foundation (26116). To account for a grant from Intel to be used for grant development. The fund was created by state grant provisions.

PNM Foundation (26123). To account for a grant from PNM for the purpose of sponsorship for the Extended Day Discovery Class. The fund was created by state grant provisions.

New Mexico Network for Rural Education (26129). To account for a grant to purchase software for the STAR Early Literacy Program. The fund was created by state grant provisions.

NONMAJOR SPECIAL REVENUE FUNDS

TANIF School Age Care & Family Support (27115). To account for monies received from the state to be used to provide a safe nurturing environment that fosters self-esteem and strengthens the home school partnership in a multicultural community, both for students and families, during the school day and in the extended before/after school programs for New Mexico Works families. The fund was created by state grant provisions.

Technology for Education (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).

Obesity Program (27120). To account for funds received from a state grant to hire a physical education teacher to instruct students in exercise in an after school program. The fund was created by state grant provisions.

TANF-Full-Day Kindergarten (27136). To account for funds received to provide the opportunity for the district to address early literacy. The full-day kindergarten program is the first step in the implementation of a sequential early literacy approach to teaching reading. The fund was created by state grant provisions.

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

Summer Bridge (27144) To account for revenues and expenditures from a state grant to provide funding for summer programs. The fund was created by state grant provisions. (NMSA 22-13 A-1).

Library Go Bond Law 2004 (27145). 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.

American Indian Students (27150) To account for a State Flow Through Grant for Native American Student Enrichment Program. The fund was created by State Grant provisions.

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

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

Legislative Appropriation (27165) To account for a legislative grant for the purpose of purchasing technology equipment. The fund was created by the authority of state grant.

NONMAJOR SPECIAL REVENUE FUNDS

Kindergarten 3-Plus (27166) To account for the revenues and expenditures from a state grant to extend kindergarten and preschool hours. The fund was created by state grant provisions.

State 21st Century Learning Center (27167) To account for revenues and expenditures to provide services for students after school hours. The fund was created by state grant provisions.

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

Assist Tobacco (28122). To account for a grant for the New Mexico Department of Health to implement tobacco prevention and cessation strategies including counter marketing campaigns, youth initiatives, training and cessation services. The fund was created by state grant provisions.

Healthier Schools (28155). New Mexico Department of Health provided funding assistance for A+ awards for proposals submitted for Healthier Schools-New Mexico. The fund was created by state grant provisions.

Gear Up (27128). To encourage eligible entities to provide or maintain a guarantee to eligible low-income students who obtain a secondary diploma, of the financial assistance necessary to permit the student to attend an institution of higher education; and provide additional support services to students who are at risk of dropping out of school. The fund was created by state grant provisions.

Yes I Can (29102). To account for a grant to be used for field trips and materials and supplies for activities and classes that promote inclusion of students with and without disabilities using the "Yes I Can" curriculum. The fund was created by state grant provisions.

School Based Healthcare (29130) To account for revenues and expenditures from a state grant for the purpose of providing health care to students. The fund was created by state grant provisions.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2008

	Athletics 22000	IDEA B Entitlement 24106	IDEA Preschool 24109
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 29,264	\$ 0	\$ 0
Receivables			
Due From Grantor	0	125,722	16,607
Total Assets	<u>\$ 29,264</u>	<u>\$ 125,722</u>	<u>\$ 16,607</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 465	\$ 0
Interfund Balance	0	125,257	16,607
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>125,722</u>	<u>16,607</u>
Fund Balance			
Unreserved, Undesignated	<u>29,264</u>	<u>0</u>	<u>0</u>
Total Fund Balance	<u>29,264</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 29,264</u>	<u>\$ 125,722</u>	<u>\$ 16,607</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 NONMAJOR SPECIAL REVENUE FUNDS
 Combining Balance Sheet
 June 30, 2008

	Fresh Fruit & Veg 24118	Enhancing Education Through Technology 24133	Comprehensive School Reform 24135
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 1,502	\$ 2,409	\$ 0
Receivables			
Due From Grantor	0	0	0
Total Assets	<u>\$ 1,502</u>	<u>\$ 2,409</u>	<u>\$ 0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balance	0	0	0
Deferred Revenue	1,502	2,409	0
Total Liabilities	<u>1,502</u>	<u>2,409</u>	<u>0</u>
Fund Balance			
Unreserved, Undesignated	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 1,502</u>	<u>\$ 2,409</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2008

	Title V-A 24150	English Language Acquisition 24153	Teacher/ Principal Training & Recruiting 24154
ASSETS			
Cash and Cash Equivalents	\$ 4,190	\$ 0	\$ 0
Receivables			
Due From Grantor	0	8,260	37,197
Total Assets	<u>\$ 4,190</u>	<u>\$ 8,260</u>	<u>\$ 37,197</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balance	0	8,260	37,197
Deferred Revenue	4,190	0	0
Total Liabilities	<u>4,190</u>	<u>8,260</u>	<u>37,197</u>
Fund Balance			
Unreserved, Undesignated	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 4,190</u>	<u>\$ 8,260</u>	<u>\$ 37,197</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2008

	Safe & Drug Free Schools & Communities <u>24157</u>	21st Century 24159 <u>24159</u>	Rural & Low Income Grant <u>24160</u>
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Due From Grantor	546	43,112	5,791
Total Assets	<u>\$ 546</u>	<u>\$ 43,112</u>	<u>\$ 5,791</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 4,143
Interfund Balance	546	43,112	1,648
Deferred Revenue	0	0	0
Total Liabilities	<u>546</u>	<u>43,112</u>	<u>5,791</u>
Fund Balance			
Unreserved, Undesignated	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 546</u>	<u>\$ 43,112</u>	<u>\$ 5,791</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2008

	Carl Perkins Tech Prep 24168	Carl Perkins JAG 24171	Immigrant Fund Title III 24163
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Due From Grantor	0	0	33,008
Total Assets	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 33,008</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balance	0	0	33,008
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>33,008</u>
Fund Balance			
Unreserved, Undesignated	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
 Total Liabilities and Fund Balance	 <u>\$ 0</u>	 <u>\$ 0</u>	 <u>\$ 33,008</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2008

	Carl Perkins 24174	Teaching American History 25107	Impact Aid Special Education 25145
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$	\$ 0	\$ 112,894
Receivables			
Due From Grantor	25,314	0	0
Total Assets	<u>\$ 25,314</u>	<u>\$ 0</u>	<u>\$ 112,894</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balance	25,314	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>25,314</u>	<u>0</u>	<u>0</u>
Fund Balance			
Unreserved, Undesignated	<u>0</u>	<u>0</u>	<u>112,894</u>
Total Fund Balance	<u>0</u>	<u>0</u>	<u>112,894</u>
Total Liabilities and Fund Balance	<u>\$ 25,314</u>	<u>\$ 0</u>	<u>\$ 112,894</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2008

	Impact Aid Indian Education <u>25147</u>	GRADS Child Care CYFD <u>25149</u>	Medicaid <u>25153</u>
ASSETS			
Cash and Cash Equivalents	\$ 67,706	\$ 0	\$ 192,132
Receivables			
Due From Grantor	0	2,444	0
Total Assets	<u>\$ 67,706</u>	<u>\$ 2,444</u>	<u>\$ 192,132</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balance	0	2,444	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>2,444</u>	<u>0</u>
Fund Balance			
Unreserved, Undesignated	<u>67,706</u>	<u>0</u>	<u>192,132</u>
Total Fund Balance	<u>67,706</u>	<u>0</u>	<u>192,132</u>
Total Liabilities and Fund Balance	<u>\$ 67,706</u>	<u>\$ 2,444</u>	<u>\$ 192,132</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 NONMAJOR SPECIAL REVENUE FUNDS
 Combining Balance Sheet
 June 30, 2008

	TANF/GRADS HSD 25162	Indian Education Formula 25184	Gear Up 25211
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Due From Grantor	243	0	0
Total Assets	<u>\$ 243</u>	<u>\$ 0</u>	<u>\$ 0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balance	243	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>243</u>	<u>0</u>	<u>0</u>
Fund Balance			
Unreserved, Undesignated	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 243</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2008

	LANL Foundation 26113	Intel Foundation 26116	PNM Foundation 26123
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 3,000	\$ 63
Receivables			
Due From Grantor	0	0	0
Total Assets	<u>\$ 0</u>	<u>\$ 3,000</u>	<u>\$ 63</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balance	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance			
Unreserved, Undesignated	0	3,000	63
Total Fund Balance	<u>0</u>	<u>3,000</u>	<u>63</u>
 Total Liabilities and Fund Balance	 <u>\$ 0</u>	 <u>\$ 3,000</u>	 <u>\$ 63</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2008

	New Mexico Network For Rural Education <u>26129</u>	TANIF School Age Care & Family Support <u>27115</u>	Technology For Education <u>27117</u>
ASSETS			
Cash and Cash Equivalents	\$ 2	\$ 1	\$ 11,631
Receivables			
Due From Grantor	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>\$ 2</u>	<u>\$ 1</u>	<u>\$ 11,631</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balance	0	0	0
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance			
Unreserved, Undesignated	<u>2</u>	<u>1</u>	<u>11,631</u>
Total Fund Balance	<u>2</u>	<u>1</u>	<u>11,631</u>
 Total Liabilities and Fund Balance	 <u>\$ 2</u>	 <u>\$ 1</u>	 <u>\$ 11,631</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 NONMAJOR SPECIAL REVENUE FUNDS
 Combining Balance Sheet
 June 30, 2008

	Obesity Program 27120	TANF Full Day Kindergarten 27136	Incentives For School Improvement 27138
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 135	\$ 207	\$ 68,565
Receivables			
Due From Grantor	0	0	0
Total Assets	<u>\$ 135</u>	<u>\$ 207</u>	<u>\$ 68,565</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balance	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance			
Unreserved, Undesignated	<u>135</u>	<u>207</u>	<u>68,565</u>
Total Fund Balance	<u>135</u>	<u>207</u>	<u>68,565</u>
 Total Liabilities and Fund Balance	 <u>\$ 135</u>	 <u>\$ 207</u>	 <u>\$ 68,565</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2008

	Summer Bridge 27144	Library Go Bond Law 2004 27145	Indian Education Act 27150
ASSETS			
Cash and Cash Equivalents	\$ 107	\$ 0	\$ 0
Receivables			
Due From Grantor	0	2,117	162
Total Assets	<u>\$ 107</u>	<u>\$ 2,117</u>	<u>\$ 162</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balance	0	2,117	162
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>2,117</u>	<u>162</u>
Fund Balance			
Unreserved, Undesignated	107	0	0
Total Fund Balance	<u>107</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 107</u>	<u>\$ 2,117</u>	<u>\$ 162</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2008

	Beginning Teacher Mentoring <u>27154</u>	Breakfast for Elementary <u>27155</u>	Legislative Appropriation <u>27165</u>
ASSETS			
Cash and Cash Equivalents	\$ 46,447	\$ 0	\$ 0
Receivables			
Due From Grantor	0	16,999	1,152
Total Assets	<u>\$ 46,447</u>	<u>\$ 16,999</u>	<u>\$ 1,152</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balance	0	16,999	1,152
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>16,999</u>	<u>1,152</u>
Fund Balance			
Unreserved, Undesignated	<u>46,447</u>	<u>0</u>	<u>0</u>
Total Fund Balance	<u>46,447</u>	<u>0</u>	<u>0</u>
 Total Liabilities and Fund Balance	 <u>\$ 46,447</u>	 <u>\$ 16,999</u>	 <u>\$ 1,152</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2008

	Kindergarten 3-Plus <u>27166</u>	21st Century <u>27167</u>	Libraries Go Bonds <u>27170</u>
ASSETS			
Cash and Cash Equivalents	\$ 118,237	\$ 0	\$ 0
Receivables			
Due From Grantor	0	66,907	10,438
Total Assets	<u>\$ 118,237</u>	<u>\$ 66,907</u>	<u>\$ 10,438</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balance	0	66,907	10,438
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>66,907</u>	<u>10,438</u>
Fund Balance			
Unreserved, Undesignated	<u>118,237</u>	<u>0</u>	<u>0</u>
Total Fund Balance	<u>118,237</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 118,237</u>	<u>\$ 66,907</u>	<u>\$ 10,438</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2008

	Assist Tobacco DOH 28122	Healthier Schools 28155	Gear Up 28178
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 40,862	\$ 0
Receivables			
Due From Grantor	12,226	0	13,919
Total Assets	<u>\$ 12,226</u>	<u>\$ 40,862</u>	<u>\$ 13,919</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balance	12,226	0	13,919
Deferred Revenue	0	0	0
Total Liabilities	<u>12,226</u>	<u>0</u>	<u>13,919</u>
Fund Balance			
Unreserved, Undesignated	0	40,862	0
Total Fund Balance	<u>0</u>	<u>40,862</u>	<u>0</u>
 Total Liabilities and Fund Balance	 <u>\$ 12,226</u>	 <u>\$ 40,862</u>	 <u>\$ 13,919</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2008

	<u>Yes I Can 29102</u>	<u>School Based Health Center 29130</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 15,597	\$ 32,213	\$ 747,164
Receivables			
Due From Grantor	0	0	422,164
Total Assets	<u>\$ 15,597</u>	<u>\$ 32,213</u>	<u>\$ 1,169,328</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 4,608
Interfund Balance	0	0	417,556
Deferred Revenue	0	0	8,101
Total Liabilities	<u>0</u>	<u>0</u>	<u>430,265</u>
Fund Balance			
Unreserved, Undesignated	<u>15,597</u>	<u>32,213</u>	<u>739,063</u>
Total Fund Balance	<u>15,597</u>	<u>32,213</u>	<u>739,063</u>
 Total Liabilities and Fund Balance	 <u>\$ 15,597</u>	 <u>\$ 32,213</u>	 <u>\$ 1,169,328</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2008

	Athletics 22000	IDEA B Entitlement 24106	IDEA Preschool 24109
Revenues			
Fees	\$ 52,861	\$ 0	\$ 0
State & Local Grants	0	0	0
Federal Grants	0	738,413	30,572
Miscellaneous	0	0	0
Total Revenues	<u>52,861</u>	<u>738,413</u>	<u>30,572</u>
Expenditures			
Current			
Instruction	61,688	281,366	20,582
Support Services-Students	0	325,237	9,099
Support Services-Instruction	0	647	0
Support Services-General Administration	0	43,762	891
Support Services-School Administration	0	16,693	0
Operation & Maintenance of Plant	0	6,607	0
Student Transportation	0	5,827	0
Food Services	0	0	0
Community Services	0	58,274	0
Total Expenditures	<u>61,688</u>	<u>738,413</u>	<u>30,572</u>
Excess (Deficiency) of Revenues Over Expenditures	(8,827)	0	0
Fund Balance Beginning of Year	<u>38,091</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 29,264</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2008

	Fresh Fruit & Veg 24118	Enhancing Education Through Technology 24133	Comprehensive School Reform 24135
Revenues			
Fees	\$ 0	\$ 0	\$ 0
State & Local Grants	0	0	0
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures			
Current			
Instruction	0	0	0
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Services	0	0	0
Community Services	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2008

	Title V-A 24150	English Language Acquisition 24153	Teacher/ Principal Training & Recruiting 24154
Revenues			
Fees	\$ 0	\$ 0	\$ 0
State & Local Grants	0	0	0
Federal Grants	4,084	16,164	147,854
Miscellaneous	0	0	0
Total Revenues	<u>4,084</u>	<u>16,164</u>	<u>147,854</u>
Expenditures			
Current			
Instruction	3,964	13,730	123,442
Support Services-Students	0	1,233	7,550
Support Services-Instruction	0	0	0
Support Services-General Administration	120	1,201	12,985
Support Services-School Administration	0	0	3,877
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Services	0	0	0
Community Services	0	0	0
Total Expenditures	<u>4,084</u>	<u>16,164</u>	<u>147,854</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2008

	Safe & Drug Free Schools & Communities 24157	21st Century 24159	Rural & Low Income Grant 24160
Revenues			
Fees	\$ 0	\$ 0	\$ 0
State & Local Grants	0	0	0
Federal Grants	8,774	143,457	81,648
Miscellaneous	0	0	0
Total Revenues	<u>8,774</u>	<u>143,457</u>	<u>81,648</u>
Expenditures			
Current			
Instruction	7,802	139,189	81,648
Support Services-Students	400	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	572	4,268	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Services	0	0	0
Community Services	0	0	0
Total Expenditures	<u>8,774</u>	<u>143,457</u>	<u>81,648</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2008

	Title III Immigrant Grant 24163	Carl Perkins Tech Prep 24168	Carl Perkins JAG 24171
	<u> </u>	<u> </u>	<u> </u>
Revenues			
Fees	\$ 0	\$ 0	\$ 0
State & Local Grants	0	0	0
Federal Grants	22,240	0	0
Miscellaneous	0	0	0
Total Revenues	<u>22,240</u>	<u>0</u>	<u>0</u>
Expenditures			
Current			
Instruction	20,619	0	0
Support Services-Students	704	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	917	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Services	0	0	0
Community Services	0	0	0
Total Expenditures	<u>22,240</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2008

	Carl Perkins 24174	Teaching American History 25107	Impact Aid Special Education 25145
	<u>24174</u>	<u>25107</u>	<u>25145</u>
Revenues			
Fees	\$ 0	\$ 0	\$ 0
State & Local Grants	0	0	0
Federal Grants	35,838	207,092	74,975
Miscellaneous	0	0	0
Total Revenues	<u>35,838</u>	<u>207,092</u>	<u>74,975</u>
Expenditures			
Current			
Instruction	28,853	2,524	51,418
Support Services-Students	0	198,653	0
Support Services-Instruction	5,962	0	0
Support Services-General Administration	1,023	5,915	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Services	0	0	0
Community Services	0	0	0
Total Expenditures	<u>35,838</u>	<u>207,092</u>	<u>51,418</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	23,557
Fund Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>89,337</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 112,894</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2008

	Impact Aid Indian Education 25147	GRADS Child Care CYFD 25149	Medicaid 25153
Revenues			
Fees	\$ 0	\$ 0	\$ 0
State & Local Grants	0	0	0
Federal Grants	47,226	5,000	181,060
Miscellaneous	0	0	0
Total Revenues	<u>47,226</u>	<u>5,000</u>	<u>181,060</u>
Expenditures			
Current			
Instruction	44,547	5,000	30,974
Support Services-Students	0	0	103,788
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Services	0	0	0
Community Services	0	0	0
Total Expenditures	<u>44,547</u>	<u>5,000</u>	<u>134,762</u>
Excess (Deficiency) of Revenues Over Expenditures	2,679	0	46,298
Fund Balance Beginning of Year	<u>65,027</u>	<u>0</u>	<u>145,834</u>
Fund Balance End of Year	<u>\$ 67,706</u>	<u>\$ 0</u>	<u>\$ 192,132</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2008

	TANF/GRADS HSD 25162	Indian Education Formula 25184	Gear Up 25211
Revenues			
Fees	\$ 0	\$ 0	\$ 0
State & Local Grants	0	0	0
Federal Grants	8,000	45,025	0
Miscellaneous	0	0	0
Total Revenues	<u>8,000</u>	<u>45,025</u>	<u>0</u>
Expenditures			
Current			
Instruction	8,000	43,645	0
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	1,380	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Services	0	0	0
Community Services	0	0	0
Total Expenditures	<u>8,000</u>	<u>45,025</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2008

	LANL Foundation 26113	Intel Foundation 26116	PNM Foundation 26123
Revenues			
Fees	\$ 0	\$ 0	\$ 0
State & Local Grants	45,412	0	0
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>45,412</u>	<u>0</u>	<u>0</u>
Expenditures			
Current			
Instruction	82,196	0	0
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Services	0	0	0
Community Services	0	0	0
Total Expenditures	<u>82,196</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	(36,784)	0	0
Fund Balance Beginning of Year	<u>36,784</u>	<u>3,000</u>	<u>63</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 3,000</u>	<u>\$ 63</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2008

	New Mexico Network For Rural Education 26129	TANIF School Age Care & Family Support 27115	Technology For Education 27117
Revenues			
Fees	\$ 0	\$ 0	\$ 0
State & Local Grants	0	0	65,619
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>0</u>	<u>0</u>	<u>65,619</u>
Expenditures			
Current			
Instruction	0	0	0
Support Services-Students	0	0	53,988
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Services	0	0	0
Community Services	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>53,988</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	11,631
Fund Balance Beginning of Year	<u>2</u>	<u>1</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 2</u>	<u>\$ 1</u>	<u>\$ 11,631</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2008

	Obesity Program 27120	TANF Full Day Kindergarten 27136	Incentives For School Improvement 27138
Revenues			
Fees	\$ 0	\$ 0	\$ 0
State & Local Grants	135	0	42,408
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>135</u>	<u>0</u>	<u>42,408</u>
Expenditures			
Current			
Instruction	0	0	0
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Services	0	0	0
Community Services	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	135	0	42,408
Fund Balance Beginning of Year	<u>0</u>	<u>207</u>	<u>26,157</u>
Fund Balance End of Year	<u>\$ 135</u>	<u>\$ 207</u>	<u>\$ 68,565</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2008

	Summer Bridge 27144	Library Go Bond Law 2004 27145	Indian Education Act 27150
Revenues			
Fees	\$ 0	\$ 0	\$ 0
State & Local Grants	0	0	0
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures			
Current			
Instruction	0	0	0
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Services	0	0	0
Community Services	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balance Beginning of Year	<u>107</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 107</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2008

	Beginning Teacher Mentoring 27154	Breakfast for Elementary 27155	Legislative Appropriation 27165
Revenues			
Fees	\$ 0	\$ 0	\$ 0
State & Local Grants	46,447	16,999	1,152
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>46,447</u>	<u>16,999</u>	<u>1,152</u>
Expenditures			
Current			
Instruction	0	0	1,152
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Services	0	17,129	0
Community Services	0	0	0
Total Expenditures	<u>0</u>	<u>17,129</u>	<u>1,152</u>
Excess (Deficiency) of Revenues Over Expenditures	46,447	(130)	0
Fund Balance Beginning of Year	<u>0</u>	<u>130</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 46,447</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2008

	Kindergarten 3-Plus <u>27166</u>	State 21st Century <u>27167</u>	Libraries Go Bonds <u>27170</u>
Revenues			
Fees	\$ 0	\$ 0	\$ 0
State & Local Grants	248,706	66,907	12,056
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>248,706</u>	<u>66,907</u>	<u>12,056</u>
Expenditures			
Current			
Instruction	118,350	66,907	0
Support Services-Students	9,024	0	0
Support Services-Instruction	0	0	12,056
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	3,095	0	0
Student Transportation	0	0	0
Food Services	0	0	0
Community Services	0	0	0
Total Expenditures	<u>130,469</u>	<u>66,907</u>	<u>12,056</u>
Excess (Deficiency) of Revenues Over Expenditures	118,237	0	0
Fund Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 118,237</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2008

	Assist Tobacco DOH 28122	Healthier Schools 28155	Gear Up 28178
Revenues			
Fees	\$ 0	\$ 0	\$ 0
State & Local Grants	27,143	70,386	18,670
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>27,143</u>	<u>70,386</u>	<u>18,670</u>
Expenditures			
Current			
Instruction	1,492	0	7,769
Support Services-Students	40,418	75,405	1,000
Support Services-Instruction	0	0	9,901
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Services	0	0	0
Community Services	0	0	0
Total Expenditures	<u>41,910</u>	<u>75,405</u>	<u>18,670</u>
Excess (Deficiency) of Revenues Over Expenditures	(14,767)	(5,019)	0
Fund Balance Beginning of Year	<u>14,767</u>	<u>45,881</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 40,862</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2008

	Yes I Can 29102	School Based Health Center 29130	Total
Revenues			
Fees	\$ 0	\$ 0	\$ 52,861
State & Local Grants	8,700	89,880	760,620
Federal Grants	0	0	1,797,422
Miscellaneous	0	0	0
Total Revenues	<u>8,700</u>	<u>89,880</u>	<u>2,610,903</u>
Expenditures			
Current			
Instruction	4,812	0	1,251,669
Support Services-Students	1,380	67,986	895,865
Support Services-Instruction	0	0	28,566
Support Services-General Administration	0	0	73,034
Support Services-School Administration	0	0	20,570
Operation & Maintenance of Plant	0	0	9,702
Student Transportation	0	0	5,827
Food Services	0	0	17,129
Community Services	0	0	58,274
Total Expenditures	<u>6,192</u>	<u>67,986</u>	<u>2,360,636</u>
Excess (Deficiency) of Revenues Over Expenditures	2,508	21,894	250,267
Fund Balance Beginning of Year	<u>13,089</u>	<u>10,319</u>	<u>488,796</u>
Fund Balance End of Year	<u>\$ 15,597</u>	<u>\$ 32,213</u>	<u>\$ 739,063</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND - ATHLETICS-22000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
Fees	\$ 48,787	\$ 48,787	\$ 52,861	\$ 4,074
Total State & Local Sources	<u>48,787</u>	<u>48,787</u>	<u>52,861</u>	<u>4,074</u>
Total Revenues	<u>48,787</u>	<u>48,787</u>	<u>52,861</u>	<u>4,074</u>
Expenditures				
Instruction				
Professional & Tech Services	0	5,551	5,551	0
Purchased Services	30,000	47,171	47,170	1
Supplies	56,878	34,156	8,967	25,189
Total Instruction	<u>86,878</u>	<u>86,878</u>	<u>61,688</u>	<u>25,190</u>
Total Expenditures	<u>86,878</u>	<u>86,878</u>	<u>61,688</u>	<u>25,190</u>
Excess (Deficiency) of Revenues Over Expenditures	(38,091)	(38,091)	(8,827)	29,264
Cash Balance Beginning of Year	<u>38,091</u>	<u>38,091</u>	<u>38,091</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 29,264</u>	<u>\$ 29,264</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (8,827)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ (8,827)	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-IDEA-B, ENTITLEMENT-24106
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Grants	\$ 784,647	945,375	615,198	\$ (330,177)
Total Federal Sources	<u>784,647</u>	<u>945,375</u>	<u>615,198</u>	<u>(330,177)</u>
Total Revenues	<u>784,647</u>	<u>945,375</u>	<u>615,198</u>	<u>(330,177)</u>
Expenditures				
Instruction				
Personnel Services	133,142	154,473	154,472	1
Employee Benefits	40,948	48,448	48,448	0
Professional & Tech Services	1,500	2,401	2,401	0
Purchased Property Services	0	43	43	0
Other Purchased Services	48,748	62,647	37,210	25,437
Supplies	41,990	41,990	36,076	5,914
Property	5,100	5,100	2,283	2,817
Total Instruction	<u>271,428</u>	<u>315,102</u>	<u>280,933</u>	<u>34,169</u>
Support Services-Students				
Personnel Services	139,836	151,824	151,824	0
Employee Benefits	68,915	71,360	51,224	20,136
Professional & Tech Services	113,648	113,648	66,479	47,169
Purchased Property Services	7,800	66,479	7,877	58,602
Other Purchased Services	25,525	25,525	18,135	7,390
Supplies	17,588	20,966	20,966	0
Property	10,000	10,000	8,732	1,268
Total Support Services-Students	<u>383,312</u>	<u>459,802</u>	<u>325,237</u>	<u>134,565</u>
Support Services-Instruction				
Personnel Services	15,237	15,237	517	14,720
Employee Benefits	4,230	4,230	130	4,100
Total Support Services-Instruction	<u>19,467</u>	<u>19,467</u>	<u>647</u>	<u>18,820</u>
Support Services-General Administration				
Personnel Services	18,097	18,097	15,953	2,144
Employee Benefits	6,240	6,250	5,979	271
Professional & Tech Services	23,459	24,352	21,798	2,554
Total Support Services-General Administration	<u>\$ 47,796</u>	<u>\$ 48,699</u>	<u>\$ 43,730</u>	<u>\$ 4,969</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-IDEA-B, ENTITLEMENT-24106
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Support Services-School Administration				
Personnel Services	\$ 0	\$ 12,908	\$ 12,908	\$ 0
Employee Benefits	0	3,564	3,564	0
Other Purchased Services	0	265	265	0
Total Support Services-School Administration	0	16,737	16,737	0
Operation & Maintenance of Plant				
Personnel Services	0	5,218	5,218	0
Employee Benefits	996	996	889	107
Purchased Property Services	550	550	500	50
Total Operation & Maintenance of Plant	1,546	6,764	6,607	157
Student Transportation				
Personnel Services	7,400	7,400	0	7,400
Employee Benefits	1,590	1,590	73	1,517
Other Purchased Services	6,127	6,127	5,754	373
Total Student Transportation	15,117	15,117	5,827	9,290
Community Services Operations				
Salaries	29,867	45,696	45,696	0
Employee Benefits	6,252	8,129	8,129	0
Professional & Tech Services	7,400	7,400	4,450	2,950
Total Community Services Operations	43,519	61,225	58,275	2,950
Total Expenditures	782,185	942,913	737,993	204,920
Excess (Deficiency) of Revenues Over Expenditures	2,462	2,462	(122,795)	(125,257)
Cash Balance Beginning of Year	(2,462)	(2,462)	(2,462)	0
Cash Balance End of Year	\$ 0	\$ 0	\$ (125,257)	\$ (125,257)
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (122,795)	
Net change in Due from Grantor			123,216	
Net change in Accounts Payable			(421)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-IDEA PRESCHOOL-24109
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 23,030	\$ 47,925	\$ 14,994	\$ (32,931)
Total Federal Sources	<u>23,030</u>	<u>47,925</u>	<u>14,994</u>	<u>(32,931)</u>
Total Revenues	<u>23,030</u>	<u>47,925</u>	<u>14,994</u>	<u>(32,931)</u>
Expenditures				
Instruction				
Personnel Services	0	6,037	6,037	0
Employee Benefits	0	871	871	0
Professional & Tech Services	0	6,436	6,436	0
Other Purchased Services	3,600	5,070	5,070	0
Supplies	17,715	17,696	2,167	15,529
Total Instruction	<u>21,315</u>	<u>36,110</u>	<u>20,581</u>	<u>15,529</u>
Support Services-Students				
Personnel Services	0	426	426	0
Employee Benefits	0	514	514	0
Professional & Tech Services	0	4,608	4,236	372
Other Purchased Services	0	2,238	2,107	131
Supplies	0	1,888	1,817	71
Total Support Services-Students	<u>0</u>	<u>9,674</u>	<u>9,100</u>	<u>574</u>
Support Services-General Administration				
Professional & Tech Services	686	1,112	891	221
Total Support Services-General Administration	<u>686</u>	<u>1,112</u>	<u>891</u>	<u>221</u>
Total Expenditures	<u>22,001</u>	<u>46,896</u>	<u>30,572</u>	<u>16,324</u>
Excess (Deficiency) of Revenues Over Expenditures	1,029	1,029	(15,578)	(16,607)
Cash Balance Beginning of Year	<u>(1,029)</u>	<u>(1,029)</u>	<u>(1,029)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (16,607)</u>	<u>\$ (16,607)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (15,578)	
Net change in Due from Grantor			15,578	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-FRESH FRUIT & VEG-24118
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Federal Sources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Food Service Operations				
Personnel Services	0	0	0	0
Employee Benefits	0	0	0	0
Supplies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Food Service Operations	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>1,502</u>	<u>1,502</u>	<u>1,502</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 1,502</u>	<u>\$ 1,502</u>	<u>\$ 1,502</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-ENHANCING EDUCATION THROUGH TECHNOLOGY-24133
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Federal Sources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Personnel Services	0	0	0	0
Employee Benefits	0	0	0	0
Other Purchased Services	0	0	0	0
Supplies	0	0	0	0
Property	0	0	0	0
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Support Services-Instruction				
Supplies	0	0	0	0
Total Support Services-Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Support Services-General Administration				
Professional & Tech Services	0	0	0	0
Total Support Services-General Administration	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>2,409</u>	<u>2,409</u>	<u>2,409</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 2,409</u>	<u>\$ 2,409</u>	<u>\$ 2,409</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-COMPREHENSIVE SCHOOL REFORM-24135
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 456	\$ 456	\$ 456	\$ 0
Total Federal Sources	<u>456</u>	<u>456</u>	<u>456</u>	<u>0</u>
Total Revenues	<u>456</u>	<u>456</u>	<u>456</u>	<u>0</u>
Expenditures				
Instruction				
Other Purchased Services	0	0	0	0
Supplies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Support Services-Students				
Personnel Services	0	0	0	0
Employee Benefits		0	0	0
Professional & Tech Services		0	0	0
Supplies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Support Services-Students	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Support Services-General Administration				
Professional & Tech Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Support Services-General Administration	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	456	456	456	0
Cash Balance Beginning of Year	<u>(456)</u>	<u>(456)</u>	<u>(456)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 456	
Net change in Due from Grantor			<u>(456)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-TITLE V-A-24150
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 4,024	\$ 8,320	\$ 0	\$ (8,320)
Total Federal Sources	<u>4,024</u>	<u>8,320</u>	<u>0</u>	<u>(8,320)</u>
Total Revenues	<u>4,024</u>	<u>8,320</u>	<u>0</u>	<u>(8,320)</u>
Expenditures				
Instruction				
Supplies	<u>3,000</u>	<u>3,965</u>	<u>3,964</u>	<u>1</u>
Total Instruction	<u>3,000</u>	<u>3,965</u>	<u>3,964</u>	<u>1</u>
Support Services-General Administration				
Professional & Tech Services	<u>116</u>	<u>237</u>	<u>120</u>	<u>117</u>
Total Support Services-General Administration	<u>116</u>	<u>237</u>	<u>120</u>	<u>117</u>
Total Expenditures	<u>3,116</u>	<u>4,202</u>	<u>4,084</u>	<u>118</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>908</u>	<u>4,118</u>	<u>(4,084)</u>	<u>(8,202)</u>
Cash Balance Beginning of Year	<u>8,274</u>	<u>8,274</u>	<u>8,274</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 9,182</u>	<u>\$ 12,392</u>	<u>\$ 4,190</u>	<u>\$ (8,202)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (4,084)	
Net change in Deferred Revenue			<u>4,084</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-ENGLISH LANGUAGE ACQUISITION-24153
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 13,056	\$ 18,872	\$ 0	\$ (18,872)
Total Federal Sources	<u>13,056</u>	<u>18,872</u>	<u>0</u>	<u>(18,872)</u>
Total Revenues	<u>13,056</u>	<u>18,872</u>	<u>0</u>	<u>(18,872)</u>
Expenditures				
Instruction				
Personnel Services	0	103	102	1
Employee Benefits	0	8	8	0
Other Purchased Services	13,609	18,485	10,185	8,300
Supplies	<u>7,351</u>	<u>4,227</u>	<u>3,435</u>	<u>792</u>
Total Instruction	<u>20,960</u>	<u>22,823</u>	<u>13,730</u>	<u>9,093</u>
Support Services-Students				
Other Purchased Services	<u>0</u>	<u>2,500</u>	<u>1,233</u>	<u>1,267</u>
Total Support Services-Students	<u>0</u>	<u>2,500</u>	<u>1,233</u>	<u>1,267</u>
Support Services-General Administration				
Professional & Tech Services	0	981	729	252
Other Purchased Services	<u>0</u>	<u>472</u>	<u>472</u>	<u>0</u>
Total Support Services-General Administration	<u>0</u>	<u>1,453</u>	<u>1,201</u>	<u>252</u>
Total Expenditures	<u>20,960</u>	<u>26,776</u>	<u>16,164</u>	<u>10,612</u>
Excess (Deficiency) of Revenues Over Expenditures	(7,904)	(7,904)	(16,164)	(8,260)
Cash Balance Beginning of Year	<u>7,904</u>	<u>7,904</u>	<u>7,904</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (8,260)</u>	<u>\$ (8,260)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (16,164)	
Net change in Due from Grantor			8,260	
Net change in Deferred Revenue			<u>7,904</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-TEACHER/PRINCIPLE TRAINING & RECRUITING - 24154
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 293,245	\$ 298,360	\$ 144,652	\$ (153,708)
Total Federal Sources	<u>293,245</u>	<u>298,360</u>	<u>144,652</u>	<u>(153,708)</u>
Total Revenues	<u>293,245</u>	<u>298,360</u>	<u>144,652</u>	<u>(153,708)</u>
Expenditures				
Instruction				
Personnel Services	75,675	77,513	77,513	0
Employee Benefits	29,073	29,073	26,097	2,976
Other Purchased Services	111,500	111,500	18,438	93,062
Supplies	5,000	5,000	1,394	3,606
Property	5,000	5,000	0	5,000
Total Instruction	<u>226,248</u>	<u>228,086</u>	<u>123,442</u>	<u>104,644</u>
Support Services-Students				
Other Purchased Services	5,000	6,540	6,540	0
Supplies	0	1,009	1,009	0
Total Support Services-Students	<u>0</u>	<u>7,549</u>	<u>7,549</u>	<u>0</u>
Support Services-General Administration				
Employee Benefits	0	463	463	0
Professional & Tech Services	7,502	7,502	4,717	2,785
Other Purchased Services	5,000	5,000	3,596	1,404
Supplies	4,000	4,000	2,445	1,555
Property	1,500	1,765	1,765	0
Total Support Services-General Administration	<u>18,002</u>	<u>18,730</u>	<u>12,986</u>	<u>5,744</u>
Support Services-School Administration				
Other Purchased Services	10,000	10,000	3,877	6,123
Total Support Services-School Administration	<u>10,000</u>	<u>10,000</u>	<u>3,877</u>	<u>6,123</u>
Total Expenditures	\$ <u>254,250</u>	\$ <u>264,365</u>	\$ <u>147,854</u>	\$ <u>116,511</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-TEACHER/PRINCIPLE TRAINING & RECRUITING - 24154
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Excess (Deficiency) of Revenues Over Expenditures	\$ 38,995	\$ 33,995	\$ (3,202)	\$ (37,197)
Cash Balance Beginning of Year	<u>(33,995)</u>	<u>(33,995)</u>	<u>(33,995)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 5,000</u>	<u>\$ 0</u>	<u>\$ (37,197)</u>	<u>\$ (37,197)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (3,202)	
Net change in Due from Grantor			<u>3,202</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-SAFE & DRUG FREE SCHOOLS & COMMUNITIES - 24157
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 11,602	\$ 17,466	\$ 13,871	\$ (3,595)
Total Federal Sources	<u>11,602</u>	<u>17,466</u>	<u>13,871</u>	<u>(3,595)</u>
Total Revenues	<u>11,602</u>	<u>17,466</u>	<u>13,871</u>	<u>(3,595)</u>
Expenditures				
Instruction				
Personnel Services	0	4,874	4,874	0
Employee Benefits	0	990	990	0
Supplies	4,000	4,000	1,939	2,061
Total Instruction	<u>4,000</u>	<u>9,864</u>	<u>7,803</u>	<u>2,061</u>
Support Services-Students				
Other Purchased Services	<u>902</u>	<u>902</u>	<u>400</u>	<u>502</u>
Total Support Services-Students	<u>902</u>	<u>902</u>	<u>400</u>	<u>502</u>
Support Services-General Administration				
Professional & Tech Services	625	625	275	350
Supplies	432	432	296	136
Total Support Services-General Administration	<u>1,057</u>	<u>1,057</u>	<u>571</u>	<u>486</u>
Total Expenditures	<u>5,959</u>	<u>11,823</u>	<u>8,774</u>	<u>3,049</u>
Excess (Deficiency) of Revenues Over Expenditures	5,643	5,643	5,097	(546)
Cash Balance Beginning of Year	<u>(5,643)</u>	<u>(5,643)</u>	<u>(5,643)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (546)</u>	<u>\$ (546)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 5,097	
Net change in Due from Grantor			<u>(5,097)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-21ST CENTURY - 24159
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 166,719	\$ 254,284	\$ 73,064	\$ (181,220)
Total Federal Sources	<u>166,719</u>	<u>254,284</u>	<u>73,064</u>	<u>(181,220)</u>
Total Revenues	<u>166,719</u>	<u>254,284</u>	<u>73,064</u>	<u>(181,220)</u>
Expenditures				
Instruction				
Personnel Services	35,906	110,163	110,163	0
Employee Benefits	7,178	13,932	13,932	0
Professional & Tech Services	16,571	16,571	15,073	1,498
Other Purchased Services	111,445	114,445	22	114,423
Supplies	17,500	20,500	0	20,500
Total Instruction	<u>188,600</u>	<u>275,611</u>	<u>139,190</u>	<u>136,421</u>
Support Services-General Administration				
Professional & Tech Services	5,400	5,954	4,267	1,687
Total Support Services-General Administration	<u>5,400</u>	<u>5,954</u>	<u>4,267</u>	<u>1,687</u>
Total Expenditures	<u>194,000</u>	<u>281,565</u>	<u>143,457</u>	<u>138,108</u>
Excess (Deficiency) of Revenues Over Expenditures	(27,281)	(27,281)	(70,393)	(43,112)
Cash Balance Beginning of Year	<u>27,281</u>	<u>27,281</u>	<u>27,281</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (43,112)</u>	<u>\$ (43,112)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (70,393)	
Net change in Due from Grantor			43,112	
Net change in Deferred Revenue			27,281	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-RURALAND LOW INCOME GRANT - 24160
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 181,193	\$ 236,664	\$ 167,599	\$ (69,065)
Total Federal Sources	<u>181,193</u>	<u>236,664</u>	<u>167,599</u>	<u>(69,065)</u>
Total Revenues	<u>181,193</u>	<u>236,664</u>	<u>167,599</u>	<u>(69,065)</u>
Expenditures				
Instruction				
Personnel Services	2,000	8,995	8,995	0
Employee Benefits	0	723	722	1
Professional & Tech Services	0	335	160	175
Other Purchased Services	32,651	55,069	28,605	26,464
Supplies	34,799	59,799	37,234	22,565
Property	20,000	20,000	1,788	18,212
Total Instruction	<u>89,450</u>	<u>144,921</u>	<u>77,504</u>	<u>67,417</u>
Support Services-Students				
Other Purchased Services	0	0	0	0
Supplies	0	0	0	0
Total Support Services-Students	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Support Services-General Administration				
Professional & Tech Services	0	0	0	0
Total Support Services-General Administration	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>89,450</u>	<u>144,921</u>	<u>77,504</u>	<u>67,417</u>
Excess (Deficiency) of Revenues Over Expenditures	91,743	91,743	90,095	(1,648)
Cash Balance Beginning of Year	<u>(91,743)</u>	<u>(91,743)</u>	<u>(91,743)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (1,648)</u>	<u>\$ (1,648)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 90,095	
Net change in Due from Grantor			(85,951)	
Net change in Accounts Payable			(4,144)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-TITLE III IMMIGRANT GRANT - 24163
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 9,781	\$ 36,509	\$ 0	\$ (36,509)
Total Federal Sources	<u>9,781</u>	<u>36,509</u>	<u>0</u>	<u>(36,509)</u>
Total Revenues	<u>9,781</u>	<u>36,509</u>	<u>0</u>	<u>(36,509)</u>
Expenditures				
Instruction				
Personnel Services	0	1,738	1,738	0
Employee Benefits	0	328	328	0
Other Purchased Services	0	4,904	1,416	3,488
Supplies	0	18,124	18,124	0
Total Instruction	<u>0</u>	<u>25,094</u>	<u>21,606</u>	<u>3,488</u>
Support Services-Students				
Supplies	0	704	704	0
Total Support Services-Students	<u>0</u>	<u>704</u>	<u>704</u>	<u>0</u>
Support Services-General Administration				
Professional & Tech Services	0	930	917	13
Total Support Services-General Administration	<u>0</u>	<u>930</u>	<u>917</u>	<u>13</u>
Total Expenditures	<u>0</u>	<u>26,728</u>	<u>23,227</u>	<u>3,501</u>
Excess (Deficiency) of Revenues Over Expenditures	9,781	9,781	(23,227)	(33,008)
Cash Balance Beginning of Year	<u>(9,781)</u>	<u>(9,781)</u>	<u>(9,781)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (33,008)</u>	<u>\$ (33,008)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (23,227)	
Revenues Accruals			22,240	
Expenditures Accruals			987	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-CARL PERKINS TECH PREP-24168
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 0	\$ 0	\$ 53,499	\$ 53,499
Total Federal Sources	<u>0</u>	<u>0</u>	<u>53,499</u>	<u>53,499</u>
Total Revenues	<u>0</u>	<u>0</u>	<u>53,499</u>	<u>53,499</u>
Expenditures				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>53,499</u>	<u>53,499</u>
Other Financing Sources (Uses)				
Transfer to Operational	<u>0</u>	<u>0</u>	<u>(93,668)</u>	<u>(93,668)</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>(93,668)</u>	<u>(93,668)</u>
Net Change in Cash Balance	0	0	(40,169)	(40,169)
Cash Balance Beginning of Year	<u>40,169</u>	<u>40,169</u>	<u>40,169</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 40,169</u>	<u>\$ 40,169</u>	<u>\$ 0</u>	<u>\$ (40,169)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (40,169)	
Net change in Deferred Revenue			<u>40,169</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-JAG-24171
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 15,239	\$ 15,239	\$ 15,239	\$ 0
Total Federal Sources	<u>15,239</u>	<u>15,239</u>	<u>15,239</u>	<u>0</u>
Total Revenues	<u>15,239</u>	<u>15,239</u>	<u>15,239</u>	<u>0</u>
Expenditures				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	15,239	15,239	15,239	0
Cash Balance Beginning of Year	<u>(15,239)</u>	<u>(15,239)</u>	<u>(15,239)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 15,239	
Net change in Due from Grantor			<u>(15,239)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-CARL PERKINS-24174
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 19,058	\$ 61,026	\$ 29,582	\$ (31,444)
Total Federal Sources	<u>19,058</u>	<u>61,026</u>	<u>29,582</u>	<u>(31,444)</u>
Total Revenues	<u>19,058</u>	<u>61,026</u>	<u>29,582</u>	<u>(31,444)</u>
Expenditures				
Instruction				
Personnel Services	0	13,698	13,529	169
Employee Benefits	0	4,183	3,970	213
Other Purchased Services	0	3,500	1,935	1,565
Supplies	0	9,793	9,420	373
Total Instruction	<u>0</u>	<u>31,174</u>	<u>28,854</u>	<u>2,320</u>
Support Services-Instruction				
Personnel Services	0	5,000	3,641	1,359
Employee Benefits	0	993	679	314
Other Purchased Services	0	1,500	391	1,109
Supplies	0	2,086	1,251	835
Total Support Services-Instruction	<u>0</u>	<u>9,579</u>	<u>5,962</u>	<u>3,617</u>
Support Services-General Administration				
Professional & Tech Services	0	1,215	1,023	192
Total Support Services-General Administration	<u>0</u>	<u>1,215</u>	<u>1,023</u>	<u>192</u>
Total Expenditures	<u>0</u>	<u>41,968</u>	<u>35,839</u>	<u>6,129</u>
Excess (Deficiency) of Revenues Over Expenditures	19,058	19,058	(6,257)	(25,315)
Cash Balance Beginning of Year	<u>(19,058)</u>	<u>(19,058)</u>	<u>(19,058)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (25,315)</u>	<u>\$ (25,315)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (6,257)	
Net change in Due from Grantor			<u>6,257</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-TEACHING AMERICAN HISTORY - 25107
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 0	\$ 560,047	\$ 207,092	\$ (352,955)
Total Federal Sources	0	560,047	207,092	(352,955)
Total Revenues	0	560,047	207,092	(352,955)
Expenditures				
Instruction				
Other Purchased Services	0	2,524	2,524	0
Total Instruction	0	2,524	2,524	0
Support Services-Students				
Professional & Tech Services	0	125,465	0	125,465
Other Purchased Services	0	392,035	197,810	194,225
Supplies	0	22,705	844	21,861
Total Support Services-Students	0	540,205	198,654	341,551
Support Services-General Administration				
Professional & Tech Services	0	17,318	5,914	11,404
Total Support Services-General Administration	0	17,318	5,914	11,404
Total Expenditures	0	560,047	207,092	352,955
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	0	0	0	0
Cash Balance End of Year	\$ 0	\$ 0	\$ 0	\$ 0
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-IMPACT AID SPECIAL EDUCATION - 25145
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 63,180	\$ 63,180	\$ 74,975	\$ 11,795
Total Federal Sources	<u>63,180</u>	<u>63,180</u>	<u>74,975</u>	<u>11,795</u>
Total Revenues	<u>63,180</u>	<u>63,180</u>	<u>74,975</u>	<u>11,795</u>
Expenditures				
Instruction				
Personnel Services	63,180	63,179	37,034	26,145
Employee Benefits	<u>0</u>	<u>14,384</u>	<u>14,384</u>	<u>0</u>
Total Instruction	<u>63,180</u>	<u>77,563</u>	<u>51,418</u>	<u>26,145</u>
Total Expenditures	<u>63,180</u>	<u>77,563</u>	<u>51,418</u>	<u>26,145</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(14,383)	23,557	37,940
Cash Balance Beginning of Year	<u>89,337</u>	<u>89,337</u>	<u>89,337</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 89,337</u>	<u>\$ 74,954</u>	<u>\$ 112,894</u>	<u>\$ 37,940</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 23,557</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 23,557</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-IMPACT AID INDIAN EDUCATION - 25147
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 46,719	\$ 46,719	\$ 47,226	\$ 507
Total Federal Sources	<u>46,719</u>	<u>46,719</u>	<u>47,226</u>	<u>507</u>
Total Revenues	<u>46,719</u>	<u>46,719</u>	<u>47,226</u>	<u>507</u>
Expenditures				
Instruction				
Personnel Services	46,719	46,719	32,339	14,380
Employee Benefits	0	12,209	12,208	1
Total Instruction	<u>46,719</u>	<u>58,928</u>	<u>44,547</u>	<u>14,381</u>
Total Expenditures	<u>46,719</u>	<u>58,928</u>	<u>44,547</u>	<u>14,381</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(12,209)	2,679	14,888
Cash Balance Beginning of Year	<u>65,027</u>	<u>65,027</u>	<u>65,027</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 65,027</u>	<u>\$ 52,818</u>	<u>\$ 67,706</u>	<u>\$ 14,888</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>2,679</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>2,679</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-GRADS CHILD CARE CYFD-25149
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 0	\$ 4,944	\$ 2,500	\$ (2,444)
Total Federal Sources	<u>0</u>	<u>4,944</u>	<u>2,500</u>	<u>(2,444)</u>
Total Revenues	<u>0</u>	<u>4,944</u>	<u>2,500</u>	<u>(2,444)</u>
Expenditures				
Instruction				
Personnel Services	0	4,236	4,236	0
Employee Benefits	0	764	764	0
Total Instruction	<u>0</u>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(56)	(2,500)	(2,444)
Cash Balance Beginning of Year	<u>56</u>	<u>56</u>	<u>56</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 56</u>	<u>\$ 0</u>	<u>\$ (2,444)</u>	<u>\$ (2,444)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (2,500)	
Net change in Due from Grantor			2,444	
Net change in Deferred Revenue			56	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-MEDICAID-25153
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 0	\$ 148,907	\$ 181,060	\$ 32,153
Total Federal Sources	<u>0</u>	<u>148,907</u>	<u>181,060</u>	<u>32,153</u>
Total Revenues	<u>0</u>	<u>148,907</u>	<u>181,060</u>	<u>32,153</u>
Expenditures				
Instruction				
Personnel Services	0	17,823	17,680	143
Employee Benefits	0	13,604	13,020	584
Other Purchased Services	0	130	130	0
Supplies	0	144	143	1
Total Instruction	<u>0</u>	<u>31,701</u>	<u>30,973</u>	<u>728</u>
Support Services-Students				
Personnel Services	0	74,923	74,923	0
Employee Benefits	0	28,866	28,866	0
Total Support Services-Students	<u>0</u>	<u>103,789</u>	<u>103,789</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>135,490</u>	<u>134,762</u>	<u>728</u>
Excess (Deficiency) of Revenues Over Expenditures	0	13,417	46,298	32,881
Cash Balance Beginning of Year	<u>145,834</u>	<u>145,834</u>	<u>145,834</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 145,834</u>	<u>\$ 159,251</u>	<u>\$ 192,132</u>	<u>\$ 32,881</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 46,298</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 46,298</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-TANF/GRADS-25162
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 0	\$ 8,000	\$ 4,000	\$ (4,000)
Total Federal Sources	<u>0</u>	<u>8,000</u>	<u>4,000</u>	<u>(4,000)</u>
Total Revenues	<u>0</u>	<u>8,000</u>	<u>4,000</u>	<u>(4,000)</u>
Expenditures				
Instruction				
Personnel Services	0	6,720	6,720	0
Employee Benefits	0	1,280	1,280	0
Total Instruction	<u>0</u>	<u>8,000</u>	<u>8,000</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>8,000</u>	<u>8,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(4,000)	(4,000)
Cash Balance Beginning of Year	<u>3,757</u>	<u>3,757</u>	<u>3,757</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 3,757</u>	<u>\$ 3,757</u>	<u>\$ (243)</u>	<u>\$ (4,000)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (4,000)	
Net change in Due from Grantor			243	
Net change in Deferred Revenue			<u>3,757</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-TITLE IX INDIAN EDUCATION FORMULA-25184
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 0	\$ 46,684	\$ 45,025	\$ (1,659)
Total Federal Sources	0	46,684	45,025	(1,659)
Total Revenues	0	46,684	45,025	(1,659)
Expenditures				
Instruction				
Personnel Services	0	31,700	30,168	1,532
Employee Benefits	0	13,477	13,477	0
Total Instruction	0	45,177	43,645	1,532
Support Services- General Administration				
Professional & Tech Services	0	1,507	1,380	127
Total Support Services- Administration	0	1,507	1,380	127
Total Expenditures	0	46,684	45,025	1,659
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	0	0	0	0
Cash Balance End of Year	\$ 0	\$ 0	\$ 0	\$ 0
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-GEAR UP-25211
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 18,957	\$ 18,957	\$ 18,957	\$ 0
Total Federal Sources	<u>18,957</u>	<u>18,957</u>	<u>18,957</u>	<u>0</u>
Total Revenues	<u>18,957</u>	<u>18,957</u>	<u>18,957</u>	<u>0</u>
Expenditures				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	18,957	18,957	18,957	0
Cash Balance Beginning of Year	<u>(18,957)</u>	<u>(18,957)</u>	<u>(18,957)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 18,957	
Net change in Due from Grantor			(19,025)	
Net change in Accounts Payable			<u>68</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-LANL FOUNDATION-26113
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grant	\$ 0	\$ 82,196	\$ 45,412	\$ (36,784)
Total State & Local Sources	<u>0</u>	<u>82,196</u>	<u>45,412</u>	<u>(36,784)</u>
Total Revenues	<u>0</u>	<u>82,196</u>	<u>45,412</u>	<u>(36,784)</u>
Expenditures				
Instruction				
Personnel Services	0	14,200	14,200	0
Employee Benefits	0	4,843	4,843	0
Other Purchased Services	0	58,541	58,541	0
Supplies	0	6,537	3,614	2,923
Property	0	998	998	0
Total Instruction	<u>0</u>	<u>85,119</u>	<u>82,196</u>	<u>2,923</u>
Total Expenditures	<u>0</u>	<u>85,119</u>	<u>82,196</u>	<u>2,923</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(2,923)	(36,784)	(33,861)
Cash Balance Beginning of Year	<u>36,784</u>	<u>36,784</u>	<u>36,784</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 36,784</u>	<u>\$ 33,861</u>	<u>\$ 0</u>	<u>\$ (33,861)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (36,784)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (36,784)</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-INTEL FOUNDATION-26116
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total State & Local Sources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures				
	0	0	0	0
Cash Balance Beginning of Year				
	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	<u>0</u>
Cash Balance End of Year				
	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-PNM FOUNDATION-26123
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total State & Local Sources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>63</u>	<u>63</u>	<u>63</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 63</u>	<u>\$ 63</u>	<u>\$ 63</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-NEW MEXICO NETWORK FOR RURAL EDUCATION-26129
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

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

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-TANIF SCHOOL AGE CARE & FAMILY SUPPORT-27115
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

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

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-TECHNOLOGY FOR EDUCATION-25347
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grant	\$ 19,723	\$ 82,450	\$ 85,342	\$ 2,892
Total State & Local Sources	<u>19,723</u>	<u>82,450</u>	<u>85,342</u>	<u>2,892</u>
Total Revenues	<u>19,723</u>	<u>82,450</u>	<u>85,342</u>	<u>2,892</u>
Expenditures				
Support Services-Students				
Other Purchased Services	0	3,567	3,567	0
Supplies	0	28,178	28,178	0
Property	0	30,982	22,243	8,739
Total Support Services-Students	<u>0</u>	<u>62,727</u>	<u>53,988</u>	<u>8,739</u>
Total Expenditures	<u>0</u>	<u>62,727</u>	<u>53,988</u>	<u>8,739</u>
Excess (Deficiency) of Revenues Over Expenditures	19,723	19,723	31,354	11,631
Cash Balance Beginning of Year	<u>(19,723)</u>	<u>(19,723)</u>	<u>(19,723)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 11,631</u>	<u>\$ 11,631</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 31,354	
Net change in Accounts Payable			<u>(19,723)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 11,631</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-OBESITY PROGRAM-27120
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grant	\$ 789	789	\$ 924	\$ 135
Total State & Local Sources	<u>789</u>	<u>789</u>	<u>924</u>	<u>135</u>
Total Revenues	<u>789</u>	<u>789</u>	<u>924</u>	<u>135</u>
Expenditures				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	789	789	924	135
Cash Balance Beginning of Year	<u>(789)</u>	<u>(789)</u>	<u>(789)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 135</u>	<u>\$ 135</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 924	
Net change in Due from Grantor			<u>(789)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 135</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-TANF FULL DAY KINDERGARTEN-27136
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total State & Local Sources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>207</u>	<u>207</u>	<u>207</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 207</u>	<u>\$ 207</u>	<u>\$ 207</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-INCENTIVES FOR SCHOOL IMPROVEMENT-27138
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grant	\$ 0	\$ 0	\$ 42,408	\$ 42,408
Total State & Local Sources	<u>0</u>	<u>0</u>	<u>42,408</u>	<u>42,408</u>
Total Revenues	<u>0</u>	<u>0</u>	<u>42,408</u>	<u>42,408</u>
Expenditures				
Instruction				
Supplies	26,157	26,157	0	26,157
Total Instruction	<u>26,157</u>	<u>26,157</u>	<u>0</u>	<u>26,157</u>
Total Expenditures	<u>26,157</u>	<u>26,157</u>	<u>0</u>	<u>26,157</u>
Excess (Deficiency) of Revenues Over Expenditures	(26,157)	(26,157)	42,408	68,565
Cash Balance Beginning of Year	<u>26,157</u>	<u>26,157</u>	<u>26,157</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 68,565</u>	<u>\$ 68,565</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 42,408	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 42,408</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-SUMMER BRIDGE-27144
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total State & Local Sources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>107</u>	<u>107</u>	<u>107</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 107</u>	<u>\$ 107</u>	<u>\$ 107</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-LIBRARY GO BONDS LAW 2004-27145
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grant	\$ 2,117	\$ 2,117	\$ 0	\$ (2,117)
Total State & Local Sources	<u>2,117</u>	<u>2,117</u>	<u>0</u>	<u>(2,117)</u>
Total Revenues	<u>2,117</u>	<u>2,117</u>	<u>0</u>	<u>(2,117)</u>
Expenditures				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	2,117	2,117	0	(2,117)
Cash Balance Beginning of Year	<u>(2,117)</u>	<u>(2,117)</u>	<u>(2,117)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (2,117)</u>	<u>\$ (2,117)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-INDIAN EDUCATION ACT-27150
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grant	\$ 37,286	\$ 37,286	\$ 37,124	\$ (162)
Total State & Local Sources	<u>37,286</u>	<u>37,286</u>	<u>37,124</u>	<u>(162)</u>
Total Revenues	<u>37,286</u>	<u>37,286</u>	<u>37,124</u>	<u>(162)</u>
Expenditures				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	37,286	37,286	37,124	(162)
Cash Balance Beginning of Year	<u>(37,286)</u>	<u>(37,286)</u>	<u>(37,286)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (162)</u>	<u>\$ (162)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 37,124	
Net change in Due from Grantor			<u>(37,124)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-BEGINNING TEACHER MENTORING PROGRAM-27154
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grant	\$ 0	\$ 46,447	\$ 46,447	\$ 0
Total State & Local Sources	<u>0</u>	<u>46,447</u>	<u>46,447</u>	<u>0</u>
Total Revenues	<u>0</u>	<u>46,447</u>	<u>46,447</u>	<u>0</u>
Expenditures				
Food Services Operations				
Supplies	<u>0</u>	<u>17,129</u>	<u>0</u>	<u>17,129</u>
Total Food Services Operations	<u>0</u>	<u>17,129</u>	<u>0</u>	<u>17,129</u>
Total Expenditures	<u>0</u>	<u>17,129</u>	<u>0</u>	<u>17,129</u>
Excess (Deficiency) of Revenues Over Expenditures	0	29,318	46,447	17,129
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 29,318</u>	<u>\$ 46,447</u>	<u>\$ 17,129</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>46,447</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>46,447</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-BREAKFAST FOR ELEMENTARY STUDENTS-27155
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grant	\$ 17,155	\$ 17,155	\$ 0	\$ (17,155)
Total State & Local Sources	<u>17,155</u>	<u>17,155</u>	<u>0</u>	<u>(17,155)</u>
Total Revenues	<u>17,155</u>	<u>17,155</u>	<u>0</u>	<u>(17,155)</u>
Expenditures				
Food Services Operations				
Supplies	<u>17,285</u>	<u>17,285</u>	<u>17,129</u>	<u>156</u>
Total Food Services Operations	<u>17,285</u>	<u>17,285</u>	<u>17,129</u>	<u>156</u>
Total Expenditures	<u>17,285</u>	<u>17,285</u>	<u>17,129</u>	<u>156</u>
Excess (Deficiency) of Revenues Over Expenditures	(130)	(130)	(17,129)	(16,999)
Cash Balance Beginning of Year	<u>130</u>	<u>130</u>	<u>130</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (16,999)</u>	<u>\$ (16,999)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (17,129)	
Net change in Due from Grantor			<u>16,999</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (130)</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-LEGISLATIVE APPROPRIATION-27165
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grant	\$ 45,000	\$ 248,706	\$ 0	\$ (248,706)
Total State & Local Sources	<u>45,000</u>	<u>248,706</u>	<u>0</u>	<u>(248,706)</u>
Total Revenues	<u>45,000</u>	<u>248,706</u>	<u>0</u>	<u>(248,706)</u>
Expenditures				
Instruction				
Personnel Services	1,066	1,066	1,066	0
Employee Benefits	86	86	86	0
Total Instruction	<u>1,152</u>	<u>1,152</u>	<u>1,152</u>	<u>0</u>
Total Expenditures	<u>1,152</u>	<u>1,152</u>	<u>1,152</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	43,848	247,554	(1,152)	(248,706)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 43,848</u>	<u>\$ 247,554</u>	<u>\$ (1,152)</u>	<u>\$ (248,706)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (1,152)	
Net change in Due from Grantor			<u>1,152</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-KINDERGARTEN 3-PLUS-27166
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grant	\$ 0	\$ 190,334	\$ 248,706	\$ 58,372
Total State & Local Sources	<u>0</u>	<u>190,334</u>	<u>248,706</u>	<u>58,372</u>
Total Revenues	<u>0</u>	<u>190,334</u>	<u>248,706</u>	<u>58,372</u>
Expenditures				
Instruction				
Personnel Services	0	127,011	94,143	32,868
Employee Benefits	0	32,944	18,132	14,812
Supplies	0	18,003	6,074	11,929
Total Instruction	<u>0</u>	<u>177,958</u>	<u>118,349</u>	<u>26,741</u>
Support Services-Students				
Personnel Services	0	7,812	7,561	251
Employee Benefits	0	1,467	1,463	4
Total Support Services-Students	<u>0</u>	<u>9,279</u>	<u>9,024</u>	<u>255</u>
Operation & Maintenance of Plant				
Personnel Services	0	2,593	2,593	0
Employee Benefits	0	504	503	1
Total Operation & Maintenance of Plant	<u>0</u>	<u>3,097</u>	<u>3,096</u>	<u>1</u>
Total Expenditures	<u>0</u>	<u>190,334</u>	<u>130,469</u>	<u>26,997</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	118,237	118,237
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 118,237</u>	<u>\$ 118,237</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>118,237</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>118,237</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-STATE 21ST CENTURY LEARNING CENTER-27167
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grant	\$ 0	\$ 67,627	\$ 0	\$ (67,627)
Total State & Local Sources	<u>0</u>	<u>67,627</u>	<u>0</u>	<u>(67,627)</u>
Total Revenues	<u>0</u>	<u>67,627</u>	<u>0</u>	<u>(67,627)</u>
Expenditures				
Instruction				
Personnel Services	0	55,066	54,347	719
Employee Benefits	0	8,966	8,966	0
Professional & Tech Services	0	582	582	0
Other Purchased Services	0	543	542	1
Supplies	0	2,470	2,470	0
Total Instruction	<u>0</u>	<u>67,627</u>	<u>66,907</u>	<u>720</u>
Total Expenditures	<u>0</u>	<u>67,627</u>	<u>66,907</u>	<u>720</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(66,907)	(66,907)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (66,907)</u>	<u>\$ (66,907)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (66,907)	
Net change in Due from Grantor			<u>66,907</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-LIBRARIES GO BONDS-27170
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grant	\$ 0	\$ 25,259	\$ 1,618	\$ (23,641)
Total State & Local Sources	<u>0</u>	<u>25,259</u>	<u>1,618</u>	<u>(23,641)</u>
Total Revenues	<u>0</u>	<u>25,259</u>	<u>1,618</u>	<u>(23,641)</u>
Expenditures				
Support Services-Instruction				
Supplies	<u>0</u>	<u>25,259</u>	<u>12,056</u>	<u>13,203</u>
Total Support Services-Instruction	<u>0</u>	<u>25,259</u>	<u>12,056</u>	<u>13,203</u>
Total Expenditures	<u>0</u>	<u>25,259</u>	<u>12,056</u>	<u>13,203</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(10,438)	(10,438)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (10,438)</u>	<u>\$ (10,438)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (10,438)	
Net change in Due from Grantor			<u>10,438</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-ASSIST TOBACCO-28122
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grant	\$ 15,000	\$ 46,357	\$ 31,358	\$ (14,999)
Total State & Local Sources	<u>15,000</u>	<u>46,357</u>	<u>31,358</u>	<u>(14,999)</u>
Total Revenues	<u>15,000</u>	<u>46,357</u>	<u>31,358</u>	<u>(14,999)</u>
Expenditures				
Instruction				
Personnel Services	0	360	360	0
Employee Benefits	0	31	30	1
Other Purchased Services	0	1,102	1,102	0
Total Instruction	<u>0</u>	<u>1,493</u>	<u>1,492</u>	<u>1</u>
Support Services-Students				
Personnel Services	0	30,867	28,485	2,382
Employee Benefits	0	8,313	8,313	0
Other Purchased Services	0	1,900	1,667	233
Supplies	13,326	1,305	1,148	157
Property	0	805	805	0
Total Support Services-Students	<u>13,326</u>	<u>43,190</u>	<u>40,418</u>	<u>2,772</u>
Total Expenditures	<u>13,326</u>	<u>44,683</u>	<u>41,910</u>	<u>2,773</u>
Excess (Deficiency) of Revenues Over Expenditures	1,674	1,674	(10,552)	(12,226)
Cash Balance Beginning of Year	<u>(1,674)</u>	<u>(1,674)</u>	<u>(1,674)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (12,226)</u>	<u>\$ (12,226)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (10,552)	
Net change in Due from Grantor			<u>(4,215)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (14,767)</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-DOH HEALTHIER SCHOOLS-28155
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grant	\$ 94,291	\$ 94,291	\$ 70,386	\$ (23,905)
Total State & Local Sources	<u>94,291</u>	<u>94,291</u>	<u>70,386</u>	<u>(23,905)</u>
Total Revenues	<u>94,291</u>	<u>94,291</u>	<u>70,386</u>	<u>(23,905)</u>
Expenditures				
Support Services-Students				
Personnel Services	0	72,000	31,713	40,287
Employee Benefits	0	15,791	8,092	7,699
Other Purchased Services	0	32,279	32,279	0
Supplies	0	3,627	3,627	0
Property	0	2,000	418	1,582
Total Support Services-Students	<u>0</u>	<u>125,697</u>	<u>76,129</u>	<u>49,568</u>
Total Expenditures	<u>0</u>	<u>125,697</u>	<u>76,129</u>	<u>49,568</u>
Excess (Deficiency) of Revenues Over Expenditures	94,291	(31,406)	(5,743)	25,663
Cash Balance Beginning of Year	<u>46,605</u>	<u>46,605</u>	<u>46,605</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 140,896</u>	<u>\$ 15,199</u>	<u>\$ 40,862</u>	<u>\$ 25,663</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (5,743)	
Net change in Accounts Payable			<u>724</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (5,019)</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-GEAR UP-28178
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grant	\$ 0	\$ 56,801	\$ 4,751	\$ (52,050)
Total State & Local Sources	<u>0</u>	<u>56,801</u>	<u>4,751</u>	<u>(52,050)</u>
Total Revenues	<u>0</u>	<u>56,801</u>	<u>4,751</u>	<u>(52,050)</u>
Expenditures				
Instruction				
Personnel Services	0	12,000	0	12,000
Employee Benefits	0	900	332	568
Professional & Tech Services	0	17,366	2,242	15,124
Other Purchased Services	0	9,125	751	8,374
Supplies	0	494	494	0
Property	0	3,951	3,951	0
Total Instruction	<u>0</u>	<u>43,836</u>	<u>7,770</u>	<u>36,066</u>
Support Services-Students				
Professional & Tech Services	0	1,000	1,000	0
Total Support Services-Students	<u>0</u>	<u>1,000</u>	<u>1,000</u>	<u>0</u>
Support Services-Instruction				
Personnel Services	0	8,100	8,100	0
Employee Benefits	0	1,617	1,617	0
Other Purchased Services	0	2,248	183	2,065
Total Support Services-Instruction	<u>0</u>	<u>11,965</u>	<u>9,900</u>	<u>2,065</u>
Total Expenditures	<u>0</u>	<u>56,801</u>	<u>18,670</u>	<u>38,131</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(13,919)	(13,919)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (13,919)</u>	<u>\$ (13,919)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (13,919)	
Net change in Due from Grantor			13,919	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-YES | CAN-29102
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grant	\$ 0	\$ 8,700	\$ 8,700	\$ 0
Total State & Local Sources	<u>0</u>	<u>8,700</u>	<u>8,700</u>	<u>0</u>
Total Revenues	<u>0</u>	<u>8,700</u>	<u>8,700</u>	<u>0</u>
Expenditures				
Instruction				
Other Purchased Services	0	4,312	4,312	0
Supplies	<u>0</u>	<u>2,000</u>	<u>500</u>	<u>1,500</u>
Total Instruction	<u>0</u>	<u>6,312</u>	<u>4,812</u>	<u>1,500</u>
Support Services-Students				
Supplies	<u>0</u>	<u>1,700</u>	<u>1,380</u>	<u>320</u>
Total Support Services-Students	<u>0</u>	<u>1,700</u>	<u>1,380</u>	<u>320</u>
Total Expenditures	<u>0</u>	<u>8,012</u>	<u>6,192</u>	<u>1,820</u>
Excess (Deficiency) of Revenues Over Expenditures	0	688	2,508	1,820
Cash Balance Beginning of Year	<u>13,089</u>	<u>13,089</u>	<u>13,089</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 13,089</u>	<u>\$ 13,777</u>	<u>\$ 15,597</u>	<u>\$ 1,820</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 2,508</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 2,508</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-SCHOOL BASED HEALTH CENTER-29130
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grant	\$ 0	\$ 140,000	\$ 89,880	\$ (50,120)
Total State & Local Sources	<u>0</u>	<u>140,000</u>	<u>89,880</u>	<u>(50,120)</u>
Total Revenues	<u>0</u>	<u>140,000</u>	<u>89,880</u>	<u>(50,120)</u>
Expenditures				
Capital Outlay				
Personnel Services	0	73,485	55,295	18,190
Employee Benefits	0	22,100	12,691	9,409
Total Capital Outlay	<u>0</u>	<u>95,585</u>	<u>67,986</u>	<u>27,599</u>
Total Expenditures	<u>0</u>	<u>95,585</u>	<u>67,986</u>	<u>27,599</u>
Excess (Deficiency) of Revenues Over Expenditures	0	44,415	21,894	(22,521)
Cash Balance Beginning of Year	<u>10,319</u>	<u>10,319</u>	<u>10,319</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 10,319</u>	<u>\$ 54,734</u>	<u>\$ 32,213</u>	<u>\$ (22,521)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>21,894</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>21,894</u>	

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

NON MAJOR CAPITAL PROJECTS FUND

Special Capital Outlay-Local 31300

The revenues are derived from a local sources. The expenditures are restricted to major capital improvements.

Energy Efficiency Act 31800

The revenues are derived from a restricted portion of the state equalization grant to be used for capital improvements to improve energy efficiency and retire debt related to energy efficiency capital improvements.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR CAPITAL PROJECTS FUNDS
Combining Balance Sheet
June 30, 2008

	Special Capital Outlay Local 31300	Energy Efficiency Act 31800	Total
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 32,153	\$ 0	\$ 32,153
Receivables			
Due From Grantor	0	0	0
Total Assets	<u>\$ 32,153</u>	<u>\$ 0</u>	<u>\$ 32,153</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balances	\$ 0	\$ 0	\$ 0
Current Portion Due for Debt Obligations			
Principal	0	0	0
Interest	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance			
Reserved for Capital			
Improvements	32,153	0	32,153
Total Fund Balance	<u>32,153</u>	<u>0</u>	<u>32,153</u>
 Total Liabilities and Fund Balance	 <u>\$ 32,153</u>	 <u>\$ 0</u>	 <u>\$ 32,153</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
NONMAJOR CAPITAL PROJECTS FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2008

	Special Capital Outlay Local 31300	Energy Efficiency Act 31800	Total
Revenues			
State & Local Sources			
State Grants	\$ 0	\$ 166,983	\$ 166,983
Total State & Local Sources	<u>0</u>	<u>166,983</u>	<u>166,983</u>
Total Revenues	<u>0</u>	<u>166,983</u>	<u>166,983</u>
Expenditures			
Debt Service			
Principal	0	41,680	41,680
Interest	0	735	735
Capital Outlay	0	0	0
Total Expenditures	<u>0</u>	<u>42,415</u>	<u>42,415</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>124,568</u>	<u>124,568</u>
Other Financing Sources (Uses)			
Transfer (To)/From	0	(145,311)	(145,311)
Total Other Financing Sources (Uses)	<u>0</u>	<u>(145,311)</u>	<u>(145,311)</u>
Net Change in Fund Balances	0	(20,743)	(20,743)
Fund Balances at Beginning of Year	<u>32,153</u>	<u>20,743</u>	<u>52,896</u>
Fund Balance End of Year	<u>\$ 32,153</u>	<u>\$ 0</u>	<u>\$ 32,153</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 CAPITAL PROJECTS FUND-SPECIAL CAPITAL OUTLAY-LOCAL-31300
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total State & Local Sources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Capital Outlay				
Supplies	32,153	32,153	0	32,153
Total Capital Outlay	<u>32,153</u>	<u>32,153</u>	<u>0</u>	<u>32,153</u>
Total Expenditures	<u>32,153</u>	<u>32,153</u>	<u>0</u>	<u>32,153</u>
Excess (Deficiency) of Revenues Over Expenditures	(32,153)	(32,153)	0	32,153
Cash Balance Beginning of Year	<u>32,153</u>	<u>32,153</u>	<u>32,153</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 32,153</u>	<u>\$ 32,153</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 CAPITAL PROJECTS FUND-ENERGY EFFICIENCY ACT-31800
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grant	\$ 192,609	\$ 192,609	\$ 192,609	\$ 0
Total State & Local Sources	<u>192,609</u>	<u>192,609</u>	<u>192,609</u>	<u>0</u>
Total Revenues	<u>192,609</u>	<u>192,609</u>	<u>192,609</u>	<u>0</u>
Expenditures				
Operation & Maintenance of Plant				
Professional & Tech Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Operation & Maintenance of Plant	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Capital Outlay				
Principal	55,574	55,574	55,574	0
Interest	<u>1,707</u>	<u>1,707</u>	<u>1,707</u>	<u>0</u>
Total Debt Service	<u>57,281</u>	<u>57,281</u>	<u>57,281</u>	<u>0</u>
Total Expenditures	<u>57,281</u>	<u>57,281</u>	<u>57,281</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>135,328</u>	<u>135,328</u>	<u>135,328</u>	<u>0</u>
Other Financing Sources (Uses)				
Transfer to Operational	0	(145,311)	(145,311)	0
Loan to Other Fund	<u>0</u>	<u>(200)</u>	<u>(200)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>(145,511)</u>	<u>(145,511)</u>	<u>0</u>
Net Change in Cash Balance	135,328	(10,183)	(10,183)	0
Cash Balance Beginning of Year	<u>10,183</u>	<u>10,183</u>	<u>10,183</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 145,511</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 135,328	
Net change in Due from Grantor			(25,626)	
Net change in Principal			13,893	
Net change in Interest			973	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 124,568</u>	

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

OTHER SUPPLEMENTAL INFORMATION

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 AGENCY FUNDS
 Schedule of Fiduciary Net Assets and Liabilities-Agency Funds
 For the Year Ended June 30, 2008

	<u>Balance</u> 06-30-07	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> 06-30-08
ASSETS				
Cash in Bank	\$ 358,381	\$ 506,630	\$ 479,842	\$ 385,169
Total Assets	<u>\$ 358,381</u>	<u>\$ 506,630</u>	<u>\$ 479,842</u>	<u>\$ 385,169</u>
LIABILITIES				
Deposits Held for Others	\$ 358,381	\$ 506,630	\$ 479,842	\$ 385,169
Total Liabilities	<u>\$ 358,381</u>	<u>\$ 506,630</u>	<u>\$ 479,842</u>	<u>\$ 385,169</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
ACTIVITY FUNDS
Schedule of Fiduciary Net Assets and Liabilities-Agency Funds
For the Year Ended June 30, 2008

ASSETS	Balance 06-30-07	Additions	Deductions	Balance 06-30-08
District				
District Scholarship	\$ 5,379	\$ 6,500	\$ 7,900	\$ 3,979
Student Nutrition Employee Association	327	4,065	2,370	2,022
Two-Mill Levy Costs/Supplies	1,122	0	0	1,122
Insurance Adjustments/Supplies	683	2,679	1,033	2,329
Staff Lounge Account/Supplies	939	60	137	862
Empty Bowl/Charity/Supplies	322	0	0	322
Chrysalis Alternative/Supplies	1,247	0	1,135	112
Discovery Programs/Supplies	0	54,700	0	54,700
District Book Fair/Supplies	389	0	0	389
Food/Staffs Vending	1,741	223	711	1,253
Carl & Dora Dillistone Scholarship Fund	0	3,000	3,000	0
Suzanne Beauregard Scholarship Fund	0	250	250	0
Administration Scholarship Fund	0	400	0	400
Frank & Cecelia Torres/PJ Scholarship Fund	0	500	0	500
Interest/Now Account	2,485	1,475	1,871	2,089
General Fund/Administration	1,641	176	1,468	349
Activity Trip/Outside Agency	1,936	7,305	4,551	4,690
Pepsi Commision	206	0	0	206
Pepsi/Rights Fees	3,118	7,817	0	10,935
Pepsi/Student Scholarship	411	461	872	0
Pepsi/Student Ed. Award	789	922	0	1,711
Brain Injury Team	0	866	832	34
Total District	\$ 22,735	\$ 91,399	\$ 26,130	\$ 88,004
Taos High School				
General Activity-High School	\$ 5,715	\$ 6,353	\$ 11,775	\$ 293
Elf Inc	568	157	601	124
North Central Dist. Student Council	0	210	84	126
Business Professors of America	0	3,957	3,349	608
German Club	1,037	0	1,036	1
Flea Market	483	0	483	0
Class 2008	3,658	2,670	5,500	828
Class of 2007	272	315	587	0
THS Chefs	778	2,529	3,307	0
JV Cheerleaders	759	4,669	5,301	127
Teen Clinic	433	0	0	433
French Club	540	134	674	0
Taoseno	1,161	732	1,508	385
9th Girls Basketball	8	0	0	8
Athletic Posters	5,351	3,400	1,039	7,712
Student Parking	4,042	4,820	8,848	14
Family & Consumer	355	4,867	3,278	1,944
Intro Basic Culinary	1,589	3,289	2,700	2,178
Jede	\$ 438	\$ 0	\$ 0	\$ 438

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
ACTIVITY FUNDS
Schedule of Fiduciary Net Assets and Liabilities-Agency Funds
For the Year Ended June 30, 2008

ASSETS	Balance 06-30-07	Additions	Deductions	Balance 06-30-08
Tourneys	\$ 2,294	\$ 1,855	\$ 0	\$ 4,149
THS Scholarship	1,984	2,210	3,900	294
THS Varsity Cheerleaders	4,361	14,822	19,182	1
THS Drill Team	1,584	10,500	9,788	2,296
THS FFA	8,637	0	6,356	2,281
Culinary (FHA)	1,391	17,330	13,636	5,085
THS Don Fernando YBK	7,215	25,951	11,660	21,506
Industrial Arts	420	1,825	925	1,320
THS Letterman Club	1,337	52	1,075	314
THS Library	770	40	448	362
THS Woodwork Program	1,424	1,170	2,300	294
THS Ski Club	2,837	1,080	871	3,046
THS Student Council	5,964	4,913	9,844	1,033
THS Art Dept.	116	600	656	60
THS KIVA Club	17	0	0	17
Performing Arts	3,813	188	500	3,501
Tobacco Youth	236	320	273	283
Class of 2010	2,240	957	530	2,667
The Earth Club	264	492	666	90
THS Nation Honor	862	0	857	5
THS Letter Girls	1,218	575	0	1,793
THS Chorus	536	0	536	0
THS Invitational	10,363	8,256	3,411	15,208
THS Tiger Baseball	5,008	1,500	5,612	896
THS Pep Club	316	0	0	316
THS Welding Class	29	0	0	29
THS Drama	6,906	3,239	4,537	5,608
THS Science Dept.	1,325	2,026	1,485	1,866
Mecha/Keysers Spanish Club	185	100	0	285
THS Building Trades	154	0	0	154
Boys Soccer	10,170	685	9,070	1,785
Spanish Class	473	120	218	375
THS Wrestling Club	1,396	712	942	1,166
THS Counseling Dept.	2,892	2,014	1,844	3,062
THS Speech/Debate	614	2,098	2,588	124
THS Boys Track	767	1,256	1,017	1,006
THS Rodeo Club	1,302	0	1,302	0
THS Vocational	123	0	0	123
THS Basketball Boys	2,940	1,716	3,335	1,321
THS Intramurals	17	0	0	17
JV Boys Basketball	33	0	0	33
THS Social Studies	22	0	0	22
Class of 2009	3,243	12,213	9,710	5,746
Class of 2011	0	1,679	0	1,679
THS Mariachi Band	300	6,296	6,596	0
Swim Team	\$ 1,353	\$ 4,365	\$ 3,159	\$ 2,559

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
ACTIVITY FUNDS
Schedule of Fiduciary Net Assets and Liabilities-Agency Funds
For the Year Ended June 30, 2008

ASSETS	Balance 06-30-07	Additions	Deductions	Balance 06-30-08
THS Girls Soccer	\$ 200	\$ 0	\$ 0	\$ 200
THS Girls Basketball	833	2,575	2,421	987
THS Quarterback Club	300	15,705	12,245	3,760
THS Cross Country	134	0	0	134
GRADS/Child Care	1,664	3,247	2,760	2,151
THS Volleyball Club	420	500	920	0
THS Math Class	68	2,412	1,057	1,423
THS SP ED Account	292	0	199	93
Business/Computer Applications	1,986	1,813	2,903	896
Anime Club	16	0	0	16
THS Golf Team	891	0	0	891
THS Coaches Fund	1,320	0	480	840
THS Tennis Club	863	3,000	0	3,863
THS Varsity Softball	1,697	0	1,085	612
THS Band	132	2,599	1,485	1,246
Mock Trial	279	0	0	279
Poetry Entrepreneurship	139	3,952	3,608	483
After School & Summer School	30,762	7,075	31,362	6,475
THS Girls Track	252	0	0	252
Entrepreneurship	408	234	617	25
Taos Mtn Masters	5,023	11,982	16,550	455
Advanced Placement	405	2,414	2,101	718
Snowboarding	2,514	3,214	2,209	3,519
Yearbook (Pay for Yearbook)	542	535	877	200
Concession-High School	11,608	14,786	13,253	13,141
Total Taos High School	\$ 189,386	\$ 247,300	\$ 285,031	\$ 151,655
Taos Middle School				
TMS Project Get Ahead	\$ 59	\$ 0	\$ 0	\$ 59
TMS General Account	6,236	5,878	6,882	5,232
TMS Ath Concessions	220	0	0	220
TMS "E" Program	10,042	1,391	5,447	5,986
TMS Art Club	0	0	0	0
Nutritional/Sports	157	0	157	0
TMS Special Ed	564	0	0	564
TMS FHA	1	0	0	1
TMS Staff Account	1,100	174	668	606
TMS Honor Society	490	250	506	234
TMS Library Fund	320	3,070	2,091	1,299
TMS Yearbook Fund	8,376	11,432	7,681	12,127
TMS Drill	1,963	10,152	6,292	5,823
TMS Ski Club	3,497	1,400	1,120	3,777
TMS Student Council	2,193	0	85	2,108
TMS CAD	653	0	0	653
TMS Band	5,302	3,071	4,081	4,292
8th Girls Basketball	\$ 222	\$ 0	\$ 200	\$ 22

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
ACTIVITY FUNDS
Schedule of Fiduciary Net Assets and Liabilities-Agency Funds
For the Year Ended June 30, 2008

ASSETS	Balance 06-30-07	Additions	Deductions	Balance 06-30-08
TMS Drama	\$ 355	\$ 0	\$ 355	\$ 0
TMS Computer Lab	1,529	0	0	1,529
TMS Home Ec	139	0	0	139
TMS Spanish Spelling Bee Club	34	0	0	34
TMS Counseling	33	0	0	33
7th Girls Basketball	1	0	0	1
Ernie Lopez	36	0	36	0
7th/8th Boys Track	359	0	0	359
TMS End of Year Field Trips	126	220	230	116
TASP/Dorsey	19	0	0	19
TMS 7th/8th Cheerleaders	1,127	2,630	3,757	0
TMS Volleyball	488	0	462	26
TMS Math/History	459	0	459	0
TMS Chess Club	672	0	672	0
TMS Chorus	1,271	0	121	1,150
TMS 7th Grade Class	1,731	0	1,731	0
TMS Peer Ed.	156	0	156	0
Language Arts Department	271	0	0	271
TMS Science Fair	1,422	5,310	6,007	725
Bernadette Maes	1,019	0	240	779
Girls Track 7-8	214	0	0	214
TMS Enrichment	958	0	958	0
Art Fund/Stevens	15	380	298	97
8th Grade Class	802	0	802	0
TMA Snowboard Club	4,349	4,123	4,075	4,397
TMS School Beautification	102	1,853	0	1,955
TMS Ace Program	8	0	8	0
Spelling Bee	215	410	0	625
TMS/Ruiz Classroom	149	0	0	149
Level D Special Ed	53	0	0	53
Green US History	45	0	45	0
TMS Vehicle Fund	835	0	0	835
Total Taos Middle School	\$ 60,387	\$ 51,744	\$ 55,622	\$ 56,509
Enos Elementary School				
ENOS/TES General Account	\$ 11,085	\$ 1,298	\$ 1,645	\$ 10,738
EGES-Activity	1,938	2,886	1,188	3,636
EGES Yearbook	1,507	1,378	2,858	27
EGES/Ski Club	3,260	4,160	4,170	3,250
EGES-Student Council	503	0	0	503
EGES Library	4,990	0	494	4,496
EGES Romo	1,249	1,601	1,623	1,227
EGES Landscape	3,006	0	100	2,906
EGES/Computer Lab	14	0	0	14
EGE Enhancement	405	0	0	405
Special Ed	\$ 300	\$ 0	\$ 300	\$ 0

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
ACTIVITY FUNDS
Schedule of Fiduciary Net Assets and Liabilities-Agency Funds
For the Year Ended June 30, 2008

ASSETS	Balance 06-30-07	Additions	Deductions	Balance 06-30-08
EGES Karen Martinez	\$ 279	\$ 1,337	\$ 772	\$ 844
EGES Amanda	443	1,143	497	1,089
EGES BB Tourney	3,248	0	1,742	1,506
EGES/S. Blair	35	0	0	35
EGES/E. Taylor	330	740	598	472
First Grade Wal-Mart	0	500	241	259
EGES Auditorium	27	0	0	27
EGES/U. Salazar	548	183	0	731
Native American Heritage Dancers	0	1,208	1,208	0
EGES/Darlene Archuleta	441	0	66	375
EGES Junior Chess Club	135	1,000	1,000	135
EGES Playground	5,786	0	0	5,786
EGES/Patsy Medina	424	0	0	424
EGES/ P.A.T.S.	293	2,051	712	1,632
EGGES Dual Lang./Parent	6,888	15,072	10,744	11,216
Staff Recogniton	984	0	750	234
Hands on Science	290	0	0	290
Rubina Quinto	27	876	755	148
Cristina Class	164	331	347	148
Yearbook Pre K-3rd	0	3,872	0	3,872
Eg Courtesy Committee	387	53	300	140
Jason Weisfeld	338	1,937	1,789	486
Taos Elementary/Library Fund	873	0	0	873
TES/Indigent Fund	69	0	0	69
TES/Branch Toya	30	0	0	30
TES/Ski-3rd	55	0	0	55
TES/School Activity	1,850	0	767	1,083
Gail Cortez	353	0	0	353
TES/Computer Lab	578	705	330	953
2nd Grade Class	1,445	130	582	993
Stormo Class	0	1,000	501	499
EGES-Art Fund	917	0	0	917
Total Enos Elementary School	\$ 55,494	\$ 43,461	\$ 36,079	\$ 62,876
Ranchos Elementary School				
RES/General Account	\$ 712	\$ 3,584	\$ 3,277	\$ 1,019
Ranchos/ Library	1,904	5,522	5,192	2,234
M.Hammer-3rd Grade	0	2,054	1,823	231
Ranchos/General Student	904	276	574	606
RES ESL Program	10	0	0	10
T. Pacheco Class	234	2,863	3,028	69
Ranchos/Quinn	263	1,565	1,696	132
RES-K Renneta	695	803	612	886
Cory Valdez	0	1,067	584	483
RES-Mae Labelle	157	3,026	3,181	2
Lourdes Cordova	\$ 0	\$ 590	\$ 379	\$ 211

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
ACTIVITY FUNDS
Schedule of Fiduciary Net Assets and Liabilities-Agency Funds
For the Year Ended June 30, 2008

ASSETS	Balance 06-30-07	Additions	Deductions	Balance 06-30-08
RES Kinder A. Trujillo	\$ 183	\$ 833	\$ 561	\$ 455
Kathy Serna Class	0	2,393	2,393	0
RES/Yearbook	1,234	3,069	3,948	355
RES Chorus	30	17	47	0
RES/ R. Mondragon	400	2,238	2,566	72
Carla Tonrey Class	108	3,964	3,919	153
M. Abeyta/Pre-K	1	110	0	111
RES/Ski Club	1,267	6,500	7,155	612
RES/J. Martinez	41	2,363	2,404	0
RES/5th Grade	697	1,117	1,813	1
Ranchos/Tournament	1,440	7,006	5,365	3,081
RES/D. Banchal	212	2,089	2,301	0
RES/Student Indigent	4,038	0	3,789	249
M Chacon	0	2,583	2,483	100
RES-4th/ J. Farwell	351	3,848	4,088	111
RES/PTO	261	0	0	261
Title Reading Program	8	0	0	8
K. Ortega/Kinder	85	365	360	90
Hurtado Class	86	1,596	1,477	205
Computer Lab	239	0	53	186
Hospitality	309	299	426	182
RES/Playground	151	0	35	116
RES-5th/M.Aguilar	523	2,468	2,837	154
M. Aguirre	47	2,668	2,621	94
S. Aronovitch	18	1,556	1,480	94
RES-Art Fund	917	0	0	917
Staff Incentives	0	1,000	0	1,000
Total Ranchos Elementary School	\$ 17,525	\$ 69,432	\$ 72,467	\$ 14,490

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
ACTIVITY FUNDS
Schedule of Fiduciary Net Assets and Liabilities-Agency Funds
For the Year Ended June 30, 2008

ASSETS	Balance 06-30-07	Additions	Deductions	Balance 06-30-08
Arroyos Elementary School				
Arroyos/Computer/SECO	\$ 0	\$ 0	\$ 0	\$ 0
ADNE/General Account	5,080	1,544	2,093	4,531
ADNE/Blair	18	0	0	18
ADNE/E.Montoya	93	244	250	87
Sponsor	131	326	148	309
ADNE/Alumni Scholarship	0	840	0	840
Principal's/Student	334	0	21	313
ANDE/Kindergarten	7	0	0	7
Sponsor	0	0	0	0
ADNE/Library	37	0	0	37
ADNE/Nova	12	0	0	12
ADNE/Healey	0	0	0	0
ADNE/E. Ortega	15	0	0	15
ADNE/Ski	682	340	714	308
ADNE/N. Gallegos	293	0	0	293
ADNE/PTO Fundraising	2,212	0	438	1,774
ADNE/Basketball Fund	1,032	0	849	183
ADNE/Art Fund	917	0	0	917
ADNE/Adult Basketball League	1,991	0	0	1,991
Total Arroyos Elementary School	<u>\$ 12,854</u>	<u>\$ 3,294</u>	<u>\$ 4,513</u>	<u>\$ 11,635</u>
	<u>\$ 358,381</u>	<u>\$ 506,630</u>	<u>\$ 479,842</u>	<u>\$ 385,169</u>
LIABILITIES				
Deposits Held for Others	358,381	506,630	479,842	385,169
Total Liabilities	<u>\$ 358,381</u>	<u>\$ 506,630</u>	<u>\$ 479,842</u>	<u>\$ 385,169</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 Cash Reconciliations - All Funds
 For the Year Ended June 30, 2008

	<u>Operational</u> 11000	<u>Transportation</u> 13000	<u>Instructional</u> <u>Materials</u> 14000
Net Cash in Bank 6/30/07			
Cash in Bank	\$ 820,615	\$ 6	\$ 110,274
Balance 6/30/07	<u>820,615</u>	<u>6</u>	<u>110,274</u>
Add: 2007-08			
Revenues	19,747,188	1,159,026	310,168
Transfers In	145,311	0	0
Loans from Other Funds	0	0	0
TOTAL Cash Available	<u>20,713,114</u>	<u>1,159,032</u>	<u>420,442</u>
Less: 2007-08			
Expenditures	20,017,591	1,117,564	393,048
Transfers Out	0	0	0
Loans to Other Funds	0	0	0
Returned to PED	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL Cash 6/30/08	<u>\$ 695,523</u>	<u>\$ 41,468</u>	<u>\$ 27,394</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 Cash Reconciliations - All Funds
 For the Year Ended June 30, 2008

	Food Service <u>21000</u>	Athletics <u>22000</u>	Activities <u>23000</u>
Net Cash in Bank 6/30/07			
Cash in Bank	\$ 132,910	\$ 38,091	\$ 358,381
Balance 6/30/07	<u>132,910</u>	<u>38,091</u>	<u>358,381</u>
Add: 2007-08			
Revenues	1,687,531	52,861	506,630
Transfers In	0	0	0
Loans from Other Funds	0	0	0
TOTAL Cash Available	<u>1,820,441</u>	<u>90,952</u>	<u>865,011</u>
Less: 2007-08			
Expenditures	1,744,939	61,688	479,842
Transfers Out	0	0	0
Loans to Other Funds	0	0	0
Returned to PED	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL Cash 6/30/08	<u>\$ 75,502</u>	<u>\$ 29,264</u>	<u>\$ 385,169</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
Cash Reconciliations - All Funds
For the Year Ended June 30, 2008

	Federal Projects	State and Other Grants	Local Grants
	<u>24000</u>	<u>25000</u>	<u>26000</u>
Net Cash in Bank 6/30/07			
Cash in Bank	\$ 155,795	\$ 285,053	\$ 39,849
Balance 6/30/07	<u>155,795</u>	<u>285,053</u>	<u>39,849</u>
Add: 2007-08			
Revenues	1,668,275	580,836	45,412
Transfers In	0	0	0
Loans from Other Funds	0	0	0
TOTAL Cash Available	<u>1,824,070</u>	<u>865,889</u>	<u>85,261</u>
Less: 2007-08			
Expenditures	2,558,341	495,844	82,196
Transfers Out	93,940	0	0
Loans to Other Funds	0	0	0
Returned to PED	0	0	0
TOTAL Cash 6/30/08	<u>\$ (828,211)</u>	<u>\$ 370,045</u>	<u>\$ 3,065</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 Cash Reconciliations - All Funds
 For the Year Ended June 30, 2008

	State Flowthrough <u>27000</u>	State Direct <u>28000</u>	Combined State & Local <u>29000</u>
Net Cash in Bank 6/30/07			
Cash in Bank	\$ (33,313)	\$ 44,931	\$ 23,408
Balance 6/30/07	<u>(33,313)</u>	<u>44,931</u>	<u>23,408</u>
Add: 2007-08			
Revenues	462,568	106,495	98,581
Transfers In	0	0	0
Loans from Other Funds	0	0	0
TOTAL Cash Available	<u>429,255</u>	<u>151,426</u>	<u>121,989</u>
Less: 2007-08			
Expenditures	281,700	136,709	74,179
Transfers Out	0	0	0
Loans to Other Funds	0	0	0
Returned to PED	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL Cash 6/30/08	<u>\$ 147,555</u>	<u>\$ 14,717</u>	<u>\$ 47,810</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 Cash Reconciliations - All Funds
 For the Year Ended June 30, 2008

	Capital Outlay-Local <u>31300</u>	SB-9 <u>31700</u>	Energy <u>31800</u>
Net Cash in Bank 6/30/07			
Cash in Bank	\$ 32,153	\$ 1,022,838	\$ 10,182
Balance 6/30/07	<u>32,153</u>	<u>1,022,838</u>	<u>10,182</u>
Add: 2007-08			
Revenues	0	1,668,092	192,610
Transfers In	0	0	0
Loans from Other Funds	0	0	0
TOTAL Cash Available	<u>32,153</u>	<u>2,690,930</u>	<u>202,792</u>
Less: 2007-08			
Expenditures	0	1,734,244	57,281
Transfers Out	0	0	145,311
Loans to Other Funds	0	0	200
Returned to PED	0	0	0
TOTAL Cash 6/30/08	<u>\$ 32,153</u>	<u>\$ 956,686</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
Cash Reconciliations - All Funds
For the Year Ended June 30, 2008

	<u>Ed Tech Equipment</u> 31900	<u>Debt Service</u> 41000	<u>Ed Tech Debt Service</u> 43000
Net Cash in Bank 6/30/07			
Cash in Bank	\$ 304,609	\$ 667,421	\$ 835,109
Balance 6/30/07	<u>304,609</u>	<u>667,421</u>	<u>835,109</u>
Add: 2007-08			
Revenues	3,006,406	935,670	994,842
Transfers In	0	0	0
Loans from Other Funds	0	0	0
TOTAL Cash Available	<u>3,311,015</u>	<u>1,603,091</u>	<u>1,829,951</u>
Less: 2007-08			
Expenditures	1,599,755	812,091	870,535
Transfers Out	0	0	0
Loans to Other Funds	0	0	0
Returned to PED	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL Cash 6/30/08	<u>\$ 1,711,260</u>	<u>\$ 791,000</u>	<u>\$ 959,416</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 Cash Reconciliations - All Funds
 For the Year Ended June 30, 2008

	<u>Totals</u>
Net Cash in Bank 6/30/07	
Cash in Bank	\$ 4,848,312
Balance 6/30/07	<u>4,848,312</u>
 Add: 2007-08	
Revenues	33,223,191
Transfers In	145,311
Loans from Other Funds	0
TOTAL Cash Available	<u>38,216,814</u>
 Less: 2007-08	
Expenditures	32,517,547
Transfers Out	239,251
Loans to Other Funds	200
Returned to PED	<u>0</u>
 TOTAL Cash 6/30/08	<u>\$ 5,459,816</u>

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

FEDERAL COMPLIANCE

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2008

Federal Agency/Pass Through Grantor/Program Title	Federal CFDA Number	State ID Number	Total Federal Awards Expended
<u>U. S. Department of Agriculture</u>			
Pass-through State Department of Education			
National School Lunch Program	10.555	21000	\$ 1,563,444
Pass-through State Department of Human Services:			
Food Distribution	10.550	21000 (1)	75,000
Direct Program			
Forest Reserve	10.670	11000	45,077
Total U. S. Department of Agriculture			<u>1,683,521</u>
<u>U. S. Department of Education</u>			
Pass-through State Department of Education			
Special Education Cluster			
IDEA-B, Entitlement	84.027	24106	737,993
IDEA Preschool	84.173	24109	30,572
Total Special Education Cluster			<u>768,565</u>
Title I	84.010	24101	1,332,873
Title III	84.365	24143	82
Title V-A Innovative Education Program	84.298	24150	4,084
English Language Acquisition	84.365A	24153	16,165
Teacher/Principal Training & Recruiting	84.367A	24154	147,854
Safe & Drug Free Schools & Communities	84.186A	24157	8,774
21st Century	84.287	24159	143,457
Rural and Low-Income Schools	84.358B	24160	77,505
Immigrant Funding	84.365	24163	23,227
Carl Perkins	84.048	24174	35,838
Direct Program			
Impact Aid	84.041		285,944
Teaching American History	84.215X	25107	207,092
Indian Ed Formula Grant	84.060	25184	45,025
Total U. S. Department of Education			<u>\$ 3,096,485</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2008

Federal Agency/Pass Through Grantor/Program Title	Federal CFDA Number	State ID Number	Total Federal Awards Expended
<u>Department of Health & Human Services</u>			
Direct Program			
Title XIX Medicaid 3/21 Years	93.778	25153	\$ 134,762
GRADS Child Care CYFD	93.590	25149	5,000
Pass-through New Mexico Human Services			
TANF/GRADS HSD	93.558	25162	<u>8,000</u>
Total U. S. Department of Health & Human Services			<u>147,762</u>
 Total Federal Assistance			 \$ <u><u>4,927,768</u></u>

(1) Non-cash assistance

See accompanying notes to the Schedule of Expenditures of Federal Awards

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2008

Note 1: Significant Accounting Policies used in preparing the Schedule of Expenditure of Federal Awards

The modified accrual basis was used to prepare the Schedule of Expenditures of Federal Awards

Note 2: Insurance Requirements

There are no insurance requirement on the federal awards disclosed on the Schedule of Expenditures of Federal Awards

Note 3: Loans or Loan Guarantees

There were no loans or loan guarantees outstanding at year end.

De'Aun Willoughby CPA, PC

Certified Public Accountant

P.O. Box 223 Melrose, NM 88124

(505) 253-4313

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

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

Mr. Balderas and Members of the Board

We have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons for the general fund and major special revenue funds, and the combining and individual funds presented as supplemental information of TAOS MUNICIPAL SCHOOLS, (District), as of and for the year ended June 30, 2008, and have issued our report thereon dated November 14, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing the auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely 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. We consider the deficiencies described in the accompanying schedule of findings and questioned cost to be significant deficiencies in internal control over financial reporting. 06-02.

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


Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 07-02, 07-03 and 07-04.

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

This report is intended solely for the information and use of the administration, the board members, the Public Education Department, the Office of the State Auditor, the New Mexico State Legislature and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

 De'Ann Willoughby, CPA PC

November 14, 2008

De'Aun Willoughby CPA, PC

Certified Public Accountant

P.O. Box 223 Melrose, NM 88124

(505) 253-4313

Report on Compliance with Requirements
Applicable to Each Major Program and Internal Control
Over Compliance in Accordance With OMB Circular A-133

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

Mr. Balderas and Members of the Board

Compliance

We have audited the compliance of TAOS MUNICIPAL SCHOOLS (District), with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2008. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

Internal Control Over Compliance

The management of the District, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion of the effectiveness of the District's internal control over compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weakness.

This report is intended solely for the information and use of the administration, the board members, the Public Education Department, the Office of the State Auditor, the New Mexico State Legislature and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

De'Aun Willoughby, CPA PC

November 14, 2008

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2007

A. SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting

- * Significant deficiencies X yes no
- * Significant deficiency(s) identified that are not considered to be material weaknesses? X yes no
- Noncompliance material to financial statements noted? X yes no

Federal Awards

Internal control over major programs:

- * Significant deficiencies yes X no
- * Significant deficiency(s) identified that are not considered to be material weaknesses? yes X no

Type of auditor's report issued on compliance for major programs: unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133 yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program of Cluster</u>
10.555	National School Lunch Program
84.010	Title I

Dollar threshold used to distinguish between type A and type B programs: \$ 300,000

Auditee qualified as low risk auditee X yes no

I TAOS MUNICIPAL SCHOOLS

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the basic financial statements of the Taos Municipal Schools.

B. PRIOR YEAR AUDIT FINDINGS

STATUS

06-02	Centralized Accounting-Internal Control	Repeated
06-06	Depreciation Schedule-Internal Control	Resolved
06-07	Capital Assets-Compliance	Resolved
06-10	Late Audit Report-Compliance	Resolved
06-11	Late Filed Data Collection Form and Reporting Package to the Federal Clearinghouse	Resolved
07-01	Payroll reports are not reviewed and approved by the Director of Finance - Internal Control	Resolved Repeated and modified
07-02	Employees were overpaid based on their contracts - Internal Control	Repeated and modified
07-03	Required payroll reports were not provided to the auditor upon request - Compliance	Repeated and modified
07-04	Need for time clock and time accountability-Compliance	Repeated

C. CURRENT YEAR AUDIT FINDINGS

06-02 Centralized Accounting - Internal Control

Condition

Bookkeepers are located in remote offices making it difficult to supervise and manage the accounting system.

Criteria

"Every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that . . . [transactions are] recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP." 6.20.2.11(A), NMAC. To that end, 6.20.2.11(B)(5) NMAC requires: "Transactions are to be recorded as necessary to permit preparation of financial statements in conformity with GAAP. In addition, school districts shall establish any other criteria applicable to such statements to maintain accountability for assets."

Cause

A decentralized accounting system with remote locations makes it difficult for the Director of Finance to supervise and manage the accounting system allowing mistakes and possible misappropriation of assets.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2008

Effect

The General Ledger does not accurately reflect the school district's receipts and expenditures, therefore, the financial statements cannot accurately reflect the school district's financial status nor the status of the school district's budget.

Recommendation

The personnel and the Director of Finance should be reorganizing to centralize the accounting system.

Response

The district is also working on a re-organization of the unit. This will reduce the number of employees working in the accounting program. At this time it is very difficult to adequately supervise so many bookkeepers. The re-organization of the unit will result in one (1) bookkeeper creating all requisitions in the accounting program. The requisitions will then be reviewed and certified correct by the Director of Finance Assistant, and ultimately approved in the accounting program by the Director of Finance.

07-02 Employees were overpaid based on their contracts - Compliance

Condition

There were six instances totaling \$46,644.95 of employees being paid an amount over the contract price agreed upon between the employee and the school district.

Criteria

"The local board shall establish written payroll policies and procedures which comply with state and federal regulations on payroll as well as maintaining strict internal controls, close supervision and financial accounting in accordance with GAAP." N.M. Admin. Code tit. 6, § 6.20.2.18.

Cause

The payroll department miscalculated the amount per payroll period. As a result these employees received an amount in excess of the agreed upon contract price for their services.

Effect

Employees were paid in excess of the agreed upon contract price. As a result, the school district overpaid for employees services and/or employees were paid in excess of services rendered.

Recommendation

There should be a reconciliation, review and approval of all payroll runs before the checks are given to the employees.

Response

Copies of contract adjustments will be provided to the Director of Finance prior to changes being implemented. The Director of Finance will be more involved in reviewing payroll reports prior to actual issuance of payroll.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2008

07-03 Amended contracts were not provided to the auditor upon request - Compliance

Condition

The payroll department or human resources department failed to provide amended contracts or similar documentation to the auditors to support the amount of money paid to six employees as required by the NMAC. The total amount of money in question is \$46,644.95.

Criteria

"School districts shall maintain and have available for inspection the following employee record documentation: employment contracts (including increments), personnel/payroll action forms, certification records, employment eligibility verification (federal form I-9 for citizenship certification), federal and state withholding allowance certificates, pay deduction authorizations, pay or position change notices, Educational Retirement Act plan application, and direct deposit authorizations." 6.20.2.18, NMAC.

Cause

The payroll department or human resources department has failed to maintain the employee record documentation as required by the NMAC. We were told that amended contracts should not be kept in the personnel files. We requested the amended contracts from both departments from any location that they might be kept. We requested the information from both departments on several occasions over the course of one week. We were ignored.

Effect

Employee files and documentation are not being maintained and as a result, the auditor was unable to verify employees' status and ensure that all records were adequate and correct.

Recommendation

The Director of Finance and the human resource department should work closely to ensure that the employee records are properly maintained and contain all necessary documentation as required by statute.

Response

Documents reflecting changes to the total contract amounts will be placed in the personnel files for auditing purposes.

07-04 Need for time clock and time accountability-Compliance

Condition

The payroll department failed to provide employee time keeping documentation to the auditor as required by the NMAC.

Criteria

"School districts shall maintain and have available for inspection the following employee record documentation: employment contracts (including increments), personnel/payroll action forms, certification records, employment eligibility verification (federal form I-9 for citizenship certification), federal and state withholding allowance certificates, pay deduction authorizations, pay or position change notices, Educational Retirement Act plan application, and direct deposit authorizations." 6.20.2.18, NMAC.

Cause

Employees are not required to provide an accounting of their time, therefore the payroll department does not have accurate records with regards to employees.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2008

Effect

The payroll department is unable to provide accurate information as required to ensure that employees are being properly paid and their records maintained. As a result, the auditor and the Director of Finance cannot ensure that the employees are being properly paid for services rendered. This leaves the school district vulnerable to claims for violations of state and federal labor laws, as well as opens a potential for fraudulent practices and embezzlement.

Recommendation

The Director of Finance and the payroll department should work to ensure that the employee records are properly maintained and contain all necessary documentation as required by statute. Furthermore, employees should be required to provide the payroll department with an accounting of time worked by utilizing time clocks or other appropriate recording measures.

Response

The district will begin the process of implementing the time clock requirements per FLSA.

Anansi Charter School-Current Year Findings

There are no current year audit findings

Taos Charter School-Current Year Findings

There are no current year audit findings

Vista Grande High School-Current Year Findings

There are no current year audit findings

Financial Statement Preparation

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

Exit Conference

An exit conference was held November 14, 2008. Patrick Romero-President, Dr Loretta DeLong-Superintendent, Elizabeth Trujillo-Business Manager and De' Aun Willoughby, CPA.