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**STATE OF NEW MEXICO  
BERNALILLO PUBLIC  
SCHOOL DISTRICT**

**FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITORS'  
REPORT**

**JUNE 30, 2019**

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT**

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**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT**

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BERNALILLO PUBLIC SCHOOL DISTRICT**

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**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT**

**Official Roster**

*Board of Education*

Olivia Calabaza	President
Isaac Herrera	Vice President
Jodilynn Ortiz	Secretary
Ramona Salazar	Member
Vincent Montoya	Member

*School Official*

Keith Cowan	Superintendent
Tamie Pargas	Deputy Superintendent
Vickie Garcia	Finance Director



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## **INDEPENDENT AUDITORS' REPORT**

Brian S. Colón, Esq.  
New Mexico State Auditor  
and  
The Office of Management and Budget  
The Board of Education  
Bernalillo Public School District  
Bernalillo, New Mexico

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information and the budgetary comparisons for the general fund and major special revenue funds of the Bernalillo Public School District (the District), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether



due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information, and the budgetary comparisons for the general fund of the District, as of June 30, 2019, and the respective changes in financial position, thereof and for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Schedule of District and Proportionate Share of Net Pension Liability and Schedule of District Contributions and Other Required Supplementary Information on pages 8-17, and 70-75 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements, and budgetary comparison, the Schedule of Expenditures of Federal Awards as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative*

*Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Office of Management and Budget, and the other schedules required by Section 2.2.2. NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards and other schedules required by Section 2.2.2 NMAC are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures and other schedules required by Section 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

#### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2019 on our consideration of the District's internal control over financial reporting and on our test 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 financing reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Ricci & Company, LLC*

Albuquerque, New Mexico  
November 15, 2019



**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ending June 30, 2019**

**Mr. Keith Cowen, Superintendent**

Our discussion and analysis of the Bernalillo Public School District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2019. Please read it in conjunction with the District's financial statements, which are listed in the table of contents.

The discussion and analysis, as well as the Statement of Net Position and Statement of Activities, provide a review of the District's overall financial activities, using the accrual basis of accounting, for the year ending June 30, 2019. Fund financial statements are reported on a modified accrual basis of accounting. Rather than looking at specific areas of performance, this discussion and analysis focuses on the financial performance of the District as a whole. Whenever possible this discussion and analysis will provide the reader multi-year pictures of financial performance and other pertinent information through the use of tables and other graphics information.

In addition to the new reporting, this annual report consists of a series of detailed, audited financial statements and the notes to those statements. Also included is the Independent Auditors' Report, The Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards, Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance , and a Schedule of Findings and Questioned Costs.

**About BERNALILLO PUBLIC SCHOOLS**

To completely understand the financial discussion of BERNALILLO PUBLIC SCHOOLS, it is important to understand the nature of the District. The Town of Bernalillo is located immediately off of I-25 Highway. Approximately 15 miles South is the City of Albuquerque and 45 miles North is our State Capitol Santa Fe. The school district encompasses 648 square miles with 9 school sites including Santo Domingo, Placitas, Cochiti, Algodones, W.D.Carroll, Bernalillo Elem, Bernalillo Middle and Bernalillo High and La Escuelita Pre-K. Approximately 42% of the student enrollment is Native American and 49% Hispanic.

For parents choosing a public education for their children, Bernalillo Public School District offers elementary and secondary instruction for approximately 2900 students residing within the District's boundaries. At the Bernalillo Public School District, we are pledged to academic achievement.

**OUR MISSION-** Bernalillo Public Schools will inspire, educate and create opportunities for every student

**OUR VISION -** It is the commitment of Bernalillo Public Schools to inspire, create and develop learning experiences where language, heritage and core values are supported.

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ending June 30, 2019**

**OUR SLOGAN - "EDUCATE AND GRADUATE"**

To accomplish this mission the district has developed a three year strategic plan which focuses on four focus areas: Student Learning, Cultural Connections/Communications, Innovative Leadership and Student Staff Well Being. In addition, the district has established the following commitments: All students will meet or exceed expected annual growth each year, BPS will effectively communicate with all parents, students, employees and community members, BPS will respect the cultural diversity represented within the district, All education and support areas will follow safety standards. Safety for everyone will continue to be a priority at BPS, BPS will strive to implement innovative programs which are relevant to our students to include but not limited to: early childhood, career technical education, internships, dual credit and culturally responsive curriculum.

The District has implemented common core standards and has aligned best practices to address a rigorous instruction program. Bernalillo Public Schools offers a wide variety of educational programs, many of which are fully articulated with several post secondary institutions. After school tutoring and enrichment are at all school sites. Students have opportunities to enroll in Pre-AP and AP courses and are continuously challenged to meet the goals of the 21st Century and the Global Economy. The district provides free breakfast and lunch for all students. Due to the diverse student population, there are Memoranda of Agreement with all of the seven Pueblos within the school district. Cultural and linguistic programming continues to be a priority ensuring the preservation of native languages. The district also has a recognized a Dual Language Program beginning with the Kindergarten program. The district is participating with several partners to implement professional development in the areas of literacy, science, and mathematics to enhance the learning for students. BPS has received multiple grants to support literacy, Indian education, bilingual education and college and career readiness. BPS is currently working on K- 12 curriculum development aligned to pacing guides and common interim assessments.

The Career & Technical Education Academy at the high school provides an opportunity for students to become certified in a trade (e.g. Welding) and enter the workforce upon graduation.

We currently have Early Childhood Education (Pre-K) which has received five stars, the only five star program in the state, physical education program for all school sites, as well as integrated arts. After school tutoring and enrichment are at all school sites.

**Significant Financial Highlights for the Year Ending June 30, 2019**

- \* The overall adjusted Fund Balance decrease from \$19,386,139 for the year ending June 30, 2018 to \$19,186,208 for the year ending June 30, 2019. This represents a decrease in the fund balance of \$199,931, which is a result of conservative budget management. Total cash and cash equivalents increased by \$1,778,765. Property tax receivables increased by \$9,901 as a result of more delinquent County tax payments. Total liabilities increased by \$2,140,316 resulting from a increase in Net Pension Liability of \$2,798,015 and decrease in Net OPEB liability of \$1,715,624 Excluding Net pension liability and OPEB liability the balance sheet remained constant between years.
- \* Total revenues increased from \$6,474,314 in the year ending June 30, 2004 to \$8,641,936 in the year ending June 30, 2005. This is an increase of \$2,167,622 reflecting an overall revenue increase of 33%.

**STATE OF NEW MEXICO  
 BERNALILLO PUBLIC SCHOOL DISTRICT  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
 For the Fiscal Year Ending June 30, 2019**

**DISTRICT WIDE FINANCIAL STATEMENTS**

**Statement of Net Position**

The Statement of Net Position is prepared using the accrual method of accounting. This statement shows that the District has total net position of \$(3,833,864). The District has \$12,001,848 of cash and cash equivalents on hand as of June 30, 2019 compared to \$7,432,412 in accounts payable and other current liabilities. Net Position totaling \$10,955,802 are "restricted" for debt service, capital projects, special revenue funds \$4,898,349. The District's overall financial position remained stable. Capital assets remained stable at \$100,878,296 a change of \$2,431,227 which is a result of no major construction projects in FY 2019 and depreciation.

<b>Assets</b>	<u>June 30, 2018</u>	<u>June 30, 2019</u>
Cash and Cash Equivalents	\$ 10,223,083	\$ 12,001,848
Investments	-	-
Other Assets	10,711,785	9,719,431
Capital Assets, net of depreciation	98,447,069	100,878,296
<b>Total Assets</b>	<b><u>\$ 119,381,937</u></b>	<b><u>\$ 122,599,575</u></b>
<b>Deferred Outflows</b>		
Pension related	\$ 25,085,591	\$ 19,338,829
OPEB	371,496	395,738
<b>Total Deferred outflows</b>	<b><u>\$ 25,457,087</u></b>	<b><u>\$ 19,734,567</u></b>
<b>Liabilities</b>		
Current Liabilities	\$ 6,544,924	\$ 7,432,412
Long Term Liabilities	29,842,429	30,012,850
Net Pension liability	76,502,893	79,300,908
Net OPEB liability	20,632,707	18,917,083
<b>Total Liabilities</b>	<b><u>\$ 133,522,953</u></b>	<b><u>\$ 135,663,253</u></b>
<b>Deferred Inflows</b>		
Pension related	\$ 2,120,721	\$ 3,307,262
OPEB	4,695,956	5,817,861
<b>Total deferred inflows</b>	<b><u>\$ 6,816,677</u></b>	<b><u>\$ 9,125,123</u></b>
<b>Net Position</b>		
Net investment in capital assets	\$ 63,699,640	\$ 65,995,446
Restricted	10,527,678	10,955,802
<b>Special Revenue funds</b>	5,070,941	4,907,726
Unrestricted	(74,798,849)	(84,313,198)
<b>Total Net Position</b>	<b><u>\$ 4,499,410</u></b>	<b><u>\$ (2,454,224)</u></b>

GASB 34 rules now require public entities to depreciate capital assets. This statement includes an adjusted accumulated depreciation of the District's capital assets in the amount of \$37,183,909. The District utilized a "straight line" depreciation method in all cases and standardized lifetime tables in calculating this depreciation.

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ending June 30, 2019**

**Statement of Activities**

The Statement of (Governmental) Activities is prepared using the accrual method of accounting. This report compliments the Statement of Net Position by showing the overall change in the District's net position for the fiscal year ending June 30, 2019. As of June 30, 2019 the District has a deficit in net position of \$2,454,224.

	<u>June 30, 2018</u>	<u>June 30, 2019</u>
<b>Expenses for Governmental Activities</b>	\$ 50,322,080	\$ 52,083,183
Less Charges for Services	409,829	515,870
Less Operating Grants and Contributions	11,859,884	12,110,475
Less Capital Grants and Contributions	1,393,905	1,491,840
<b>Net (Expenses) Revenues and Changes in Net Position</b>	<b><u>(36,658,462)</u></b>	<b><u>(37,964,998)</u></b>
 <b>General Revenues</b>		
Taxes - general, debt service, capital projects	7,262,574	7,560,180
Federal and State Aid not restricted to specific purpose	24,733,710	23,142,351
Interest and Earnings on Investments	134,156	4,449
Miscellaneous	531,032	304,384
Bond Premium	-	-
Loss on disposal on capital assets	-	-
<b>Subtotal, General Revenues</b>	<b><u>32,661,472</u></b>	<b><u>31,011,364</u></b>
 <b>Special Item - Bond Issuance Premium</b>	<b>195,518</b>	-
 <b>Changes in Net Position</b>	<b>(4,302,219)</b>	<b>(6,953,634)</b>
Net Position Beginning	33,310,009	4,499,410
<b>Prior period adjustment</b>	<b>(24,508,380)</b>	-
Net Position - restatement	-	-
<b>Adjusted Beginning Net Position</b>	<b><u>8,801,629</u></b>	<b><u>4,499,410</u></b>
 <b>Net Position - Ending</b>	<b><u>\$ 4,499,410</u></b>	<b><u>\$ (2,454,224)</u></b>

**STATE OF NEW MEXICO  
 BERNALILLO PUBLIC SCHOOL DISTRICT  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
 For the Fiscal Year Ending June 30, 2019**

**FUND FINANCIAL STATEMENTS**

Fund financial statements are based on a modified accrual basis of accounting. The Statement of Revenues and Expenditures and Changes in Fund Balances, guides the reader to a meaningful overall view for the District revenue, expenditures and changes to the fund balance. Total revenues from state, local and Federal sources were \$45,090,461. Total expenditures for the District were \$57,713,264. The District also had bond proceeds of \$4,895,000 during FY 2019. The total ending fund balance was \$19,186,208; a decrease of \$199,301 from the prior year.

**Multi-Year District Revenues and Expenditures**

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

Year	Total Revenues *	Increase %	Total Expenses *	Increase %
2007-2008	55,023,754	36%	48,011,101	20%
2008-2009	58,583,865	6%	55,266,175	15%
2009-2010	53,409,368	-9%	54,111,953	-2%
2010-2011	56,876,474	6%	55,844,353	3%
2011-2012	56,787,555	0%	55,647,294	0%
2012-2013	50,151,489	-12%	46,697,868	-16%
2013-2014	50,688,453	1%	48,871,182	5%
2014-2015	50,516,711	0%	57,490,858	18%
2015-2016	57,811,633	14%	63,259,384	10%
2016-2017	51,983,378	-12%	57,457,941	-9%
2018-2019	49,985,461	-3%	57,713,264	0%

\* Note: Revenues include proceeds from General Obligation Bonds and exclude cash carryovers, it also includes \$2,625,863 in PSCOC state match for BHS and Santo Domingo construction projects; Expenditures include capital outlays.

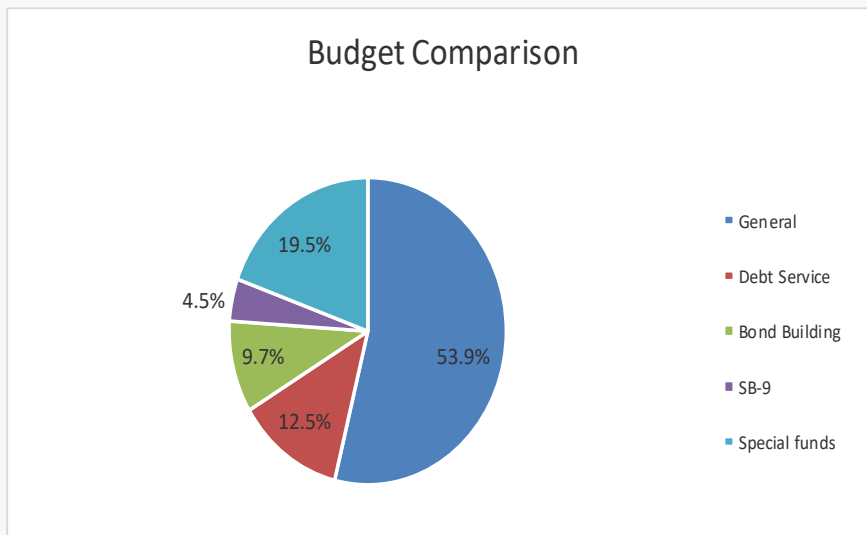
**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ending June 30, 2019**

**The Budget**

The State of New Mexico school budget process is defined under state law and regulation. To enhance the process of developing a budget at the school district level, the District utilizes goals and objectives defined by the District's Board, community input meetings, long term plans including the Master Facilities Plan and input from various staff groups to develop to the District's budget. District priorities are well defined through this process.

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

Major budgetary funds in these reports are; The General Fund (Operational, Teacherage, Transportation, Instructional Materials Funds), Food Service, Impact Aid Indian Education, Title I and IDEAB. In addition, thirty eight (37) non-major Special Revenue Funds, six (6) non-major Capital Projects Funds and one (1) non-major Debt Service Funds are also reported for their budgetary performance. The following graphics and tables show the fiscal relationship of the major funds and the combined non-major funds.



The reader will note that the General Fund represents 53.9% of the total fund dollar amount. This fund provides the salary and benefits for the significant majority of the Direct Instruction, Instructional Support, Administration, Business Support and Maintenance staff as well as classroom materials, special education consulting staff and fixed utility costs.

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

**STATE OF NEW MEXICO  
 BERNALILLO PUBLIC SCHOOL DISTRICT  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
 For the Fiscal Year Ending June 30, 2019**

The following table examines the summary budget performance of the major and combined non-major funds for the fiscal year ending June 30, 2019. Detailed budget performance is examined through the Budgetary Comparison Statement for each major fund and the Schedule of Revenues and Expenditures Budget and Actual for the combined Special Revenue Funds, Capital Projects Funds, and Debt Service.

**MAJOR FUNDS EXPENDITURE BUDGET PERFORMANCE**

Fund Type	Final Budget	Actual	Variance
General	28,862,192	25,964,473	2,897,719
Bond Building	9,140,491	6,453,997	2,686,494
Debt Service	12,403,580	5,816,888	6,586,692

**COMBINED NON-MAJOR FUNDS EXPENDITURE BUDGET PERFORMANCE**

Fund Type	Final Budget	Actual	Variance
Special Funds	14,566,521	9,613,126	4,953,395
Capital Projects	2,460,174	1,126,939	1,333,235
Debt Service	201,489	99,955	101,534

The General Fund expenditures were favorable to the final budget by \$2,897,719 or approximately 10.03%. All funds fell within the regulatory criteria set by the Public Education Department and New Mexico Statute. Both the Manual of Procedures for Public School Accounting and NMSA 8-22-5, Annotated require that budget expenditures be within the authorization of the approved budget.

**The General Fund**

The General Fund revenues represents \$27,159,352 of the total \$45,129,549 in overall District revenues.

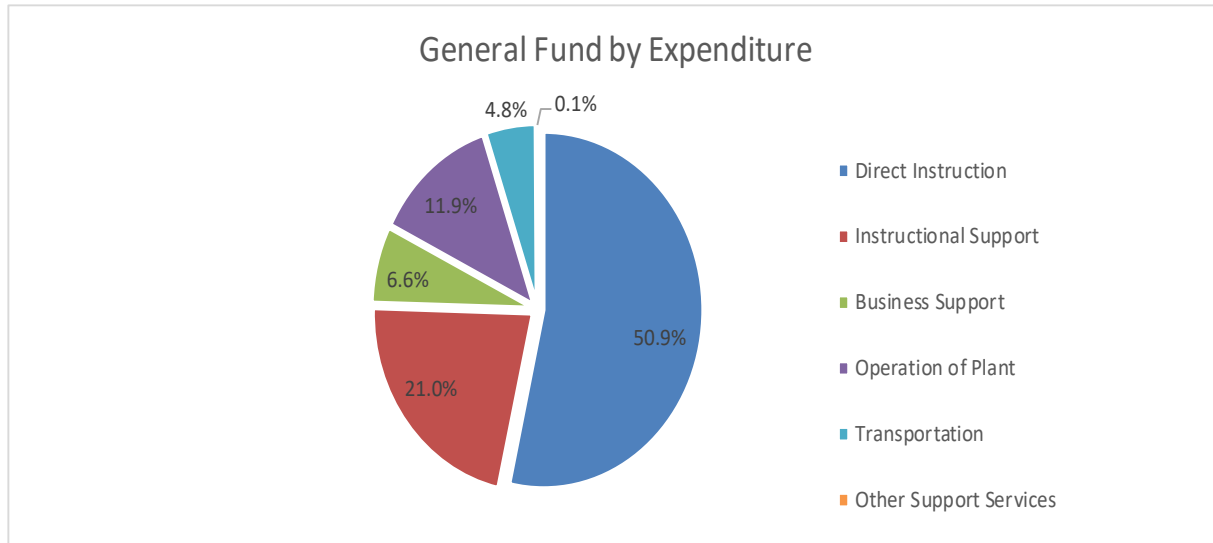
The General Fund is predominately funded by revenues from the State of New Mexico Equalization Guarantee Formula. This fund pays for teaching staff, teaching support staff, special education support staff, maintenance staff and administration staff. The General Fund provides the predominant funding for instructional and athletic salaries, transportation, maintenance and district office expenditures.

Year	Revenues	Increase %
2007-2008	28,923,924	18%
2008-2009	30,680,173	6%
2009-2010	26,983,516	-12%
2011-2012	26,924,448	-2%
2012-2013	26,956,160	0%
2013-2014	27,426,470	2%
2014-2015	27,189,062	-1%
2015-2016	26,826,808	-1%
2016-2017	25,412,153	-5%
2017-2018	27,053,055	1%
2018-2019	27,159,352	7%



**STATE OF NEW MEXICO  
 BERNALILLO PUBLIC SCHOOL DISTRICT  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
 For the Fiscal Year Ending June 30, 2019**

Because the General Fund is the main fund whose expenditures are significantly related to the educational process, 28,538,955 was expended in the year ending June 30, 2019. The most significant inter-fund expenditure was for the function noted as "Instruction". This expenditure was \$14,527,869 and represents 50.9% of all General expenditures. Expenditures included in this function are regular and special education teachers and assistants, benefits, payroll taxes, school supplies, training and miscellaneous instructional related contract services.



Instructional Support Services represents \$5,983,402 or 21.0% of General Fund expenditures and account for expenditures for school principals, program coordinators, counselors, school nursing staff, librarians, special education ancillary staff and significant support to special education programs through contract ancillary support staff and contract programs.

The Office of the Superintendent and the Business Office represent the overhead support of the entire operations of the District; these programs combined represent \$1,869,919 or 6.6% of the total General Fund. Operation of the Plant account for \$3,397,189 or 11.9% of the General Fund expenditures. Included in the Operation of the Plant expenditures are salaries and benefits for maintenance staff, school custodians, fixed utility costs, maintenance and repairs, maintenance supplies and school custodial supplies. Additional support for maintenance supplies and projects comes from the voter approved SB9 Fund. Transportation represents \$1,369,789 or 4.8% of the General Fund.

**STATE OF NEW MEXICO  
 BERNALILLO PUBLIC SCHOOL DISTRICT  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
 For the Fiscal Year Ending June 30, 2019**

**Capital Assets**

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

<b>Asset Type</b>	<b>Balance June 30, 2017</b>	<b>Balance June 30, 2018</b>	<b>Balance June 30, 2019</b>
<b>Land</b>	180,609	180,609	180,609
<b>Construction in Progress</b>	16,042,745	670,918	-
<b>Buildings, Land &amp; Improvements</b>	106,144,228	123,342,508	130,037,343
<b>Furniture, Fixtures, &amp; Equipment</b>	8,082,023	7,719,938	7,844,253
<b>Total Capital Assets</b>	130,449,605	131,913,973	138,062,205
<b>Less Accumulated Depreciation</b>	(31,967,067)	(33,466,904)	(37,183,909)
<b>Capital Assets-Net</b>	98,482,538	98,447,069	100,878,296

PSCOC has also awarded for the renovation/construction of Santo Domingo Elementary/Middle School. The district broke ground on Santo Domingo Phase 2 April 2018 and project was completed May 2019.

**General Long Term Debt**

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

The School District has never defaulted on any of its debts or other obligations. Listed below is the District's total general obligation debt as of June 30, 2019

<b>Year Ended June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Totals</b>
2020	4,870,000	961,799	5,831,799
2021	4,430,000	850,013	5,280,013
2022	3,835,000	718,763	4,553,763
2023	3,835,000	602,888	4,437,888
2024	3,480,000	483,163	3,963,163
2025-2029	12,150,000	1,122,288	13,272,288
2030-2031	1,885,000	93,375	1,978,375
<b>Total</b>	<b>34,485,000</b>	<b>4,832,287</b>	<b>39,317,287</b>

The District issued bonds during FY 2019 totaling \$4.895 million. The entire amount will be used for construction and equipment purchases for student use in public school classrooms. The District also made regularly scheduled principal and interest payments as required.

**Agency Funds**

The District, as a custodian, maintains and monitors special funds on the behalf of school activity groups. Agency funds maintained by the District are to benefit a specific activity or interest and are generally raised by students for student use. The custody and use of these funds are in accordance with Public Education Department Regulations and School District Policy. The Statement of Fiduciary Assets and Liabilities has a cash balance of \$232,967 as of June 30, 2019.

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ending June 30, 2019**

**Future Trends**

Bernalillo Public Schools historically has maintained a positive cash reserve due to proactive planning, site based budgeting and vacancy savings. While enrollment at BPS has taken a slight decline, the District has made very intentional decisions in assigning staff to fill vacancies or consolidate positions to alleviate pressure from the operating costs. The 2018- 2019 budget was developed to include the 2.5 percent average increase for all certified staff and 2.0 percent increase for classified staff. Careful consideration was taken to limit cuts to instructional programs and teaching positions. Due to the careful planning, the District was able to adopt a K-5 reading curriculum through the use of operational funds.

Bernalillo Public Schools adopted a new three- year strategic plan to include four focus areas:

1. Student Learning
2. Cultural Connections/ Communication
3. Innovative Leadership
4. Student/Staff Well Being

These focus areas will streamline the Standard Operating Procedures within the district to align resources and funding to better support students and staff through ongoing relevant professional development. Subcommittees have been formed to meet on a monthly basis to review internal audit procedures and review of the district's budget. A District Advisory Council was formed last year and will continue to meet on a monthly, seeking input and feedback from staff, parents and community members on critical matters such as instructional programing, budgets, policy and facilities. This type of dialogue creates a transparent approach to ensuring resources and funding is properly allocated to meet student needs.

Each school, along with the District has created a 90 day plan which focuses on elements such as student achievement, collaboration, culture and climate, graduate rates, attendance etc. These plans are reviewed every 30 days and are in alignment with the District Strategic Plan. A strong emphasis has been placed on data review and collaboration. The District has adopted a data protocol tool which is consistent among all the schools.

Launching the 2018-2019 school year also meant the launch of several key initiatives to support teaching and learning across the district.

1. Embedded professional development on the Teaching, Learning and Collaboration (TLC) process.
2. New Assessment platform for Common formative and interim assessments (Illuminate).
3. The Standardized Classroom in all schools to include language and content objectives.
4. The walk through Cycle by Principals to provide feedback to teachers.
5. The new High School Re-Design Grant from NMPED
6. Purchase of new reading curriculum for grades K-5 and the development of pacing guides for ELA and Math K-12.
7. Implementation of the Striving Readers grant K-12

We firmly believe these initiatives along with a transparent budget process will demonstrate positive outcomes for students and staff.

Bernalillo Public Schools has also identified several capital projects through the recent bond election which are also outlined in the Facilities Master Plan:

1. Renovation and stucco repair of BMS Library and roofing
2. Parking reconfiguration for BES and BMS parent pickup and drop off
3. Renovation/ Replacement of Algodones Elementary
4. BHS Auxiliary Gym
5. District wide security improvements

BPS values the retention and recruitment of highly qualified staff. The District will continually seek innovative opportunities to provide programming and incentives to distinguish BPS as a high performing district. A priority on working in partnership with surrounding Pueblos and communities is and will continue to be a priority for BPS.

## **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**STATE OF NEW MEXICO  
 BERNALILLO PUBLIC SCHOOL DISTRICT  
 STATEMENT OF NET POSITION  
 June 30, 2019**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current	
Cash and cash equivalents	\$ 12,001,848
Property taxes receivable	710,216
Due from other governments	2,638,799
Prepays	718
Inventory	<u>40,991</u>
<b>Total current assets</b>	<u>15,392,572</u>
Noncurrent assets	
Restricted cash and cash equivalents	6,328,707
Capital assets, net of accumulated depreciation	<u>100,878,296</u>
<b>Total non-current assets</b>	<u>107,207,003</u>
<b>Total assets</b>	<u>122,599,575</u>
<b>DEFERRED OUTFLOWS</b>	
Deferred outflows of resources related to pensions	19,338,839
Deferred outflows of resources related to OPEB	<u>395,738</u>
<b>Total deferred outflows</b>	<u><u>\$ 19,734,577</u></u>

*The Notes to the Financial Statements are an integral part of this statement.*

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
STATEMENT OF NET POSITION (CONTINUED)  
June 30, 2019**

	<u>Governmental Activities</u>
<b>LIABILITIES</b>	
Accounts payable	\$ 1,244,835
Accrued payroll expense	667,461
Other liabilities	32,542
Accrued compensated absences	161,288
Accrued interest	456,286
Current portion of long-term debt	<u>4,870,000</u>
<b>Total current liabilities</b>	7,432,412
Bonds - due in more than one year	29,615,000
Bond Premium, net of accumulated amortization	397,850
Net pension liability	79,300,908
Net OPEB liability	<u>18,917,083</u>
<b>Total non-current liabilities</b>	<u>128,230,841</u>
<b>Total liabilities</b>	<u>135,663,253</u>
<b>DEFERRED INFLOWS</b>	
Deferred inflows of resources related to pensions	3,307,262
Deferred inflows of resources related to OPEB	<u>5,817,861</u>
<b>Total deferred inflows</b>	<u>9,125,123</u>
<b>NET POSITION</b>	
Net investment in capital assets	65,995,446
Restricted for:	
Debt service	6,509,190
Capital projects	4,446,612
Special revenue funds	4,907,726
Unrestricted	<u>(84,313,198)</u>
<b>Total net position</b>	<u><u>\$ (2,454,224)</u></u>

*The Notes to the Financial Statements are an integral part of this statement.*



**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
Year Ended June 30, 2019**

<u>Functions/Programs</u>	<u>Program Revenues</u>				Net (Expenses) Revenues and Changes in Net Assets
	<u>Expenses</u>	<u>Charge for Service</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Primary Government					
Government Activities					
Instruction	\$ 26,622,316	515,870	12,110,475	1,491,840	\$ (12,504,131)
Support services	10,189,515	-	-	-	(10,189,515)
Central services	3,182,689	-	-	-	(3,182,689)
Operation and maintenance of plant	6,525,387	-	-	-	(6,525,387)
Student transportation	2,091,774	-	-	-	(2,091,774)
Other support services	147,230	-	-	-	(147,230)
Food service operation	2,392,920	-	-	-	(2,392,920)
Community services	34,922	-	-	-	(34,922)
Interest on long-term debt	896,430	-	-	-	(896,430)
<b>Total primary government</b>	<b>\$ 52,083,183</b>	<b>515,870</b>	<b>12,110,475</b>	<b>1,491,840</b>	<b>(37,964,998)</b>
			General Revenues:		
			Property taxes		7,560,180
			State Flowthrough / S.E.G.		23,142,351
			Miscellaneous		304,384
			Interest and investment earnings		4,449
			<b>Total general revenues</b>		<b>31,011,364</b>
			Change in net position		(6,953,634)
			Net position-beginning		4,499,410
			Net position - ending		<b>\$ (2,454,224)</b>

*The Notes to the Financial Statements are an integral part of this statement.*

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
BALANCE SHEET – GOVERNMENTAL FUNDS  
June 30, 2019**

	General Fund 11000, 12000, 13000, 14000	Bond Building 331100	Debt Service 41000	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Current Assets					
Cash and cash equivalents	\$ 1,472,961	5,417,362	-	5,111,525	\$ 12,001,848
Restricted cash	-	-	6,328,707	-	6,328,707
Accounts receivable					
Taxes	21,517	-	570,029	118,670	710,216
Due from other governments	-	-	-	2,638,799	2,638,799
Interfund receivables	3,412,215	-	84,240	484,840	3,981,295
Investments	-	-	-	-	-
Prepays	-	-	-	718	718
Inventory	40,991	-	-	-	40,991
<b>Total assets</b>	<b>\$ 4,947,684</b>	<b>5,417,362</b>	<b>6,982,976</b>	<b>8,354,552</b>	<b>\$ 25,702,574</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Current Liabilities					
Accounts payable	\$ 15,333	886,510	-	342,992	\$ 1,244,835
Accrued payroll liabilities	532,383	-	-	135,078	667,461
Interfund payables	484,016	84,240	-	3,413,039	3,981,295
Other Liabilities	32,542	-	-	-	32,542
<b>Total liabilities</b>	<b>1,064,274</b>	<b>970,750</b>	<b>-</b>	<b>3,891,109</b>	<b>5,926,133</b>
<b>DEFERRED INFLOWS</b>					
Property taxes	18,121	-	473,786	98,326	590,233
<b>Total deferred inflows</b>	<b>18,121</b>	<b>-</b>	<b>473,786</b>	<b>98,326</b>	<b>590,233</b>
<b>FUND BALANCES</b>					
Nonspendable	40,991	-	-	718	41,709
Restricted	-	4,446,612	6,509,190	4,907,726	15,863,528
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	3,824,298	-	-	(543,327)	3,280,971
<b>Total fund balances (deficit)</b>	<b>3,865,289</b>	<b>4,446,612</b>	<b>6,509,190</b>	<b>4,365,117</b>	<b>19,186,208</b>
<b>Total liabilities and fund balance</b>	<b>\$ 4,947,684</b>	<b>5,417,362</b>	<b>6,982,976</b>	<b>8,354,552</b>	<b>\$ 25,702,574</b>

*The Notes to the Financial Statements are an integral part of this statement.*

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
RECONCILIATION OF THE BALANCE SHEET GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
June 30, 2019**

	<u>Governmental Funds</u>
Amounts reported for governmental activities in the statement of net position are different because:	
Fund balances - total government funds	\$ 19,186,208
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	100,878,296
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in funds.	
Deferred outflows of resources related to pensions/OBEB are applicable to future reporting periods and, therefore, are not reported in the funds	19,734,577
Deferred inflows of resources related to pensions/OBEB are applicable to future reporting periods and, therefore, are not reported in the funds	(9,125,123)
Delinquent property taxes not cancelled within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities	590,233
Accrued interest	(456,286)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, not reported in the funds:	
Accrued compensation	(161,288)
Net pension liability	(79,300,908)
Net OPEB liability	(18,917,083)
Bond premium, net of accumulated amortization	(397,850)
General obligation bonds	<u>(34,485,000)</u>
<b>Net position-total Governmental Activities</b>	<b><u><u>\$ (2,454,224)</u></u></b>

*The Notes to the Financial Statements are an integral part of this statement.*

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES – GOVERNMENTAL FUNDS  
Year Ended June 30, 2019**

	General Fund 11000, 12000, 13000, 14000	Bond Building 31100	Debt Service 41000	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Property taxes	\$ 174,112	-	6,063,939	1,283,041	\$ 7,521,092
Federal direct	4,864,562	-	-	7,245,913	12,110,475
Federal flowthrough	307,883	-	-	-	307,883
State flowthrough	20,204,981	1,738,878	-	1,198,492	23,142,351
Transportation distribution	1,183,957	-	-	-	1,183,957
Charges for service	342,567	-	-	173,303	515,870
Investment income	431	1,192	-	2,826	4,449
Miscellaneous	80,859	-	-	223,525	304,384
<b>Total revenues</b>	<b>27,159,352</b>	<b>1,740,070</b>	<b>6,063,939</b>	<b>10,127,100</b>	<b>45,090,461</b>
<b>EXPENDITURES</b>					
Current					
Instruction	14,527,869	-	-	5,239,995	19,767,864
Support services	5,983,402	-	60,879	1,329,600	7,373,881
Central services	1,869,919	-	-	432,835	2,302,754
Operations and maintenance of plant	3,397,189	508,673	-	1,020,896	4,926,758
Student transportation	1,369,782	-	-	77,408	1,447,190
Other support services	25,911	-	-	109,126	135,037
Food service operations	370	-	-	2,392,375	2,392,745
Community service	-	-	-	34,922	34,922
Capital outlay	-	6,045,324	-	102,908	6,148,232
Debt service					-
Principal	-	-	4,905,000	-	4,905,000
Interest	-	-	935,249	-	935,249
Bond premium	-	(100,000)	(84,240)	-	(184,240)
<b>Total expenditures</b>	<b>27,174,442</b>	<b>6,453,997</b>	<b>5,816,888</b>	<b>10,740,065</b>	<b>50,185,392</b>
<b>Excess(deficiency) of revenue over (under) expenditures</b>	<b>(15,090)</b>	<b>(4,713,927)</b>	<b>247,051</b>	<b>(612,965)</b>	<b>(5,094,931)</b>
Other financing sources (uses)					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	4,895,000	-	-	4,895,000
Bond underwriter premium	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>4,895,000</b>	<b>-</b>	<b>-</b>	<b>4,895,000</b>
Net change in fund balances	(15,090)	181,073	247,051	(612,965)	(199,931)
Fund balances, beginning of year	3,880,379	4,265,539	6,262,139	4,978,082	19,386,139
<b>Fund balances - end of year</b>	<b>\$ 3,865,289</b>	<b>4,446,612</b>	<b>6,509,190</b>	<b>4,365,117</b>	<b>\$ 19,186,208</b>

*The Notes to the Financial Statements are an integral part of this statement.*

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS TO THE  
STATEMENT OF ACTIVITIES  
Year Ended June 30, 2019**

	<u>Governmental Funds</u>
Amounts reported for governmental activities in the statement of activities are different because:	
Net change in fund balances - total governmental funds	\$ (199,931)
Capital outlay to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which depreciation exceeds capital outlays for the period.	
Loss on disposal of capital assets	-
Depreciation expense	(3,717,005)
Capital outlays	6,148,232
Pension / OPEB contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the statement of net position because the reported net pension/OPEB liability is measured a year before the District's report date. Pension/OPEB expense, which is the change in the net pension/OPEB liability adjusted for changes in deferred outflows and inflows of resources related to pensions/OPEB, is reported in the statement of activities.	
Pension expense	(9,731,308)
OPEB expense	617,961
Revenues that do not provide current financial resource are not reported as revenues in the fund statements but are report in the Statement of Activities. This is the amount by which the deferred inflow of property taxes from the end of the year \$590,233 was more than the deferred inflow of property taxes from the beginning of the year \$551,145.	39,088
The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:	
(Increase) decrease in accrued interest payable	42,763
(Increase) decrease in accrued compensated absences	(18,013)
Bond proceeds	(4,895,000)
(Increase) decrease in bond premium	(145,421)
Principal payments on bonds	4,905,000
<b>Change in net position-total Governmental Activities</b>	<b>\$ (6,953,634)</b>

*The Notes to the Financial Statements are an integral part of this statement.*

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
GENERAL FUND – 11000 (OPERATIONAL INSTRUCTION)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
Year Ended June 30, 2019**

REVENUES	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Property taxes	\$ 168,100	168,100	174,112	\$ 6,012
Federal grants	3,407,923	3,407,923	4,864,562	1,456,639
Federal flowthrough		-	307,883	307,883
State flowthrough	21,339,918	21,339,918	20,106,667	(1,233,251)
Transportation distribution	-	-	-	-
Charges for service	304,000	304,000	342,567	38,567
Investment income	1,000	1,000	431	(569)
Miscellaneous	363,500	363,500	44,694	(318,806)
<b>Total revenues</b>	<b>25,584,441</b>	<b>25,584,441</b>	<b>25,840,916</b>	<b>256,475</b>
<b>EXPENDITURES</b>				
Current Liabilities				
Instruction	14,516,045	14,679,914	14,463,263	216,651
Support services	14,180,270	4,180,984	5,983,402	(1,802,418)
Central services		3,135,332	1,869,919	1,265,413
Operations and maintenance of plant		3,842,376	3,393,242	449,134
Student transportation	-	219,990	228,366	(8,376)
Other support services	-	2,801,588	25,911	2,775,677
Food service operations	2,008	2,008	370	1,638
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<b>28,698,323</b>	<b>28,862,192</b>	<b>25,964,473</b>	<b>2,897,719</b>
<b>Excess(deficiency) of revenue over (under) expenditures</b>	<b>(3,113,882)</b>	<b>(3,277,751)</b>	<b>(123,557)</b>	<b>3,154,194</b>
Other financing sources (uses)				
Bond proceeds	-	-	-	-
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	\$ (3,113,882)	(3,277,751)	(123,557)	\$ 3,154,194
Reconciliation to GAAP basis				
Adjustments to revenue			-	
Adjustments to expenditures			\$ -	
<b>Excess (deficiency) of revenue and other sources (uses) over expenditures (GAAP Basis)</b>			<b>\$ (123,557)</b>	

*The Notes to the Financial Statements are an integral part of this statement.*

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
GENERAL FUND – 12000 (SUPPORT SERVICES)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
Year Ended June 30, 2019**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<b>REVENUES</b>				
Property taxes	\$ -	-	-	\$ -
Federal grants	-	-	-	-
State flowthrough	-	-	-	-
Transportation distribution	-	-	-	-
Charges for service	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	179,967	179,967	36,165	(143,802)
<b>Total revenues</b>	<u>179,967</u>	<u>179,967</u>	<u>36,165</u>	<u>(143,802)</u>
<b>EXPENDITURES</b>				
Current Liabilities				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operations and maintenance of plant	179,967	179,967	3,947	176,020
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food service operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<u>179,967</u>	<u>179,967</u>	<u>3,947</u>	<u>176,020</u>
<b>Excess(deficiency) of revenue over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>32,218</u>	<u>32,218</u>
Other financing sources (uses)				
Bond proceeds	-	-	-	-
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>-</u>	<u>32,218</u>	<u>\$ 32,218</u>
Reconciliation to GAAP basis				
Adjustments to revenue			\$ -	
Adjustments to expenditures			-	
<b>Excess (deficiency) of revenue and other sources over expenditures (GAAP Basis)</b>			<u>\$ 32,218</u>	

*The Notes to the Financial Statements are an integral part of this statement.*



**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
GENERAL FUND – 13000 (PUPIL TRANSPORTATION)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES – BUDGET (NON-GAAP BASIS) AND ACTUAL  
Year Ended June 30, 2019**

<b>REVENUES</b>	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
Property taxes	\$ -	-	-	\$ -
Federal grants	-	-	-	-
State flowthrough	-	-	-	-
Transportation distribution	1,183,954	1,186,693	1,183,957	(2,736)
Charges for service	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>1,183,954</u>	<u>1,186,693</u>	<u>1,183,957</u>	<u>(2,736)</u>
<b>EXPENDITURES</b>				
Current Liabilities				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operations and maintenance of plants	-	-	-	-
Student transportation	1,183,954	1,186,693	1,141,416	45,277
Other support services	-	-	-	-
Food service operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<u>1,183,954</u>	<u>1,186,693</u>	<u>1,141,416</u>	<u>45,277</u>
<b>Excess(deficiency) of revenue over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>42,541</u>	<u>42,541</u>
Other financing sources (uses)				
Bond proceeds	-	-	-	-
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>-</u>	<u>42,541</u>	<u>\$ 42,541</u>
Reconciliation to GAAP basis				
Adjustments to revenue			\$ -	
Adjustments to expenditures			-	
<b>Excess (deficiency) of revenue and other sources (uses) over expenditures (GAAP Basis)</b>			<u>\$ 42,541</u>	

*The Notes to the Financial Statements are an integral part of this statement.*

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
GENERAL FUND – 14000 (INSTRUCTIONAL MATERIALS)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES – BUDGET (NON-GAAP BASIS) AND ACTUAL  
Year Ended June 30, 2019**

<b>REVENUES</b>	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
Property taxes	\$ -	-	-	\$ -
Federal grants		-	-	-
State flowthrough	98,314	102,266	98,314	(3,952)
Transportation distribution	-	-	-	-
Charges for service	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>98,314</u>	<u>102,266</u>	<u>98,314</u>	<u>(3,952)</u>
<b>EXPENDITURES</b>				
Current Liabilities				
Instruction	98,314	102,266	64,606	37,660
Support services	-	-	-	-
Central services	-	-	-	-
Operations and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food service operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<u>98,314</u>	<u>102,266</u>	<u>64,606</u>	<u>37,660</u>
<b>Excess(deficiency) of revenue over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>33,708</u>	<u>33,708</u>
Other financing sources (uses)				
Bond proceeds	-	-	-	-
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>-</u>	<u>33,708</u>	<u>\$ 33,708</u>
Reconciliation to GAAP basis				
Adjustments to revenue			\$ -	
Adjustments to expenditures			-	
<b>Excess (deficiency) of revenue and other sources (uses) over expenditures (GAAP Basis)</b>			<u>\$ 33,708</u>	

*The Notes to the Financial Statements are an integral part of this statement.*

**STATE OF NEW MEXICO  
 BERNALILLO PUBLIC SCHOOL DISTRICT  
 AGENCY FUNDS  
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
 June 30, 2019**

	<u>Agency Fund</u>
<b>ASSETS</b>	
Current	
Cash	\$ 232,967
	<u>232,967</u>
<b>Total assets</b>	<u>\$ 232,967</u>
<b>LIABILITIES</b>	
Current	
Deposits held in trust for others	\$ 232,967
	<u>232,967</u>
<b>Total liabilities</b>	<u>\$ 232,967</u>

*The Notes to the Financial Statements are an integral part of this statement.*

**NOTES TO FINANCIAL STATEMENTS**

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2019**

**NOTE 1. NATURE OF ORGANIZATION**

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

The School board operates nine schools within the School district with a total enrollment of approximately 3,000 pupils. in conjunction with the regular educational programs, some of these schools offer special education. in addition, the School Board provides transportation and school food services for the students.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

***Financial Reporting Entity***

GASB Statement No. 14 established criteria for determining the government reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the District is considered a primary government, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the District may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The District also has no component units, as defined by GASB Statement No. 14 and/or GASB Statement No. 39, as there are no other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the School Board Members are financially accountable. There are no other primary governments with which the District has a significant relationship.

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2019**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Government-wide and Fund Financial Statements***

The government-wide financial statements (i.e., the statement of net position and the statement of activities and changes in net assets) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The District has no business-type activities.

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

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

***Measurement focus, basis of accounting, and financial statement presentation***

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

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

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2019**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Measurement focus, basis of accounting, and financial statement presentation (Continued)*

Ad valorem taxes (property taxes), franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available.

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

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

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

The General Funds

The primary operating funds of the District; account for all financial resources, except those required to be accounted for in other funds.

The Special Revenue Funds

Account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

The Capital Projects Funds

Account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

The Debt Service Funds

Account for the services of long-term debt not being financed by proprietary or nonexpendable trust funds.



**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2019**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Measurement focus, basis of accounting, and financial statement presentation (Continued)*

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

General Funds

*The Operational Fund (11000)*

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

*The Teacherage Fund (12000)*

Used to provide housing in remote locations for teachers.

*The Transportation Fund (13000)*

Used to account for the State Equalization received from the State Department of Education which is used to pay for the costs associated with transporting school age children.

*The Instructional Materials Fund (14000)*

Used to account for the monies received from the State Department of Education for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students.

*The Bond Building Capital Projects Fund (31100)*

Used to account for bond proceeds and any income earned thereon. The proceeds are restricted for the purpose of making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof, as approved by the voters of the District.

*The Debt Service Fund (41000)*

Used to account for the accumulation of resources for the payment of long- Term Debt principal and interest.

Agency Fund

*The Fiduciary Fund* accounts for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, or student organizations.

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

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2019**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Measurement focus, basis of accounting, and financial statement presentation (Continued)*

Agency Fund (Continued)

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

Program revenues are categorized as (a) charges for services, which include revenues collected for cafeteria fees and lost books, etc., (b) program-specific operating grants, which includes revenues received from state and federal sources such as Title 1, IDEA-B, and Magnet school funding to be used as specified within each program grant agreement, and (c) program-specific capital grants and contributions, which include revenues from state sources such as SB-9 and 11B-33 funding to be used for capital projects. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

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

*Assets, Liabilities and Net Position or Equity*

Cash and Temporary Investments

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

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

Investments for the District are reported at fair value. The State Treasurer's Local Government Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares. The district does not currently have any deposits or investments in the LGIP.

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2019**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Assets, Liabilities and Net Position or Equity (Continued)*

Restricted Assets

The Debt Service Fund is used to report resources set aside as restricted to make up potential future deficiencies in the revenue bond current debt service account. Restricted cash is related to debt service, and future capital projects.

Receivables and Payables

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

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

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

The District receives monthly income from a tax levy in Sandoval County. The funds are collected by the County Treasurer and are remitted to the School District the following month. Under the modified accrual method of accounting, the amount remitted by the Sandoval County Treasurer in July and August 2019 is considered measurable and available and, accordingly, is recorded as revenue during the year ended June 30, 2019.

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

Prepaid Items

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

Instructional Materials

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

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2019**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Assets, Liabilities and Net Position or Equity (Continued)*

Instructional Materials (Continued)

Inventory: Inventory is valued at lower of cost (first-in, first-out) or market. Inventory in the General fund consists of expendable supplies held for consumption. Inventory in the Special Revenue Funds consists of U.S.D.A. commodities and other purchased food and non-food supplies. The cost of purchased food is recorded as an expenditure at the time individual inventory items are consumed. The U.S.D.A. commodities are recorded at year-end by audit adjusting entries. Commodities consumed during the year are reported as revenues and expenditures; unused commodities are reported as inventories and unearned revenue. Non-commodity inventories are equally offset by a fund balance reserve, which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets. No unearned revenue was recorded for unused commodity inventory as of June 30, 2019. Inventories in the Transportation fund consisted of related supplies.

Capital Assets: Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 per Section 12-6-10 NMSA 1978, and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets, (retroactive to 1979) are to be included as part of the governmental capital assets reported in the government wide statements. However, infrastructure assets have not been included in the June 30, 2019 financial statements of Bernalillo Public School District, since the District did not own any infrastructure assets as of June 30, 2019. Information technology equipment, including software, is being capitalized and included in furniture and equipment as the District did not maintain internally developed software. The District expenses the cost of library books when purchased. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized, but rather, expensed in the period incurred.

Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction during the year ended June 30, 2019.

Capital expenditures made on the District's building construction projects by the NM Public School Facilities Authority have been recorded as a revenue and expenditure in the fund financial statements, and have been included as capital assets in the District's government-wide financial statements.

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2019**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Assets, Liabilities and Net Position or Equity (Continued)*

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

Buildings/building improvements	20-40 years
Furniture fixtures and equipment	3 - 7 years

Deferred Outflows/Inflows of Resources. In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Also, in addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District reports deferred inflows in the governmental funds regarding property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available

Compensated Absences: Qualified employees are entitled to accumulate annual leave according to a graduated leave schedule of 12 days to 20 days per year, depending on length of service, the employee's hire date and the employee's employment status (administrator or classified). All earned vacation must be taken within one year after it is earned. Upon termination, employees will be paid for up to twenty days of accrued annual leave.

Qualified employees are entitled to accumulate sick leave according to a graduated leave schedule of 10 days to 14 days per year, depending on the employee's annual contract length. There is no limit to the amount of sick leave an employee may accumulate. Employees with a minimum of twelve years of service with the District are eligible for the following compensation upon official retirement from the District through the New Mexico Educational Retirement Board:

Eligible employees will receive 10% of the average daily rate stated in the final employment contract for all unused sick leave earned on June 30 of the year prior to the last year of service up to a maximum of 700 hours; and

Eligible employees will receive 100% of the average daily rate stated in the final employment contract for all unused sick leave earned in the final school year of employment up to a maximum of 49 hours

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2019**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Assets, Liabilities and Net Position or Equity (Continued)*

will pay it. In prior years, substantially all of the related expenditures have been liquidated by the general fund. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the district-wide statement of net position.

**Accrued Payroll:** In the fund financial statements, governmental fund types recognize the accrual of unpaid wages and benefits that employees have earned at the close of each fiscal year. The amount recognized in the fund financial statements represents checks that were held at year end in relation to employee's summer payroll.

**Long-term Obligations:** In the government-wide fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position.

**Fund Balance Classification Policies and Procedures:** For committed fund balance, the District's highest level of decision-making authority is the Board of Education. The formal action that is required to be taken to establish a fund balance commitment is the Board of Education.

For assigned fund balance, the Board of Education or an official or body to which the School Board of Education delegates the authority is authorized to assign amounts to a specific purpose. The authorization policy is in governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund. For the classification of fund balances, the District considers restricted or unrestricted amounts to have been spent when an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available. Also, for the classification of fund balances, the District considers committed, assigned, or unassigned amounts to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

**Non-spendable Fund Balance:** At June 30, 2019, the non-spendable fund balance in the general fund and other governmental funds is made up of inventory, and prepaids in the amounts of \$41,709.

**Restricted and Committed Fund Balance:** At June 30, 2019, the restricted fund balance on the governmental funds balance sheet is made up of \$4,907,726 for providing education to the students of the District, \$4,446,612 for the purpose at erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public schools, providing matching funds for capital outlay projects funded pursuant to the Public School Capital Outlay Act [22-24-1 NMSA 1978),

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2019**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Assets, Liabilities and Net Position or Equity (Continued)*

or any combination of these purposes, \$6,509,190 for the payment of principal and interest of the future debt service requirements.

Minimum Fund Balance Policy: The District does not have a policy for maintaining a minimum amount of fund balance for operations to help minimize any sudden and unplanned discontinuity to programs, operations or for unforeseen contingencies.

Net Position or Fund Equity: Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

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

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

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

Unrestricted Net Position: All other net assets that do not meet the definition of "restricted" or "net investment in capital assets."

The Government-Wide Balance Sheet reports \$15,863,528 of restricted net position of which is restricted by enabling legislation.

The District's policy is to apply restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

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

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2019**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Assets, Liabilities and Net Position or Equity (Continued)***

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

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates affecting the District's financial statements include management's estimate of the useful lives of capital assets, and GASB 68 estimates related to pensions.

***Revenues***

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

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public-school fund under the authority of the Director of Public-School Finance. The District received \$23,142,351 in state equalization guarantee distributions during the year ended June 30, 2019.

Tax Revenues: The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Tax revenues are recognized when they are in the hands of the collecting agency. The District records only the portion of the taxes considered to be 'measurable' and 'available'. The District recognized \$7,521,092 in tax revenues during the year ended June 30, 2019. Descriptions of the individual debt service and capital outlay funds contained in these financial statements include information regarding the authority for the collection and use of these taxes.

Property taxes attach an enforceable lien on property as of January 1. Tax notices are sent to property owners by November 1st of each year to be paid in whole or in two installments by November 10th and April 10th of each year. Sandoval County Collects County, City and School taxes and distributes them to each fund once per month except in June when the taxes are distributed twice to close out the fiscal year.



**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2019**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Revenues (Continued)***

Transportation Distribution: School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$1,183,957 in transportation distributions during the year ended June 30, 2019.

Instructional Materials: The New Mexico Public Education Department (PED) receives federal material leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, fifty percent is restricted to the requisition of materials listed in the State Board of Education "State Adopted Instructional Material" list, while the other fifty percent of each allocation is available for purchases directly from vendors. Allocations received from the State for the year ended June 30, 2019 totaled \$98,314.

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

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

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

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

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2019**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Revenues (Continued)***

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

During the year ended June 30, 2019, the District received \$1,738,878 in capital outlay funds.

SB-9 State Match: The Director shall distribute to any school district that has imposed a tax under the Public School Capital Outlay Improvements Act (22-25-1 to 22-25-10 NMSA 1978) an amount from the public school capital improvements fund that is equal to the amount by which the revenue estimated to be received from the imposed tax as specified in Subsection 13 of section 22-25-3 NMSA 1.978, assuming a one hundred percent collection rate, is less than an amount calculated by multiplying the product obtained by the rate imposed in the District under the Public School Capital Improvements Act. The distribution shall be made by December 1, of each year that the tax is imposed in accordance with Section 22-25-3 NMSA 1978. Provided, however, in the event that sufficient funds are not available in the public school capital improvement funds to make the state distribution provided for in this section, the dollar per program unit figure shall be reduced as necessary.

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

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

***Pensions***

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Educational Retirement Plan (ERP) and additions to/deductions from ERP's fiduciary net position have been determined on the same basis as they are reported by ERP. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
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June 30, 2019**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Postemployment Benefits Other than Pensions (OPEB)***

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the New Mexico Retiree Health Care Authority (NMRHCA) and additions to and deductions from NMRHCA's fiduciary net position have been determined on the same basis as they are reported by NMRHCA. For this purpose, NMRHCA recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

***Reclassification***

Certain amounts in the prior period financial statements have been reclassified to conform to the presentation of the current period financial statements. These reclassifications had no effect on the previously reported net position.

**NOTE 3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

***Budgetary Information***

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

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

Actual expenditures may not exceed the budget on a function basis, i.e., each budgeted function must be within budgeted amounts. Budgets may be amended in two ways, if a budget transfer is necessary within a major category called a 'series,' this may be accomplished with only local Board of Education approval. If a transfer between 'series' or a budget increase is required, approval must also be obtained from Public School Finance Division. The budgetary information presented in these financial statements has been amended in accordance with the above procedures.

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

1. In April or May, the local school board submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department a proposed operating budget for the ensuing fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the State of New Mexico Public Education Department (PED) by the District shall contain headings and details as described by law and have been approved by the Public Education Department.

**STATE OF NEW MEXICO  
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NOTES TO FINANCIAL STATEMENTS  
June 30, 2019**

**NOTE 3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)**

*Budgetary Information (Continued)*

2. In May or June of each year, the proposed "operating" budget will be reviewed and approved by the DBPU and certified and approved by the local school board at a public hearing of which notice has been published by the local school board which fixes the estimated budget for the school district for the ensuing fiscal year.
3. The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called.
4. The "operating" budget will be used by the District until they have been notified that the budget has been approved by the DBPU and the local school board, the budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the DBPU.
5. The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Public Education Department.
6. Budget change requests are processed in accordance with Supplement 1 (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the SBPU.
7. Legal budget control for expenditures is at the function level.
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 Bernalillo Public School District has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.
9. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds.
10. Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Encumbrances are treated the same way for GAAP purposes and for budget purposes.

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

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2019**

**NOTE 4. CASH AND CASH EQUIVALENTS**

State statutes authorize the investment of District funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the District properly followed State investment requirements as of June 30, 2019.

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

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

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

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

According to the Federal Deposit Insurance Corporation, public unit deposits are funds owned by the public unit. Time deposits, savings deposits and interest-bearing NOW accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution.

***Deposits***

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

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2019**

**NOTE 4. CASH AND CASH EQUIVALENTS (CONTINUED)**

	US Bank	Totals
Total amounts of deposit	\$ 19,684,952	\$ 19,684,952
FDIC Coverage	(250,000)	(250,000)
Total uninsured public funds	<u>19,434,952</u>	<u>19,434,952</u>
Pledged collateral held by Pledging bank's trust department or agent in agency's name	 <u>20,000,000</u>	 <u>20,000,000</u>
Collateral requirement (50% of uninsured public funds)	9,717,476	9,717,476
Pledged security	<u>(20,000,000)</u>	<u>(20,000,000)</u>
Total under (over) collateralized	<u>\$ (10,282,524)</u>	<u>\$ (10,282,524)</u>

***Custodial Credit Risk Deposits***

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, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10.63, NMSA 1978). At June 30, 2019, none of the District's bank balance of \$19,684,952 was exposed to custodial credit risk as the amount uninsured was collateralized and the collateral was held by the pledging bank's trust department in the District's name. None of the District's bank balance was uninsured and uncollateralized. At June 30, 2019, the carrying amount of these deposits was \$18,330,555.

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2019**

**NOTE 4. CASH AND CASH EQUIVALENTS (CONTINUED)**

*Reconciliation to the Statement of Net Position*

The carrying amount of deposits and investments shown above are included in the District's Financial Statements as follows:

Cash and cash equivalents - Governmental Activities	\$ 19,441,538
Cash and cash equivalents - Fiduciary Funds	243,414
<b>Total cash and cash equivalents</b>	<u>19,684,952</u>
Less: Outstanding checks	
Plus: Deposits in Transit	(1,448,779)
Less: Agency Fund	(232,967)
Net Unreconciled Variance	171,170
<b>Book Balance</b>	<u>156,179</u>
	<u>\$ 18,330,555</u>

**NOTE 5. RECEIVABLES**

Receivables as of June 30, 2019, are as follows:

	General Fund	Bond Building Fund	Debit Services	Other Gov. Funds	Total
Intergovernmental					
Grant	\$ -	-	-	2,638,799	\$ 2,638,799
Taxes	21,517	-	570,029	118,670	710,216
<b>Total</b>	<u>\$ 21,517</u>	<u>-</u>	<u>570,029</u>	<u>2,757,469</u>	<u>\$ 3,349,015</u>

The above receivables are deemed 100% collectible. In accordance with GASB 65.109-130, property tax receivables are presented net of property taxes - deferred inflows in the amount of \$590,233 on the governmental fund financial statements.

**NOTE 6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)**

“Interfund balances” have primarily been recorded when funds overdraw their share of pooled cash when the District is waiting for grant reimbursements. There were no interfund transfers during the year. The composition of interfund balances as of June 30, 2019 is as follows:

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2019**

**NOTE 6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

Governmental Activities:	Interfund Receivable	Interfund Payable
<b>Major Funds:</b>		
11000 General Fund - Operational	\$ 3,412,215	\$ 484,016
31100 Bond Building	-	84,240
41000 Debt Service	84,240	-
<b>Non Major Funds:</b>		
21000 Food Services	-	163,536
24101 Title I IASA	-	332,148
24106 Entitlement IDEA-B Fund	-	984,490
24109 Preschool IDEA-B	-	13,892
24118 Fresh Fruit & Vegetables USDA	-	17,791
24119 21st Century Community Learning Centers	-	47,303
24132 IDEA-B Results Plan	-	70,269
24145 Striving Readers Comprehensive Literacy	151	221,975
24153 English Language Acquisition	-	81,356
24154 Teacher/Principal Training & Recruiting	-	24,066
24171 Carl D Perkins Special projects Current	-	42,967
24174 Carl D Perkins Second Special Revenue Fund	-	17,334
24176 Carl D. Perkins Redistribution Career and Technical Ed.	-	3,628
24190 Title 1 - Comprehensive Support	-	45,251
24191 Title 1 - HS Redesign	-	44,150
25145 Impact Aid Special Education	-	691
25147 Impact Aid Indian Education	-	307,748
25184 Indian Ed Formula Grant	-	11,298
25194 Special Projects Demonstration USDE	-	97,073
25205 Gear Up NM State Initiative	101,391	240,250
27103 Dual Credit Instructional Materials/ HB2	-	1,014
27107 2012 GO Bond Student Library	-	16,780
27114 NM Reads to Lead K-3 Reading Initiative	-	9
27128 Teacher Recruitment Initiative	-	5,763
27141 Truancy Prevention	-	56
27149 Pre K Initiative	-	236,510
27150 Indian Health Services USPHS and Indian Education Act	-	13,361
27166 Kindergarden - Three Plus	1,991	171,006
27168 After School Enrichment	-	3,600
27183 NM Grown FW	-	9,987
27195 Teachers Hard to Staff Stipend	-	60
27198 K3 Plus 4&5 Pilot	-	66,496
28120 NM Highways Dept (Road)	-	80,201
28190 GRADS Instruction	-	1,057
28202 Rez of Your Life Program	14,768	31,651
28203 GRADS Plus	-	7,755
29107 City/County Grants	8,000	-
31701 SB9	358,539	517
	<u>\$ 3,981,295</u>	<u>\$ 3,981,295</u>



**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2019**

**NOTE 7. CAPITAL ASSETS**

A summary of capital assets and changes occurring during the year ended June 30, 2019, including those changes pursuant to the implementation of GASB Statement No. 34, follows:

	Balance, June 30, 2018	Transfers	Additions	Deletions	Balance, June 30, 2019
Capital assets not depreciated:					
Land	\$ 180,609	-	-	-	\$ 180,609
Construction in progress	670,918	(670,918)	-	-	-
Total not depreciated	<u>851,527</u>	<u>(670,918)</u>	<u>-</u>	<u>-</u>	<u>180,609</u>
Capital assets being depreciated:					
Building and improvements	123,342,508	670,918	6,023,917	-	130,037,343
Furniture, fixtures and equipment	7,719,938	-	124,315	-	7,844,253
Total depreciated	<u>131,062,446</u>	<u>670,918</u>	<u>6,148,232</u>	<u>-</u>	<u>137,881,596</u>
Less accumulated depreciation:					
Buildings and improvements	28,537,209	-	3,128,691	-	31,665,900
Furniture, fixtures and equipment	4,929,695	-	588,314	-	5,518,009
Total depreciated	<u>33,466,904</u>	<u>-</u>	<u>3,717,005</u>	<u>-</u>	<u>37,183,909</u>
Net depreciated assets	<u>\$ 98,447,069</u>	<u>-</u>	<u>2,431,227</u>	<u>-</u>	<u>\$ 100,878,296</u>

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2019**

**NOTE 7. CAPITAL ASSETS (CONTINUED)**

Depreciation expense for the year ended June 30, 2019 was charged to governmental activities as follows:

Instruction	\$ 3,233,794
Support services	37,170
Central services	74,340
Student transportation	334,530
Food services operation	37,170
<b>Total</b>	<u><u>\$ 3,717,005</u></u>

**NOTE 8. LONG-TERM DEBT**

During the year ended June 30, 2019, the following changes occurred in the liabilities reported in the government- wide statement of net position:

	Balance, June 30, 2018	Adjustments*	Additions	Deletions	Balance June 30, 2019	Current Portion
General obligation bonds	\$ 34,747,429	(252,429)	4,895,000	4,905,000	34,485,000	\$ 4,870,000
Bond Premium, net	-	252,429	184,240	38,819	397,850	-
Compensated absences	143,275	-	158,240	140,227	161,288	161,288
<b>Total</b>	<u><u>\$ 34,890,704</u></u>		<u><u>5,237,480</u></u>	<u><u>5,084,046</u></u>	<u><u>35,044,138</u></u>	<u><u>\$ 5,031,288</u></u>

\* A premium in the amount of \$252,429 was included in prior year principal balance and has been reclassified

Interest expense paid on long-term debt totaled \$896,430 on the Statement of Activities for the year ended June 30, 2019.

In the Current year the district issued a general obligation bond in the amount of \$4,895,000 that included a premium of \$184,240.

The District's general obligation bonds were issued for the purposes of creating, remodeling, making additions to and furnishing school buildings, and purchasing and improving school grounds and are payable solely from general property taxes that are levied against all taxable property in the District. The bonds are payable out of the Debt Service Fund (Fund 41000), Interest payments are due semi-annually on July 15 and January 15. Interest rates on the bonds range from 1.500% to 4.200%. Principal payments in varying amounts are due annually on August 1, or August 15 through 2030.

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2019**

**NOTE 8. LONG-TERM DEBT (CONTINUED)**

The annual requirements to amortize the General Obligation Bonds as of June 30, 2019, including interest payments are as follows:

Fiscal Year Ending June 30, 2019	Principal	Interest	Total Debt Service
2020	\$ 4,870,000	961,799	\$ 5,831,799
2021	4,430,000	850,013	5,280,013
2022	3,835,000	718,763	4,553,763
2023	3,835,000	602,888	4,437,888
2024	3,480,000	483,163	3,963,163
2025-2029	12,150,000	1,122,288	13,272,288
2030-2031	1,885,000	93,375	1,978,375
	<u>\$ 34,485,000</u>	<u>4,832,287</u>	<u>\$ 39,317,287</u>

Compensated Absences — Administrative employees of the District are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2019, the compensated absences obligation increased by \$18,013 from the prior year accrual.

Operating Leases — The District leases office equipment under short- term cancelable operating leases. Rental cost for the year ended June 30, 2019 was \$102,987.

**NOTE 9. RISK MANAGEMENT**

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

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

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2019**

**NOTE 9. RISK MANAGEMENT (CONTINUED)**

Orders. A limit of \$100,000 applies to Money and Security, which includes a \$750 deductible. In case the NMPSIA's assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. As of June 30, 2019, there have been no claims that have exceeded insurance coverage.

**NOTE 10. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES**

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

Deficit fund balance of individual funds. The following funds reported a deficit fund balance at June 30, 2019:

Fund No.	Fund Description	Deficit Amount
24101	Title I IASA	\$ (92,059)
24106	IDEA B Entitlement	(11,915)
24109	Preschool IDEA B	(3,019)
24118	Fresh Fruits & Vegetables USDA	(17,791)
24119	Community learning centers	(47,303)
24132	IDEA B Result Plan	(35,935)
24145	Striving Readers Comprehensive	(1)
24153	English language acquisition	(86,935)
24154	Teacher / Principal Training & Recruiting	(40,456)
24171	Carl D Perkins Special Project Current	(1)
24190	Title 1 - Comprehensive Support	(4,957)
24191	Title 1 - HS Redesign	(444)
25184	Indian Ed. Formula Grant	(10,740)
25194	Special Projects Demonstration	(29,133)
25205	Gear Up NM State Initiative	(53,526)
27103	Dual Credit Instructional Materials / HB2	(861)
27107	2012 GO Bond Student Library	(6,806)
27114	NM Reads to Lead K-3 Reading Initiative	(9)
27129	Advance Placement Program	(5,763)
27149	Pre-K Initiative	(50)
27168	After School Enrichment	(3,600)
27183	NM Grown FW	(9,987)
27195	Teacher Hard to Staff Stipend	(60)
28190	GRADS Instruction	(1,057)

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2019**

**NOTE 11. PENSION PLAN – EDUCATION RETIREMENT BOARD**

*General Information About the Pension Plan*

*Plan Description*

The New Mexico Educational Retirement Act (ERA) was enacted in 1957. The act created the Educational Employees Retirement Plan (Plan) and, to administer it, the New Mexico Educational Retirement Board (NMERB). The Plan is included in NMERB's comprehensive annual financial report. The report can be found on NMERB's Web site at [https://www.nmerb.org/Annual\\_reports.html](https://www.nmerb.org/Annual_reports.html).

The Plan is a cost-sharing, multiple-employer pension plan established to provide retirement and disability benefits for certified teachers and other employees of the state's public schools, institutions of higher learning, and state agencies providing educational programs. Additional tenets of the ERA can be found in Section 22-11-1 through 22-11-52, NMSA 1978, as amended.

The Plan is a pension trust fund of the State of New Mexico. The ERA assigns the authority to establish and amend benefit provisions to a seven-member Board of Trustees (Board); the state legislature has the authority to set or amend contribution rates and other terms of the Plan. NMERB is self-funded through investment income and educational employer contributions. The Plan does not receive General Fund Appropriations from the State of New Mexico.

All accumulated assets are held by the Plan in trust to pay benefits, including refunds of contributions as defined in the terms of the Plan. Eligibility for membership in the Plan is a condition of employment, as defined in Section 22-11-2, NMSA 1978. Employees of public schools, universities, colleges, junior colleges, technical-vocational institutions, state special schools, charter schools, and state agencies providing an educational program, who are employed more than 25% of a full-time equivalency, are required to be members of the Plan, unless specifically excluded.

*Pension Benefit*

A member's retirement benefit is determined by a formula which includes three component parts: 1) the member's final average salary (FAS), 2) the number of years of service credit, and 3) a 0.0235 multiplier. The FAS is the average of the member's salaries for the last five years of service or any other consecutive five-year period, whichever is greater.

**STATE OF NEW MEXICO  
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**NOTE 11. PENSION PLAN – EDUCATION RETIREMENT BOARD (CONTINUED)**

*Summary of Plan Provisions for Retirement Eligibility*

For members employed before July 1, 2010, a member is eligible to retire when one of the following events occurs:

- The member's age and earned service credit add up to the sum of 75 or more,
- The member is at least sixty-five years of age and has five or more years of earned service credit, or
- The member has service credit totaling 25 years or more.

Chapter 288, Laws of 2009 changed the eligibility requirements for new members first employed on, or after, July 1, 2010 and before July 1, 2013. The eligibility for a member who either becomes a new member on or after July 1, 2010 and before July 1, 2013, or at any time prior to July 1, 2010 refunded all member contributions and then becomes re-employed after July 1, 2010 is as follows:

- The member's age and earned service credit add up to the sum of 80 or more,
- The member is at least sixty-seven years of age and has five or more years of earned service credit, or
- The member has service credit totaling 30 years or more.

Section 2-11-23.2, NMSA 1978 added eligibility requirements for new members who were first employed on or after July 1, 2013, or who were employed before July 1, 2013 but terminated employment and subsequently withdrew all contributions, and returned to work for an ERB employer on or after July 1, 2013. These members must meet one of the following requirements.

- The member's minimum age is 55, and has earned 30 or more years of service credit. Those who retire earlier than age 55, but with 30 years of earned service credit will have a reduction in benefits to the actuarial equivalent of retiring at age 55.
- The member's minimum age and earned service credit add up to the sum of 80 or more. Those who retire under the age of 65, and who have fewer than 30 years of earned service credit will receive reduced retirement benefits.
- The member's age is 67, and has earned 5 or more years of service credit.

*Forms of Payment*

The benefit is paid as a monthly life annuity with a guarantee that, if the payments made do not exceed the member's accumulated contributions plus accumulated interest, determined as of the date of retirement, the balance will be paid in a lump sum to the member's surviving beneficiary.

**STATE OF NEW MEXICO  
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June 30, 2019**

**NOTE 11. PENSION PLAN – EDUCATION RETIREMENT BOARD (CONTINUED)**

***Benefit Options***

Retirees may elect payment of benefits in the form of a single life annuity, joint 100% survivor benefit, or joint 50% survivor benefit.

**Option A – Straight Life Benefit**

The single life annuity option has no reductions to the monthly benefit, and there is no continuing benefit due to a beneficiary or estate, except the balance, if any, of member contributions plus interest less benefits paid prior to the member's death.

**Option B – Joint 100% Survivor Benefit**

The single life annuity monthly benefit is reduced to provide for a 100% survivor's benefit. The reduced benefit is payable during the life of the member, with the provision that, upon death, the same benefit is paid to the beneficiary for his or her lifetime. If the beneficiary predeceases the member, the member's monthly benefit is increased to the amount the member would have received under Option A Straight Life benefit. The member's increased monthly benefit commences in the month following the beneficiary's death.

**Option C – Joint 50% Survivor Benefit**

The single life annuity monthly benefit is reduced to provide for a 50% survivor's benefit. The reduced benefit is payable during the life of the member, with the provision that, upon death, the reduced 50% benefit is paid to the beneficiary for his or her lifetime. If the beneficiary predeceases the member, the member's monthly benefit is increased to the amount the member would have received under Option A Straight Life benefit. The member's increased monthly benefit commences in the month following the beneficiary's death.

***Disability Benefit***

An NMERB member is eligible for disability benefits if they have acquired at least ten years of earned service credit and is found totally disabled. The disability benefit is equal to 2% of the member's Final Average Salary (FAS) multiplied by the number of years of total service credits. However, the disability benefit shall not be less than the smaller of (a) one-third of the member's FAS or (b) 2% of the member's FAS multiplied by total years of service credit projected to age 60.

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**NOTE 11. PENSION PLAN – EDUCATION RETIREMENT BOARD (CONTINUED)**

***Cost of Living Adjustment (COLA)***

All retired members and beneficiaries receiving benefits receive an automatic adjustment in their benefit on July 1 following the later of 1) the year a member retires, or 2) the year a member reaches age 65 (Tier 1 and Tier 2) or age 67 (Tier 3).

Tier 1

Membership is comprised of employees who became members prior to July 1, 2010

Tier 2

Membership is comprised of employees who became members after July 1, 2010, but prior to July 1, 2013

Tier 3

Membership is comprised of employees who became members on or after July 1, 2013

As of July 1, 2013, for current and future retirees the COLA is immediately reduced until the Plan is 100% funded. The COLA reduction is based on the median retirement benefit of all retirees excluding disability retirements. Retirees with benefits at or below the median and with 25 or more years of service credit will have a 10% COLA reduction; their average COLA will be 1.5%. Once the funding is greater than 90%, the COLA reductions will decrease. The retirees with benefits at or below the median and with 25 or more years of service credit will have a 5% COLA reduction; their average COLA will be 1.7%.

Members on disability retirement are entitled to a COLA commencing on July 1 of the third full year following disability retirement. A member on regular retirement who can prove retirement because of a disability may qualify for a COLA beginning July 1 in the third full year of retirement.

***Refund of Contributions***

Members may withdraw their contributions only when they terminate covered employment in the State and their former employer(s) certification determination has been received by NMERB. Interest is paid to members when they withdraw their contributions following termination of employment at a rate set by the Board. Interest is not earned on contributions credited to accounts prior to July 1, 1971, or for contributions held for less than one year.



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**NOTE 11. PENSION PLAN – EDUCATION RETIREMENT BOARD (CONTINUED)**

*Contributions*

For the fiscal years ended June 30, 2019 and 2018 educational employers contributed to the Plan based on the following rate schedule.

<b>Fiscal Year</b>	<b>Date Range</b>	<b>Wage Category</b>	<b>Member Rate</b>	<b>Employer Rate</b>	<b>Combined Rate</b>	<b>Increase Over Prior Year</b>
2019	7-1-18 to 6-30-19	Over \$20K	10.70%	13.90%	24.60%	0.00%
2019	7-1-18 to 6-30-20	\$20K or less	7.90%	13.90%	21.80%	0.00%
2018	7-1-17 to 6-30-18	Over \$20K	10.70%	13.90%	24.60%	0.00%
2018	7-1-17 to 6-30-18	\$20K or less	7.90%	13.90%	21.80%	0.00%

The contribution requirements are established in statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the New Mexico Legislature. For the fiscal years ended June 30, 2019 and 2018, the District paid employee and employer contributions of \$2,761,868 and \$2,591,574, which equal the amount of the required contributions for each fiscal year.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*

At June 30, 2019, the District reported a liability of \$79,300,908 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2018 using generally accepted actuarial principles. The roll-forward incorporates the impact of the new assumptions adopted by the Board on April 21, 2017. There were no other significant events of changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2018. Therefore, the employer’s portion was established as of the measurement date of June 30, 2018. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating educational institutions, actuarially determined. At June 30, 2018, the District’s proportion was 0.66688%, which was a decrease of 0.0215% from its proportion measured as of June 30, 2018.

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NOTE 11. PENSION PLAN – EDUCATION RETIREMENT BOARD (CONTINUED)

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)*

For the year ended June 30, 2019, the District recognized pension expense of \$9,731,308. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>                    </u>	<u>                    </u>
Difference between expected and actual experience	\$ 57,877	\$ 1,509,224
Changes of assumptions	16,343,542	-
Net difference between projected and actual earnings on pension plan investments	175,552	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	1,798,038
Employer's contributions subsequent to the measurement date	<u>2,761,868</u>	<u>-</u>
<b>Total</b>	<u><u>\$ 19,338,839</u></u>	<u><u>\$ 3,307,262</u></u>

\$2,761,868 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30, 2019:	
2020	\$ 5,244,170
2021	(380,514)
2022	2,310
2023	-
	<u><u>\$ 4,865,966</u></u>

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**NOTE 11. PENSION PLAN – EDUCATION RETIREMENT BOARD (CONTINUED)**

*Actuarial Assumptions*

The total pension liability in the June 30, 2018 actuarial valuation was determined using the following significant actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%										
Salary increases	3.25% composed of 2.50% inflation, plus a 0.75% productivity increase rate, plus a step-rate promotional increase for members with less than 10 years of service.										
Investment rate of return	7.25% compounded annually, net of expenses. This is made up of a 2.50% inflation rate and a 4.75 real rate of return.										
Average of Expected Remaining Service Lives	<table border="0" style="margin-left: 20px;"> <tr> <td style="padding-right: 10px;">Fiscal year</td> <td style="padding-right: 10px;"><u>2017</u></td> <td style="padding-right: 10px;"><u>2016</u></td> <td style="padding-right: 10px;"><u>2015</u></td> <td style="padding-right: 10px;"><u>2014</u></td> </tr> <tr> <td>Service life in years</td> <td>3.35</td> <td>3.77</td> <td>3.92</td> <td>3.88</td> </tr> </table>	Fiscal year	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	Service life in years	3.35	3.77	3.92	3.88
Fiscal year	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>							
Service life in years	3.35	3.77	3.92	3.88							
Mortality	<p><b>Healthy males:</b> Based on the RP-2000 Combined Healthy Mortality Table with White Collar adjustments, not set back. Generational mortality improvements with Scale BB from the table’s base year of 2000.</p> <p><b>Healthy females:</b> Based on GRS Southwest Region Teacher Mortality Table, set back one year. Generational mortality improvements in accordance with Scale BB from the table’s base year of 2012.</p> <p><b>Disabled males:</b> RP-2000 Disabled Mortality Table for males, set back three years, projected to 2016 with Scale BB.</p> <p><b>Disabled females :</b> RP-2000 Disabled Mortality Table for females, no set back, projected to 2016 with Scale BB.</p> <p><b>Active members:</b> RP-2000 Employee Mortality Tables, with males set back two years and scaled at 80%, and females set back five years and scaled at 70%. Static mortality improvement from the table’s base year of 2000 to the year 2016 in accordance with Scale BB. No future improvement was assumed for preretirement mortality.</p>										
Retirement age	Experience-based table rates based on age and service, adopted by the NMERB Board on April 21, 2017 in conjunction with the six-year experience study for the period ending June 30, 2016.										
Cost-of-living increases	1.90% per year, compounded annually; increases deferred until July 1 following the year a member retires, or the year in which a member attains the age of 65 (67 for Tier 3), whichever is later or, for disabled retirees, until July 1 of the third year following retirement.										
Payroll growth	3.00% per year (with no allowance for membership growth).										
Contribution accumulation	The accumulated member account balance with interest is estimated at the valuation date by assuming that member contributions increased 5.50% per year for all years prior to the valuation date. Contributions are credited with 4.00% interest, compounded annually, applicable to the account balances in the past as well as the future.										
Disability incidence	Approved rates are applied to eligible members with at least 10 years of service.										

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June 30, 2019**

**NOTE 11. PENSION PLAN – EDUCATION RETIREMENT BOARD (CONTINUED)**

Actuarial assumptions and methods are set by the Plan’s Board of Trustees, based upon recommendations made by the Plan’s actuary. The Board adopted new assumptions on April 21, 2017 in conjunction with the six-year actuarial experience study period ending June 30, 2016. At that time, the Board adopted several economic assumption changes, including a decrease in the inflation assumption from 3.00% to 2.50%. The 0.50% decrease in the inflation assumption also led to decreases in the nominal investment return assumption from 7.75% to 7.25%, the assumed annual wage inflation rate from 3.75% to 3.25%, the payroll growth assumption from 3.50% to 3.00%, and the annual assumed COLA from 2.00% to 1.90%

The long-term expected rate of return on pension plan investments was determined using a building-block approach that includes the following:

- Rate of return projections that are the sum of current yield plus projected changes in price (valuations, defaults, etc.)
- Application of key economic projections (inflation, real growth, dividends, etc.)
- Structural themes (supply and demand imbalances, capital flows, etc.) developed for each major asset class.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
Equities	34%	-
Fixed income	27%	-
Alternatives	38%	-
Cash	1%	-
<b>Total</b>	<b>100%</b>	<b>7.25%</b>

***Discount Rate***

A single discount rate of 5.69% was used to measure the total pension liability as of June 30, 2018. This rate is .21% less than the 5.90% discount rate used for June 30, 2017. This single discount rate was based on a long-term expected rate of return on pension plan investments of 7.25%, and a municipal bond rate of 3.62%, net of expense. Based on the stated assumptions and the projection of cash flows, the plan’s fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2050. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the 2050 fiscal year, and the municipal bond rate was applied to all benefit payments after that date.

The projections of cash flows used to determine the June 30, 2018 single discount rate assumed that plan member and employer contributions will be made at the current statutory levels.

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**NOTE 11. PENSION PLAN – EDUCATION RETIREMENT BOARD (CONTINUED)**

*Sensitivity of the District’s proportionate share of the net pension liability to changes in the discount rate*

The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 5.69 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.69 percent) or 1-percentage-point higher (6.69 percent) than the current rate:

	<b>1% Decrease (4.69%)</b>	<b>Current Discount Rate (5.69%)</b>	<b>1% Increase (6.69%)</b>
Bernalillo Public School District’s proportionate share of the net pension liability	\$ 103,060,808	\$ 79,300,908	\$ 59,914,312

*Pension Plan Fiduciary Net Position*

Detailed information about the pension plan’s fiduciary net position is available in separately issued NMERB’S financial reports. The reports can be found on NMERB’s Web site at [https://www.nmerb.org/Annual\\_reports.html](https://www.nmerb.org/Annual_reports.html).

*Payables to the Pension Plan*

Employer’s contribution due at June 30, 2019 was \$1,468.

**NOTE 12. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS**

*General Information about the OPEB*

*Plan Description*

Employees of the District are provided with OPEB through the Retiree Health Care Fund (the Fund)—a cost-sharing multiple-employer defined benefit OPEB plan administered by the New Mexico Retiree Health Care Authority (NMRHCA). NMRHCA was formed February 13, 1990, under the New Mexico Retiree Health Care Act (the Act) of New Mexico Statutes Annotated, as amended (NMSA 1978), to administer the Fund under Section 10-7C-1-19 NMSA 1978. The Fund was created to provide comprehensive group health insurance coverage for individuals (and their spouses, dependents and surviving spouses) who have retired or will retire from public service in New Mexico.

NMRHCA is an independent agency of the State of New Mexico. The funds administered by NMRHCA are considered part of the State of New Mexico financial reporting entity and are OPEB trust funds of the State of New Mexico. NMRHCA’s financial information is included with the financial presentation of the State of New Mexico.

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**NOTE 12. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

***Benefits Provided***

The Fund is a multiple employer cost sharing defined benefit healthcare plan that provides eligible retirees (including terminated employees who have accumulated benefits but are not yet receiving them), their spouses, dependents and surviving spouses and dependents with health insurance and prescription drug benefits consisting of a plan, or optional plans of benefits, that can be contributions to the Fund and by co-payments or out-of-pocket payments of eligible retirees.

***Employees Covered by Benefit Terms***

At June 30, 2018, the Fund's measurement date, the following employees were covered by the benefit terms:

Plan membership	
Current retirees and surviving spouses	\$ 51,205
Inactive and eligible for deferred benefit	11,471
Current active members	93,349
	<hr/>
	\$ 156,025
	<hr/> <hr/>
Active membership	
State general	19,593
State police and corrections	1,886
Municipal general	17,004
Municipal police	3,820
Municipal FTRE	2,290
Educational Retirement Board	48,756
	<hr/>
	\$ 93,349
	<hr/> <hr/>

***Contributions***

Employer and employee contributions to the Fund total 3% for non-enhanced retirement plans and 3.75% of enhanced retirement plans of each participating employee's salary as required by Section 10-7C-15 NMSA 1978. The contributions are established by statute and are not based on an actuarial calculation. All employer and employee contributions are non-refundable under any circumstance, including termination of the employer's participation in the Fund. Contributions to the Fund from the District were \$395,738 for the year ended June 30, 2019.

***OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.***

At June 30, 2019, the District reported a liability of \$18,917,083 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of

**STATE OF NEW MEXICO  
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**NOTE 12. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

that date. The District’s proportion of the net OPEB liability was based on actual contributions provided to the Fund for the year ending June 30, 2018. At June 30, 2018, the District’s proportion was 0.43504 percent.

For the year ended June 30, 2019, the District recognized OPEB Income of \$617,961. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>                    </u>	<u>                    </u>
Difference between expected and actual experience	\$ -	\$ 1,120,012
Changes of assumptions	-	3,531,735
Net difference between projected and actual earnings on pension plan investments	-	236,078
Employer's contributions susequent to the measurement date	395,738	-
Change in Proportion	<u>-</u>	<u>930,036</u>
<b>Total</b>	<u><u>\$ 395,738</u></u>	<u><u>\$ 5,817,861</u></u>

Deferred outflows of resources totaling \$395,738 represent District contributions made subsequent to the measurement date and will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in OPEB expense as follows:

Year ended June 30, 2019:

2020	\$ (1,438,933)
2021	(1,438,933)
2022	(1,438,933)
2023	(1,156,096)
2024	(344,966)
	<u><u>\$ (5,817,861)</u></u>

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**NOTE 12. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

*Actuarial Assumptions*

The total OPEB liability was determined by an actuarial valuation using the following actuarial assumptions:

Valuation Date	June 30, 2017
Actuarial cost method	Entry age normal, level percent of pay, calculated on individual employee basis
Asset valuation method	Market value of assets
Actuarial assumptions:	
Inflation	2.50% for ERB; 2.25% for PERA
Projected payroll increases	3.5% to 12.50%, based on years of service, including inflation
Investment rate of return	7.25%, net of OPEB plan investment expense and margin for adverse deviation including inflation
Health care cost trend rate	8% graded down to 4.5% over 14 years for Non-Medicare medical plan costs and 7.5% graded down to 4.5% over 12 Medicare medical plan costs
Mortality	ERB members: RP-2000 Combined Healthy Mortality Table with White Collar Adjustment (males) and GRS Southwest Region Teacher Mortality Table (females) PERA members: RP-2000 Combined Healthy Mortality.

*Rate of Return*

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which the expected future real rates of return (net of investment fees and inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumptions.



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**NOTE 12. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

The best estimates for the long-term expected rate of return is summarized as follows:

<b>Asset Class</b>	<b>Long-Term Rate of Return</b>
U.S. core fixed income	2.1%
U.S. equity - large cap	7.1%
Non U.S. - emerging markets	10.2%
Non U.S. - developed equities	7.8%
Private equity	11.8%
Credit and structured finance	5.3%
Real estate	4.9%
Absolute return	4.1%
U.S. equity - small/mid cap	7.1%

**Discount Rate.** The discount rate used to measure the Fund’s total OPEB liability is 3.81% as of June 30, 2018. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates proportional to the actuary determined contribution rates. For this purpose, employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries are not included. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members through the fiscal year ending June 30, 2029. Thus, the 7.25% discount rate was used to calculate the net OPEB liability through 2029. Beyond 2029, the index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher. Thus, 4.08% is the blended discount rate.

***Sensitivity of the Net OPEB Liability to Changes in The Discount Rate and Healthcare Cost Trend Rates***

The following presents the net OPEB liability of the District, as well as what the District’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.08 percent) or 1-percentage-point higher (5.08 percent) than the current discount rate:

	<b>1% Decrease (3.08%)</b>	<b>Current Discount Rate (4.08%)</b>	<b>1% Increase (5.08%)</b>
Bernalillo Public School District's proportionate share of the net OPEB liability	\$ 22,894,125	\$ 18,917,083	\$ 15,782,287

The following presents the net OPEB liability of the District, as well as what the District’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

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**NOTE 12. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Bernalillo Public School District's proportionate share of the net OPEB liability	<u>\$ 15,991,567</u>	<u>\$ 18,917,083</u>	<u>\$ 21,210,753</u>

***OPEB Plan Fiduciary Net Position***

Detailed information about the OPEB plan's fiduciary net position is available in NMRHCA's audited financial statements for the year ended June 30, 2018.

***Payable Changes in the Net OPEB Liability***

At June 30, 2019, the District reported a payable of \$1,366 for outstanding contributions due to NMRHCA.

**NOTE 13. CONTINGENT LIABILITIES**

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

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

**NOTE 14. BUDGETED ACTIVITY FUNDS**

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

**NOTE 15. JOINT POWERS AGREEMENTS**

The New Mexico Public School Capital Outlay Council (PSCOC) through its Public-School Facilities Authority (PSFA) and Bernalillo Public School District are in agreement to cooperate to complete the public-school capital outlay projects and to correct existing health and safety deficiencies that have been identified, verified, prioritized. The responsible party is the PSCOC. This agreement was extended as of October 2010 and will continue indefinitely.

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**NOTE 16. GOVERNMENTAL FUND BALANCE**

Fund Balance: In the fund financial statements, governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Some governments may not have policies or procedures that are comparable to those policies that underlie the classifications and therefore would not report amounts in all possible fund balance classifications.

In the governmental financial statements, fund balance is classified and is displayed in five components:

Non-spendable: Consists of amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted: Consists of amounts that are restricted to specific purposes as a result of a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed: Consist of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

Assigned: Consist of amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

Unassigned: Represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

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**NOTE 17. GASB PRONOUNCEMENTS**

In August 2018, the GASB issued Statement No. 90, *Majority Interests in an amendment of GASB Statements No. 14 and No. 6*. The requirements of this statement are effective for periods beginning after December 15, 2018. Earlier application is encouraged. This statement is not applicable to the District.

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. This statement is not applicable to the District.

In March 2018, the GASB issued Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged. This Statement applies to notes to financial statements of all periods presented. This statement is not applicable to the District but will be implemented in a subsequent period.

In June 2017, the GASB issued Statement No. 87, *Leases*. The provisions of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. This statement is applicable to the District and will be implemented in a future period.

In May 2017, the GASB issued Statement No. 86, *Certain Debt Extinguishment Issues*. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. Earlier application is encouraged. This statement is applicable to the District and will be implemented in a future period.

In March 2017, the GASB issued Statement No. 85, *Omnibus 2017*. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The provisions of this Statement are effective for periods beginning after June 15, 2017. Earlier application is encouraged. This statement has been implemented by the District.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. This statement will be evaluated in the subsequent period.

In November 2016, the GASB issued Statement No. 83, *Certain Asset Retirement Obligations*. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged. This statement is not applicable to District.

In March 2016, the GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The requirements of this Statement are effective for reporting periods beginning after December 15, 2016. Earlier application is encouraged. This statement is not applicable to the District.

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2019**

**NOTE 18. CONCENTRATIONS**

The District depends on financial resources flowing from, or associated with, both the Federal Government and the State of New Mexico. Because of this dependency, the District is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State appropriations.

**NOTE 19. SUBSEQUENT EVENTS**

Subsequent to year end, the District issued \$4,760,000 in G.O. School bonds with issuance cost of \$84,250 and a premium of \$375,686.

**NOTE 20. TAX ABATEMENT**

GASB Statement No. 77 is intended to improve the usefulness of financial statements prepared by state and local governments – which are intended, among other things, to assist users of financial statements in assessing (1) whether a government’s current-year revenues were sufficient to pay for current-year services (inter-period equity), (2) whether a government complied with finance-related legal and contractual obligations, (3) where a government’s financial resources came from and how it uses them, and (4) a government’s financial position and economic condition and how they have changed after time – by including information about certain limitations on a government’s ability to raise resources. This includes limitations on revenue-raising capacity resulting from government programs that use tax abatements to induce behavior by individuals and entities that is beneficial to the government or its citizens – such as the encouragement of economic development. For financial reporting purposes, this Statement defines a tax abatement as resulting from an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. The District did not enter into any tax abatement agreement.

**REQUIRED SUPPLEMENTARY INFORMATION**

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICTS PROPORTIONATE  
SHARE OF THE NET PENSION LIABILITY  
June 30, 2019**

New Mexico Educational Retirement Board Pension Plan  
Schedule of Ten Year Tracking Data\* to last 10 Fiscal Years\*  
(Dollars in Thousands)

<b>Fiscal year</b>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Measurement date</b>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's proportion of the net pension liability (assets)	0.66688 %	0.688 %	0.705 %	0.709 %
District's proportionate share of net pension liability (assets)	\$ 79,301	\$ 76,503	\$ 50,739	\$ 45,939
District's covered employee payroll	\$ 18,640	\$ 18,640	\$ 19,608	\$ 19,364
District's proportionate share of net pension liability (assets) as a percentage of its covered employee payroll	425.43 %	410.42 %	258.77 %	237.24 %
Plan fiduciary net position as a percentage of the total pension liability	52.17 %	52.95 %	61.58 %	63.97 %

\* *Governmental Accounting Standards Board Statement No. 68* requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the District is not available prior to fiscal year 2015, the year the statement's requirements became effective.

*The Notes to the Required Supplementary Information are an integral part of this statement.*

**STATE OF NEW MEXICO  
 BERNALILLO PUBLIC SCHOOL DISTRICT  
 SCHEDULE OF THE DISTRICT CONTRIBUTIONS - PENSION  
 June 30, 2019**

New Mexico Educational Retirement Board Pension Plan  
 Schedule of Ten Year Tracking Data\* to last 10 Fiscal Years\*  
 (Dollars in Thousands)

	2019	2018	2017	2016
Statutory Required Contribution	\$ 2,762	2,592	2,799	\$ 2,765
Contributions in Relation to the Statutorily Required Contribution	2,762	2,592	2,799	2,765
Contribution Deficiency (Excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's Covered Payroll	<u>\$ 19,870</u>	<u>18,640</u>	<u>19,608</u>	<u>\$ 19,364</u>
Contributions as a percentage of Covered Payroll	14 %	14 %	14 %	14 %

\* *Governmental Accounting Standards Board Statement No. 68* requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the District is not available prior to fiscal year 2015, the year the statement's requirements became effective.

*The Notes to the Required Supplementary Information are an integral part of this statement.*



**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PENSION  
June 30, 2019**

***Changes in Pension Benefit Provisions***

There were no modifications to the benefit provisions that were reflected in the actuarial valuation as of June 30, 2018.

***Changes in Pension Assumptions and Methods***

Actuarial assumptions and methods are set by the Board of Trustees (Board), based upon recommendations made by the plan's actuary. The Board adopted new assumptions on April 21, 2017 in conjunction with the six-year actuarial experience study period ending June 30, 2016. At that time, the Board adopted a number of economic assumption changes, including a decrease in the inflation assumption from 3.00% to 2.50%. The 0.50% decrease in the inflation assumption also led to decreases in the nominal investment return assumption from 7.75% to 7.25%, the assumed annual wage inflation rate from 3.75% to 3.25%, the payroll growth assumption from 3.50% to 3.00%, and the annual assumed COLA from 2.00% to 1.90%.

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE  
SHARE OF THE OPEB LIABILITY  
June 30, 2019**

New Mexico Retiree Health Care Authority OPEB Plan  
Schedule of Ten Year Tracking Data\* to last 10 Fiscal Years\*  
(Dollars in Thousands)

	<b>Fiscal year</b>	<b>2019</b>
	<b>Measurement date</b>	<b>2018</b>
District's proportion of the net OPEB liability (assets)		0.43504 %
District's proportionate share of net OPEB liability (assets)	\$	18,917
District's covered employee payroll	\$	18,577
District's proportionate share of net OPEB liability (assets) as a percentage of its covered employee payroll		101.83 %
Plan fiduciary net position as a percentage of the total OPEB liability		11.34 %

\* Governmental Accounting Standards Board Statement No. 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the District is not available prior to fiscal year 2018, the year the statement's requirements became effective.

*The Notes to the Required Supplementary Information are an integral part of this statement.*

**STATE OF NEW MEXICO  
 BERNALILLO PUBLIC SCHOOL DISTRICT  
 SCHEDULE OF THE DISTRICT CONTRIBUTIONS – OPEB  
 Year Ended June 30, 2019**

New Mexico Retiree Health Care Authority OPEB Plan  
 Schedule of Ten Year Tracking Data\* to last 10 Fiscal Years\*  
 (Dollars in Thousands)

	2019
Statutory Required Contribution	\$ 396
Contributions in Relation to the Statutorily Required Contribution	396
Contribution Deficiency (Excess)	<u>-</u>
District's Covered Payroll	<u>\$ 19,786</u>
Contributions as a percentage of Covered Payroll	2 %

\* Governmental Accounting Standards Board Statement No. 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the District is not available prior to fiscal year 2015, the year the statement's requirements became effective.

*The Notes to the Required Supplementary Information are an integral part of this statement.*

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - OPEB  
Year Ended June 30, 2019**

***Changes in OPEB benefit provisions***

As part of the June 30, 2017 NMRHCA GASB 74/75 audit, it was discovered that 4,010 members were deemed participatns of non-participating employers. As a result those members were removed and thus excluded from the valuation in the year ended June 30, 2018.

***Changes in OPEB Assumptions and Methods***

The mortality, retirement, disability, turnover, and salary increase assumptions are based on the Public Employees Retirement Association (PERA) of New Mexio Annual Actuarial Valuation as of June 30, 2016 and the New Mexico Educational Retirement Board (ERB) Actuarial Experience Study as of June 30, 2016.

***Changes in OPEB benefit provisions.***

For calendar years 2017 and prior there was a NMRHCA-paid basic life benefit of \$6,000 for all retirees who commenced benefits on or before December 31, 2012. The \$6,000 benefit decreased \$1,500 per year commencing January 1, 2018 until Juanuary 1, 2021 at which time retirees must pay 100% of the premium cost.

**SUPPLEMENTARY INFORMATION**

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NON MAJOR FUND DESCRIPTIONS  
June 30, 2019**

**SPECIAL REVENUE FUNDS**

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

***Food Services (21000)***

This fund is used to account for all financial transactions related to the food service operation. Funding is provided by user charges and reimbursements under the National School Breakfast Programs (P.1. 100-435). Authority for creation of this fund is National School Lunch Act.

***Athletics (22000)***

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

***The Title I IASA (24101)***

This Fund is used to provide supplemental educational opportunity for academically disadvantaged children in the area of residence. Authority for creation of this fund is Part A of Chapter 1 of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

***The Entitlement IDEA-B (24106)***

This Fund is used to account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by Individuals with Disabilities Education Act, Part B, Section 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100-639, and 101-476, 20 U.S.C. 1411-1420.

***PRESCHOOL IDEA-B (24109)***

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

***Fresh Fruits & Vegetables USDA (24118)***

To assist States, through cash grants, in providing free fresh fruits and vegetables to school children in designated participating schools beginning in school year 2004/2005. Authorized by the National School Lunch Act, as amended, 42 U.S.C. 1769.

***Community Learning Centers (24119)***

To account for a grant utilized to expand an after school, weekend and summer program. The program is designed to integrate the visual and performing arts with literacy, life skills and physical activity for kindergarten to 12th grade focusing on the neighborhood and the community as a classroom. Public Law 103-382.

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NON MAJOR FUND DESCRIPTIONS  
June 30, 2019**

**SPECIAL REVENUE FUNDS (CONTINUED)**

***IDEA-B Results Plan (24132)***

This fund is used to support activities included in Santo Domingo Elementary School's Educational Plan for Student Success, or areas in need of improvement, identified through the Special Education instructional audit conducted on December 11, 2013. Authority for creation of this fund is Public Law 105-17.

***IDEA-8 Results Plan (Non-Title I Schools) (24138)***

This fund is used to support activities included in Non-Title I School Educational Plan for Student Success, or areas in need of improvement, identified through the Special Education. Authority for creation of this fund is Public Law 105-17.

***Title I Striving Readers (24145)***

To raise middle and high school reading levels for Title I schools with a significant student population reading below grade levels. Identifying and implementing strategies that improve adolescent literacy skills.

***English Language Acquisition (24153)***

To provide funds to improve the educational performance of limited English proficient students by assisting the children to learn English and meet State academic content standards. Authority for creation of this fund is the Elementary and Secondary Education Act (ESEA), as amended, Title III, Part A, and Sections 3101, 3129.

***Teacher/Principal Training & Recruiting (24154)***

To improve the skills of teachers and the quality of instruction in mathematics and science, and also to increase the accessibility of such instruction to all students. Authorization for creation of this fund is HAFC/I-12,3,4,5,6 and 10 as (PL 103-382).

***Carl D Perkins Special Projects - Current- (24171)***

To account for the grant awarded for the implementation of Jobs for America's Graduates/Jobs for New Mexico's Graduates (JAG). Authority for creation of this fund is Carl D. Perkins Career and Technical Education Improvement Act of 2006 (Perkins IV).

***Carl D Perkins Secondary (24174)***

The objective of this grant is to provide secondary and post-secondary educational institutions the opportunity to develop, implement, and operate programs using different models of curricula that integrate vocational and academic learning. Funds are acquired from federal sources through the New Mexico Public Education Department. Authority for creation of this fund is Carl D. Perkins Vocational and Applied Technology Education Act of 1990, as amended, Public Law 105-332.

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NON MAJOR FUND DESCRIPTIONS  
June 30, 2019**

**SPECIAL REVENUE FUNDS (CONTINUED)**

***Carl D. Perkins Redistribution Career and Technical Ed. (24176)***

The purpose of this program is to provide professional development in the nontraditional career paths chosen by students. Monies are from carryover of prior year program. Carl D. Perkins Vocational and Applied Technology Education Act of 1990, as amended, Public Law 105-332. The program is funded by the United States government, under Carl D. Perkins Vocational-Technical Education Act Amendments, Title 1; 20 U.S.C. 2321 et seq., Public Law 1058-332.

***Title I CSI (Comprehensive Support & Improvement) (24190)***

To comply with ESSA requirements and establish criteria to address the lowest performing schools need.

***Title I HS Redesign (24191)***

To assist districts in creating new and improved learning environments that substantially increases student achievement.

***Impact Aid Special Education (25145)***

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

***Impact Aid Indian Education (25147)***

This fund is used to provide funding for instruction of Indian children of all grades who require special instruction in addition to basic programs. Authorization is Public Law 81-874.

***Title XIX Medicaid 3/21 Years (25153)***

To account for a program providing school-based screening, diagnostic services and other related health services and administrative activities in conformance with the approved Medicaid State Plan in order to improve health and developmental outcomes for children. Authority for the creation of this fund is the Social Security Act, Title XIX, as amended; Public Laws 89-97, 90-248, and 91-56; 42 U.S.C. 1396 et seq., as amended; Public Law 92-223; Public Law 92-603; Public Law 93-66; Public Law 93-233; Public Law 96-499; Public Law 97-35; Public Law 97-248; Public Law 98-369; Public Law 99-272; Public Law 99-509; Public Law 100-93; Public Law 100-202; Public Law 100-203; Public Law 100-360; Public Law 100-436; Public Law 100-485; Public Law 100-647; Public Law 101-166; Public Law 101-234; Public Law 101-239; Public Law 101-508; Public



**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NON MAJOR FUND DESCRIPTIONS  
June 30, 2019**

**SPECIAL REVENUE FUNDS (CONTINUED)**

***Title XIX Medicaid 3/21 Years (25153) (continued)***

Law 101-517; Public Law 102-234; Public Law 102-170; Public Law 102-394; Public Law 103-66; Public Law 103-112; Public Law 103-333; Public Law 104-91; Public Law 104-191; Public Law 104-193; Public Law 104-208.104-134; Balanced Budget Act of 1997, Public Law 105-33; Public Law 106-113; Public Law 106-554; Public Law 108-27; Public Law 108-173; Public Law 109-91; Public Law 109-171; Public Law 109-432; Public Law 110-28

***Indian Ed Formula Grant (25184)***

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

***Special Projects Demonstration USDE (25194)***

To improve the education opportunities and achievement of Indian children.

***Gear Up New Mexico State initiative (25205)***

To account for funding coordinated by the NM Higher Education Department for the GEAR UP (Gaining Early Awareness and Readiness for Undergraduate Programs) to serve underrepresented populations in terms of transitioning from middle school to high school and from high school to postsecondary institutions. Higher Education Act of 1965, as amended, Title IV, Part A, Subpart 2, Chapter 2.

***Native American Program (25248)***

The objective of this program is to provide language enhancement and academic achievement for limited English proficient children. Authorization by the PL No Child Left Behind Elementary & Secondary Education Act of 1965.

***US West (26106)***

To account for a grant received from US West for an educational project. Authorized by the New Mexico Public Education Department.

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NON MAJOR FUND DESCRIPTIONS  
June 30, 2019**

**SPECIAL REVENUE FUNDS (CONTINUED)**

***REC/ District Fiscal Agent (26107)***

The Collaborate is a joint venture between ten small districts, several state and local partnerships and the business community designed to promote excellence in teaching and learning among educators and students. Funding is provided by dues and community donations. Authorized by the New Mexico Public Education Department.

***LAM. Foundation (26113)***

Educational enrichment grant in support of The Renaissance Program. Authorized by the New Mexico Public Education Department.

***Intel Foundation (26116)***

To account for a grant received from Intel Corporation -- New Mexico for an educational project. Authority for the creation of this fund is the New Mexico Public Education Department.

***Indian Health Services USPHS and Indian Education Act (26157 and 27150)***

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. 260 2606.

***Direct Action for Youth Foundation (26158)***

To account for monies received from the Action for Youth Foundation of New Mexico to be used for providing after-school tutoring in basic skills. Authority for creation of this fund is in the New Mexico Public Education Department School District Policies and Procedures Manual. Funding provided by the Daniels Fund.

***Dual Credit Instructional Materials/ HB2 (27103)***

To account for House Bill 2, 2009 which makes an appropriation for Dual Credit Instructional materials. The dual credit instructional materials must be for a course approved by Higher Education Department and through a college/university for which the District has an approved agreement.

***2008 GO Bond Student Library (27105)***

To account for Senate Bill 333, 2008 which makes an appropriation to fund all public, charter and juvenile justice schools for public school library improvement or acquisition per school and to acquire library books, equipment, and library resources for public school and state-supported school libraries statewide.

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NON MAJOR FUND DESCRIPTIONS  
June 30, 2019**

**SPECIAL REVENUE FUNDS (CONTINUED)**

***2012 GO Bond Student Library (27107)***

To acquire library books, equipment, and library resources for public school libraries. They were made available through Senate bill 53.

***NM Reads to Lead K-3 Reading Initiative (27114)***

Funding received through the State of New Mexico Public Education Department to provide reading initiatives for K-3 grades. Funding will provide intervention, specific materials, and data analysis targeted for improving reading for K-3 students.

***Technology for Education PED (27117)***

The purpose of this grant is to assist the District to develop and implement a strategic, long-term plan for utilizing educational technology in the school system. Funds accounted for in this fund are received from the State of New Mexico. The authority for creation of this fund is NMSA 2215A-1 to 22-15A-10.

***Excellence in Teaching Awards (27125)***

To recognize and reward some of the state's best teachers.

***Advanced Placement Program (27129)***

To support teacher training for AP certification, which enables teachers to offer Advanced Placement coursework. Authorized by the New Mexico Public Education Dept.

***Incentives for School Improvement Act (27138)***

Account for monies received from the award for High Improving Schools provided by the State of New Mexico for the purpose of identifying special needs at awarded locations and to purchase items to improve those schools.

***Truancy Initiative PED (27141)***

To provided staff training in truancy prevention and strategies to deal with students to improve school attendance. Resources were also available to assist families in developing strategies to improve school attendance. Authority to create this fund is authorization of the New Mexico Public Education Department.

***Pre K Initiative (27149)***

To account for monies received from the State of New Mexico to be used to provide direct services to children in Pre-Kindergarten programs. Authorized by the New Mexico Public Education Department.

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NON MAJOR FUND DESCRIPTIONS  
June 30, 2019**

**SPECIAL REVENUE FUNDS (CONTINUED)**

***Beginning Teacher Mentoring Program (27154)***

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

***Breakfast in the Classroom (27155)***

The 2005 Legislative General Appropriations Act Allocated \$475,000 to implement Breakfast in the Classroom for elementary schools in need of improvement based on 2004-2005 AYP designation.

***School Improvement Framework (27164)***

Funds will enable the District to act as one of three Regional Quality Centers to provide program development, implementation, training, oversight, and funding distribution services to the three Regional Quality Centers. Authority for the creation of this fund is the New Mexico Public Education Department.

***Kindergarten — Three Plus (27166)***

Funds allow for an extended school year for Kindergarten through third grade students. The program focuses on acclimating young students to the structure of a classroom environment and spending additional time to prepare them for the next grade. Authorized by the New Mexico Public Education Department.

***After School Enrichment (Fund No. 27168)***

To provide funds for the Chama Middle School and Escalante Middle/High School for the After School and Summer Enrichment Programs. Authority for the fund is the NM Public Education Department, Special Appropriation Fund.

***New Mexico Grown FW (27183)***

Distributed through a state appropriation for school districts to purchase New Mexico grown fresh fruits and vegetables for school meal programs created through House Bill 2, 2013, Section 5.

***Next Generation Assessment (27185)***

To purchase computers for administration of the next generation assessment developed by the partnership for assessment of readiness for college and careers to students in grades three through eleven; created through House Bill 2, 2013, Section 5.

***Teacher Hard to Staff Stipend (27195)***

This is a state grant by NM PED to be awarded for hard to staff teacher retention stipends.

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NON MAJOR FUND DESCRIPTIONS  
June 30, 2019**

**SPECIAL REVENUE FUNDS (CONTINUED)**

***K3 Plus 4 & 5 Pilot (27198)***

To narrow the achievement gap between at-risk students and other students and increase cognitive skills by increasing classroom time in early grades.

***GRADS Child Care (28189)***

This fund provides the District through a direct appropriation to provide licensed Child Care Services for Parenting Teens in conjunction with HS Graduation, Reality and Dual Role Skills program.

***GRADS instruction (28190)***

To assist in the cost for caps and gowns for students who are graduating. Authorized by the New Mexico Public Education Department.

***Rez of Your Life Program (28202)***

A contract with the Indian Affairs department designed to aid Native American students.

***Grads Plus (28203)***

State appropriation designed to educate graduates about teen pregnancy.

***Private Direct Grants (Categorical) (29102)***

To account for local grants awarded to provide additional funding for specific projects. AEL was awarded to provide training for the LLHS Administration. Milken was used for beautification purposes at a school site.

***City/County Grants (29107)***

To provide support for a health education program within the school and to provide workbooks, materials for educational demonstrations and funds to support a nutrition-focused event for the school. Funding is provided by Sandoval County and the City of Rio Rancho (NM Public Education Department, PSAB, Supp. 3).

***McCune Charitable Foundation (29114)***

To account for donations and related expenditures from the McCune Charitable Foundation. Authority for the creation of this fund is the New Mexico Public Education Department.

***Mid Rio Grande Collab/Ed Excellence (29122)***

To account for a grant awarded to provide funding for excelling in education. New Mexico Public Education Department, PSAB Supp. 3.

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NON MAJOR FUND DESCRIPTIONS  
June 30, 2019**

***CAPITAL PROJECTS FUNDS***

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

***NM Highway Department (28120)***

This is a state grant by the Department of Transportation – NM Highway Department for paving on school district campuses.

***Public School Capital Outlay (31200)***

This fund is used to account for monies received for the purpose of remodeling and equipping classroom facilities.

***Special Capital Outlay Local (31300)***

The purpose of this fund is to account for funds received from the local ad valorem tax levy for use in remodeling and equipping classroom facilities.

***Special Capital Outlay State (31400)***

To account for special appropriations monies received from the State of New Mexico under Chapter 4, Laws of 1996 for the purpose of specific capital outlay projects. HB 622 2006 Severance Tax Bonds.

***The Capital Improvements SB-9 Capital Projects Fund (31701)***

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

***Public School Capital Outlay 20% (32100)***

To account for funding which is to be used by the District to promote the comprehensive integration of advanced technologies in education setting, through the conduct of technical assistance, professional development, information and resource dissemination and collaboration activities.

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2019**

<b>ASSETS</b>	Special Revenue	Capital Project	Total
<i>Current Assets</i>			
Cash and cash equivalents	\$ 3,728,074	1,383,451	\$ 5,111,525
Accounts receivable			
Taxes	-	118,670	118,670
Due from other governments	2,633,422	5,377	2,638,799
Interfund receivables	126,301	358,539	484,840
Other	-	-	-
Investment	-	-	-
Prepaid expenditures	718	-	718
Inventory	-	-	-
<b>Total assets</b>	<u>6,488,515</u>	<u>1,866,037</u>	<u>8,354,552</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<i>Current Liabilities</i>			
Accounts payable	295,376	47,616	342,992
Accrued payroll liabilities	135,078	-	135,078
Interfund payables	3,332,321	80,718	3,413,039
<b>Total liabilities</b>	<u>3,762,775</u>	<u>128,334</u>	<u>3,891,109</u>
<b>DEFERRED INFLOWS</b>			
Property taxes	-	98,326	98,326
<b>Total deferred inflows</b>	<u>-</u>	<u>98,326</u>	<u>98,326</u>
<i>Fund Balances</i>			
Nonspendable	718	-	718
Restricted	3,188,148	1,719,578	4,907,726
Committed	-	-	-
Assigned	-	-	-
Unassigned	(463,126)	(80,201)	(543,327)
<b>Total fund balances</b>	<u>2,725,740</u>	<u>1,639,377</u>	<u>4,365,117</u>
<b>Total liabilities and fund balances</b>	<u>\$ 6,488,515</u>	<u>1,866,037</u>	<u>\$ 8,354,552</u>

*The Notes to the Financial Statements are an integral part of this statement.*

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS  
Year ended June 30, 2019**

<b>REVENUES</b>	Special Revenue	Capital Project	Total
Property taxes	\$ -	1,283,041	\$ 1,283,041
Federal direct	7,245,913	-	7,245,913
State flowthrough	1,198,492	-	1,198,492
Transportation distribution	-	-	-
Charges for service	173,303	-	173,303
Investment income	-	2,826	2,826
Miscellaneous	223,311	214	223,525
<b>Total revenues</b>	<b>8,841,019</b>	<b>1,286,081</b>	<b>10,127,100</b>
<b>EXPENDITURES</b>			
Current			
Instruction	5,239,995	-	5,239,995
Support services	1,316,719	12,881	1,329,600
Central services	432,835	-	432,835
Operations and maintenance of plant	-	1,020,896	1,020,896
Student transportation	77,408	-	77,408
Other support services	109,126	-	109,126
Food service operations	2,392,375	-	2,392,375
Community service	34,922	-	34,922
Capital outlay	9,746	93,162	102,908
Debt service			
Principal	-	-	-
Interest	-	-	-
<b>Total expenditures</b>	<b>9,613,126</b>	<b>1,126,939</b>	<b>10,740,065</b>
<b>Excess(deficiency) of revenue over (under) expenditures</b>	<b>(772,107)</b>	<b>159,142</b>	<b>(612,965)</b>
Other financing sources (uses)			
Operating transfers	-	-	-
Proceeds from bond issues	-	-	-
Bond underwriter premium	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	(772,107)	159,142	(612,965)
Fund balances - beginning of year	3,497,847	1,480,235	4,978,082
<b>Fund balances - end of year</b>	<b>\$ 2,725,740</b>	<b>1,639,377</b>	<b>\$ 4,365,117</b>

*The Notes to the Financial Statements are an integral part of this statement.*



**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
June 30, 2019**

<b>ASSETS</b>	Food Services 21000	Athletics 22000	IASA 24101
<i>Current Assets</i>			
Cash and cash equivalents	\$ 495,087	35,089	2,350
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	-	339,859
Interfund receivables	-	-	-
Other	-	-	-
Investment	-	-	-
Prepaid expenditures	-	-	675
Inventory	-	-	-
<b>Total assets</b>	<b>495,087</b>	<b>35,089</b>	<b>342,884</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<i>Current Liabilities</i>			
Accounts payable	18,469	107	92,280
Accrued payroll liabilities	24,616	-	10,515
Interfund payables	163,536	-	332,148
<b>Total liabilities</b>	<b>206,621</b>	<b>107</b>	<b>434,943</b>
<b>DEFERRED INFLOWS</b>			
Property taxes	-	-	-
<b>Total deferred inflows</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Fund Balances</i>			
Nonspendable	-	-	675
Restricted	288,466	34,982	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	(92,734)
<b>Total fund balances</b>	<b>288,466</b>	<b>34,982</b>	<b>(92,059)</b>
<b>Total liabilities and fund balances</b>	<b>\$ 495,087</b>	<b>35,089</b>	<b>342,884</b>

*The Notes to the Financial Statements are an integral part of this statement.*

	IDEA-B Entitlement 24106	Preschool IDEA B 24109	Fresh Fruits & Vegetables USDA 24118	Community Learning 24119
\$	-	711	-	-
	-	-	-	-
	995,808	12,450	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	995,808	13,161	-	-
	12,961	-	-	-
	10,272	2,288	-	-
	984,490	13,892	17,791	47,303
	1,007,723	16,180	17,791	47,303
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	(11,915)	(3,019)	(17,791)	(47,303)
	(11,915)	(3,019)	(17,791)	(47,303)
\$	995,808	13,161	-	-

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS (CONT)  
June 30, 2019**

	IDEA - B Results Plan 24132	IDEA - B Result Plan (Non Title I Schools) 24138	Striving Readers Comprehensive 24145
<b>ASSETS</b>			
<i>Current Assets</i>			
Cash and cash equivalents	\$ 34,775	53	-
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	-	228,818
Interfund receivables	-	-	151
Other	-	-	-
Investment	-	-	-
Prepaid expenditures	-	-	-
Inventory	-	-	-
<b>Total assets</b>	<u>34,775</u>	<u>53</u>	<u>228,969</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<i>Current Liabilities</i>			
Accounts payable	-	-	-
Accrued payroll liabilities	441	-	6,995
Interfund payables	70,269	-	221,975
<b>Total liabilities</b>	<u>70,710</u>	<u>-</u>	<u>228,970</u>
<b>DEFERRED INFLOWS</b>			
Property taxes	-	-	-
<b>Total deferred inflows</b>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund Balances</i>			
Nonspendable	-	-	-
Restricted	-	53	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	(35,935)	-	(1)
<b>Total fund balances</b>	<u>(35,935)</u>	<u>53</u>	<u>(1)</u>
<b>Total liabilities and fund balances</b>	<u>\$ 34,775</u>	<u>53</u>	<u>228,969</u>

*The Notes to the Financial Statements are an integral part of this statement.*

	English Language Acquisition 24153	Teacher/ Principal Training & Recruiting 24154	Carl D Perkins Special Project Current 24171	Carl D Perkins Secondary 24174
\$	-	18,275	9,652	-
	-	-	-	-
	62,800	6,955	33,314	17,334
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	<u>62,800</u>	<u>25,230</u>	<u>42,966</u>	<u>17,334</u>
	68,379	41,140	-	-
	-	480	-	-
	<u>81,356</u>	<u>24,066</u>	<u>42,967</u>	<u>17,334</u>
	<u>149,735</u>	<u>65,686</u>	<u>42,967</u>	<u>17,334</u>
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	<u>(86,935)</u>	<u>(40,456)</u>	<u>(1)</u>	<u>-</u>
	<u>(86,935)</u>	<u>(40,456)</u>	<u>(1)</u>	<u>-</u>
\$	<u>62,800</u>	<u>25,230</u>	<u>42,966</u>	<u>17,334</u>

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS (CONT)  
June 30, 2019**

	Carl D Perkins Tech Prep 24176	Title 1 - Comprehensive Support 24190	Title 1 - HS Redesign 24191	Impact Aid School Health 25145
<b>ASSETS</b>				
<i>Current Assets</i>				
Cash and cash equivalents	\$ -	-	-	450,469
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	3,628	45,251	44,150	-
Interfund receivables	-	-	-	-
Other	-	-	-	-
Investment	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
<b>Total assets</b>	<u>3,628</u>	<u>45,251</u>	<u>44,150</u>	<u>450,469</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<i>Current Liabilities</i>				
Accounts payable	-	4,957	444	-
Accrued payroll liabilities	-	-	-	8,136
Interfund payables	3,628	45,251	44,150	691
<b>Total liabilities</b>	<u>3,628</u>	<u>50,208</u>	<u>44,594</u>	<u>8,827</u>
<b>DEFERRED INFLOWS</b>				
Property taxes	-	-	-	-
<b>Total deferred inflows</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund Balances</i>				
Nonspendable	-	-	-	-
Restricted	-	-	-	441,642
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	(4,957)	(444)	-
<b>Total fund balances</b>	<u>-</u>	<u>(4,957)</u>	<u>(444)</u>	<u>441,642</u>
<b>Total liabilities and fund balances</b>	<u>\$ 3,628</u>	<u>45,251</u>	<u>44,150</u>	<u>450,469</u>

*The Notes to the Financial Statements are an integral part of this statement.*

	Impact Aid Current 25147	Title XIX Medicaid 3/21 Years 25153	Indian Ed. Formula Grant 25184	Special Projects Demonstration 25194	Gear Up NM State Initiative 25205
\$	1,282,287	1,301,776	-	-	664
	-	-	-	-	-
	-	65,960	20,312	110,325	91,676
	-	-	-	-	101,391
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	<u>1,282,287</u>	<u>1,367,736</u>	<u>20,312</u>	<u>110,325</u>	<u>193,731</u>
	-	92	14,500	29,153	-
	19,233	3,126	5,254	13,232	7,007
	<u>307,748</u>	<u>-</u>	<u>11,298</u>	<u>97,073</u>	<u>240,250</u>
	<u>326,981</u>	<u>3,218</u>	<u>31,052</u>	<u>139,458</u>	<u>247,257</u>
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	955,306	1,364,518	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	(10,740)	(29,133)	(53,526)
	<u>955,306</u>	<u>1,364,518</u>	<u>(10,740)</u>	<u>(29,133)</u>	<u>(53,526)</u>
\$	<u>1,282,287</u>	<u>1,367,736</u>	<u>20,312</u>	<u>110,325</u>	<u>193,731</u>

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS (CONT)  
June 30, 2019**

	Native American Program 25248	US West 26106	REC/District Fiscal Agent 26107
<b>ASSETS</b>			
<i>Current Assets</i>			
Cash and cash equivalents	\$ 400	2,539	2,201
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	-	-
Interfund receivables	-	-	-
Other	-	-	-
Investment	-	-	-
Prepaid expenditures	-	-	-
Inventory	-	-	-
<b>Total assets</b>	<u>400</u>	<u>2,539</u>	<u>2,201</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<i>Current Liabilities</i>			
Accounts payable	-	-	-
Accrued payroll liabilities	400	-	-
Interfund payables	-	-	-
<b>Total liabilities</b>	<u>400</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS</b>			
Property taxes	-	-	-
<b>Total deferred inflows</b>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund Balances</i>			
Nonspendable	-	-	-
Restricted	-	2,539	2,201
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<b>Total fund balances</b>	<u>-</u>	<u>2,539</u>	<u>2,201</u>
<b>Total liabilities and fund balances</b>	<u>\$ 400</u>	<u>2,539</u>	<u>2,201</u>

*The Notes to the Financial Statements are an integral part of this statement.*

	LANL Foundation 26113	Intel Foundation 26116	Indian Health Services USPHS 27150	Direct Action For Youth Foundation 26158	Dual Credit Instructional Materials/HB2 27103
\$	27,932	4,638	17	62	-
	-	-	-	-	-
	-	-	13,361	-	153
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	<u>27,932</u>	<u>4,638</u>	<u>13,378</u>	<u>62</u>	<u>153</u>
	-	-	-	-	-
	-	-	-	-	-
	-	-	13,361	-	1,014
	-	-	13,361	-	1,014
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	27,932	4,638	17	62	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	(861)
	<u>27,932</u>	<u>4,638</u>	<u>17</u>	<u>62</u>	<u>(861)</u>
\$	<u>27,932</u>	<u>4,638</u>	<u>13,378</u>	<u>62</u>	<u>153</u>



**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS (CONT)  
June 30, 2019**

	2008 GO Bond Student Library 27105	2012 GO Bond Student Library 27107	NM Reads to Lead K-3 Reading Initiative 27114
<b>ASSETS</b>			
<i>Current Assets</i>			
Cash and cash equivalents	\$ 86	-	-
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	16,780	-
Interfund receivables	-	-	-
Other	-	-	-
Investment	-	-	-
Prepaid expenditures	-	-	-
Inventory	-	-	-
<b>Total assets</b>	<b>86</b>	<b>16,780</b>	<b>-</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<i>Current Liabilities</i>			
Accounts payable	-	6,806	-
Accrued payroll liabilities	-	-	-
Interfund payables	-	16,780	9
<b>Total liabilities</b>	<b>-</b>	<b>23,586</b>	<b>9</b>
<b>DEFERRED INFLOWS</b>			
Property taxes	-	-	-
<b>Total deferred inflows</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Fund Balances</i>			
Nonspendable	-	-	-
Restricted	86	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	(6,806)	(9)
<b>Total fund balances</b>	<b>86</b>	<b>(6,806)</b>	<b>(9)</b>
<b>Total liabilities and fund balances</b>	<b>\$ 86</b>	<b>16,780</b>	<b>-</b>

*The Notes to the Financial Statements are an integral part of this statement.*

	Technology for Education PED 27117	Excellence in Teaching Awards 27125	Advanced Placement Program 27129	Incentives for School Improvement 27138
\$	385	-	-	1
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	<u>385</u>	<u>-</u>	<u>-</u>	<u>1</u>
	-	-	-	-
	-	-	-	-
	-	-	5,763	-
	-	-	5,763	-
	<u>-</u>	<u>-</u>	<u>5,763</u>	<u>-</u>
	-	-	-	-
	-	-	-	-
	-	-	-	-
	385	-	-	1
	-	-	-	-
	-	-	-	-
	-	-	(5,763)	-
	<u>385</u>	<u>-</u>	<u>(5,763)</u>	<u>1</u>
\$	<u>385</u>	<u>-</u>	<u>-</u>	<u>1</u>

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS (CONT)  
June 30, 2019**

	Truancy Prevention 27141	Pre-K Initiative 27149	Beg. Teacher Mentoring 27154
<b>ASSETS</b>			
<i>Current Assets</i>			
Cash and cash equivalents	\$ -	930	\$ 11
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	256,221	-
Interfund receivables	-	-	-
Other	-	-	-
Investment	-	-	-
Prepaid expenditures	-	43	-
Inventory	-	-	-
<b>Total assets</b>	<b>-</b>	<b>257,194</b>	<b>11</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<i>Current Liabilities</i>			
Accounts payable	-	-	-
Accrued payroll liabilities	(56)	20,734	-
Interfund payables	56	236,510	-
<b>Total liabilities</b>	<b>-</b>	<b>257,244</b>	<b>-</b>
<b>DEFERRED INFLOWS</b>			
Property taxes	-	-	-
<b>Total deferred inflows</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Fund Balances</i>			
Nonspendable	-	43	-
Restricted	-	-	11
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	(93)	-
<b>Total fund balances</b>	<b>-</b>	<b>(50)</b>	<b>11</b>
<b>Total liabilities and fund balances</b>	<b>\$ -</b>	<b>257,194</b>	<b>\$ 11</b>

*The Notes to the Financial Statements are an integral part of this statement.*

	Breakfast In the Classroom 27155	School Improvement Framework 27164	Kindergarten Three Plus 27166	After School Enrichment 27168
\$	1,562	2	-	-
	-	-	-	-
	-	-	169,015	-
	-	-	1,991	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	<u>1,562</u>	<u>2</u>	<u>171,006</u>	<u>-</u>
	-	-	-	-
	-	-	-	-
	-	-	171,006	3,600
	-	-	<u>171,006</u>	<u>3,600</u>
	-	-	-	-
	-	-	-	-
	-	-	-	-
	1,562	2	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	(3,600)
	<u>1,562</u>	<u>2</u>	<u>-</u>	<u>(3,600)</u>
\$	<u>1,562</u>	<u>2</u>	<u>171,006</u>	<u>-</u>

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS (CONT)  
June 30, 2019**

	NM Grown FW 27183	Next Generation Assessment 27185	Teacher Hard to Staff Stipend 27195	K3 Plus 4&5 Pilot 27198
<b>ASSETS</b>				
<i>Current Assets</i>				
Cash and cash equivalents	\$ -	9,987	-	-
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	-	-	-	66,496
Interfold receivables	-	-	-	-
Other	-	-	-	-
Investment	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
<b>Total assets</b>	<u>-</u>	<u>9,987</u>	<u>-</u>	<u>66,496</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<i>Current Liabilities</i>				
Accounts payable	-	-	-	-
Accrued payroll liabilities	-	-	-	-
Interfund payables	9,987	-	60	66,496
<b>Total liabilities</b>	<u>9,987</u>	<u>-</u>	<u>60</u>	<u>66,496</u>
<b>DEFERRED INFLOWS</b>				
Property taxes	-	-	-	-
<b>Total deferred inflows</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund Balances</i>				
Nonspendable	-	-	-	-
Restricted	-	9,987	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	(9,987)	-	(60)	-
<b>Total fund balances</b>	<u>(9,987)</u>	<u>9,987</u>	<u>(60)</u>	<u>-</u>
<b>Total liabilities and fund balances</b>	<u>-</u>	<u>9,987</u>	<u>-</u>	<u>66,496</u>

*The Notes to the Financial Statements are an integral part of this statement.*

	GRADS Child Care 28189	GRADS Instruction 28190	Rez of Your Life Program 28202	GRADS Plus 28203	Private Direct Grants 29102
\$	1,829	-	-	-	9,754
	-	-	-	-	-
	-	-	18,237	14,520	(1)
	-	-	14,768	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	<u>1,829</u>	<u>-</u>	<u>33,005</u>	<u>14,520</u>	<u>9,753</u>
	-	-	-	-	-
	-	-	-	-	-
	-	1,057	31,651	7,755	-
	<u>-</u>	<u>1,057</u>	<u>31,651</u>	<u>7,755</u>	<u>-</u>
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	1,829	-	1,354	6,765	9,753
	-	-	-	-	-
	-	-	-	-	-
	-	(1,057)	-	-	-
	<u>1,829</u>	<u>(1,057)</u>	<u>1,354</u>	<u>6,765</u>	<u>9,753</u>
\$	<u>1,829</u>	<u>-</u>	<u>33,005</u>	<u>14,520</u>	<u>9,753</u>

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS (CONT)  
June 30, 2019**

	City/County Grants 29107	McCune Charitable Foundation 29114	Mid Rio Grande Collab Ed. Excellence 29122	Total Nonmajor Special Revenue Funds
<b>ASSETS</b>				
<i>Current Assets</i>				
Cash and cash equivalents	\$ 19,711	10	14,829	\$ 3,728,074
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	-	-	-	2,633,422
Interfold receivables	8,000	-	-	126,301
Other	-	-	-	-
Investment	-	-	-	-
Prepaid expenditures	-	-	-	718
Inventory	-	-	-	-
	<u>27,711</u>	<u>10</u>	<u>14,829</u>	<u>6,488,515</u>
<b>Total assets</b>	<u>27,711</u>	<u>10</u>	<u>14,829</u>	<u>6,488,515</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<i>Current Liabilities</i>				
Accounts payable	6088	-	-	295376
Accrued payroll liabilities	2405	-	-	135078
Interfund payables	-	-	-	3,332,321
	<u>8,493</u>	<u>-</u>	<u>-</u>	<u>3,762,775</u>
<b>Total liabilities</b>	<u>8,493</u>	<u>-</u>	<u>-</u>	<u>3,762,775</u>
<b>DEFERRED INFLOWS</b>				
Property taxes	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total deferred inflows</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund Balances</i>				
Nonspendable	-	-	-	718
Restricted	19,218	10	14,829	3,188,148
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	(463,126)
	<u>19,218</u>	<u>10</u>	<u>14,829</u>	<u>2,725,740</u>
<b>Total fund balances</b>	<u>19,218</u>	<u>10</u>	<u>14,829</u>	<u>2,725,740</u>
<b>Total liabilities and fund balances</b>	<u>\$ 27,711</u>	<u>10</u>	<u>14,829</u>	<u>\$ 6,488,515</u>

*The Notes to the Financial Statements are an integral part of this statement.*

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES NONMAJOR SPECIAL REVENUE FUNDS  
Year Ended June 30, 2019**

	Food Services 21000	Athletics 22000	Title 1 IASA 24101	IDEA-B Entitlement 24106
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
Federal grants	1,175,732	-	1,089,991	995,807
State grants	-	-	-	-
Charges for service	128,299	45,004	-	-
Investment income	-	-	-	-
Miscellaneous	72,030	-	-	-
<b>Total revenues</b>	<u>1,376,061</u>	<u>45,004</u>	<u>1,089,991</u>	<u>995,807</u>
<b>EXPENDITURES</b>				
Current				
Instruction	-	33,434	1,061,876	734,078
Support services	122,644	-	114,083	94,481
Central services	-	-	-	180,518
Operations and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food service operations	2,305,851	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<u>2,428,495</u>	<u>33,434</u>	<u>1,175,959</u>	<u>1,009,077</u>
<b>Excess(deficiency) of revenue over (under) expenditures</b>	<u>(1,052,434)</u>	<u>11,570</u>	<u>(85,968)</u>	<u>(13,270)</u>
Other financing sources (uses)				
Operating transfers	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(1,052,434)	11,570	(85,968)	(13,270)
Fund balances (Deficit), beginning of year	1,340,900	23,412	(6,091)	1,355
Fund balances, end of year	<u>\$ 288,466</u>	<u>34,982</u>	<u>(92,059)</u>	<u>(11,915)</u>

*The Notes to the Financial Statements are an integral part of this statement.*



	Preschool IDEA B 24109	Fresh Fruits & Vegetables USDA 24118	21st Century Community Learning Centers 24119
\$	-	-	-
	28,933	41,953	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	<u>28,933</u>	<u>41,953</u>	<u>-</u>
	26,205	-	-
	2,778	-	-
	-	-	-
	-	-	-
	-	-	-
	-	63,469	-
	-	-	-
	-	-	-
	-	-	-
	<u>28,983</u>	<u>63,469</u>	<u>-</u>
	<u>(50)</u>	<u>(21,516)</u>	<u>-</u>
	-	-	-
	-	-	-
	(50)	(21,516)	-
	(2,969)	3,725	(47,303)
\$	<u>(3,019)</u>	<u>(17,791)</u>	<u>(47,303)</u>

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES NONMAJOR SPECIAL REVENUE FUNDS (CONT)  
Year Ended June 30, 2019**

	IDEA - B Results Plan 24132	IDEA - B Result Plan (Non Title I Schools) 24138	Striving Readers Comprehensive 24145	English Language Acquisition 24153
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
Federal grants	21,300	-	694,803	111,864
State grants	-	-	-	-
Charges for service	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>21,300</u>	<u>-</u>	<u>694,803</u>	<u>111,864</u>
<b>EXPENDITURES</b>				
Current				
Instruction	58,396	-	457,305	153,615
Support services	-	-	237,499	6,753
Central services	-	-	-	-
Operations and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food service operations	-	-	-	-
Community service	-	-	-	34,922
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<u>58,396</u>	<u>-</u>	<u>694,804</u>	<u>195,290</u>
<b>Excess(deficiency) of revenue over (under) expenditures</b>	<u>(37,096)</u>	<u>-</u>	<u>(1)</u>	<u>(83,426)</u>
Other financing sources (uses)				
Operating transfers	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(37,096)	-	(1)	(83,426)
Fund balances (Deficit), beginning of year	1,161	53	-	(3,509)
Fund balances, end of year	<u>\$ (35,935)</u>	<u>53</u>	<u>(1)</u>	<u>(86,935)</u>

*The Notes to the Financial Statements are an integral part of this statement.*

	Teacher/ Principal Training & Recruiting 24154	Carl D Perkins Special Project Current 24171	Carl D Perkins Secondary 24174
\$	-	-	-
	122,800	38,741	46,409
	-	-	-
	-	-	-
	-	-	-
	-	-	1
	<u>122,800</u>	<u>38,741</u>	<u>46,410</u>
	153,049	38,741	33,455
	10,891	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	9,746
	-	-	-
	-	-	-
	<u>163,940</u>	<u>38,741</u>	<u>43,201</u>
	<u>(41,140)</u>	<u>-</u>	<u>3,209</u>
	-	-	-
	-	-	-
	(41,140)	-	3,209
	684	(1)	(3,209)
\$	<u><u>(40,456)</u></u>	<u><u>(1)</u></u>	<u><u>-</u></u>

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES NONMAJOR SPECIAL REVENUE FUNDS (CONT)  
Year Ended June 30, 2019**

	Carl D Perkins Tech Prep 24176	Title 1 - Comprehensive Support 24190	Title 1 - HS Redesign 24191	Impact Aid School Health 25145
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
Federal grants	3,628	45,251	52,881	282,253
State grants	-	-	-	-
Charges for service	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>3,628</u>	<u>45,251</u>	<u>52,881</u>	<u>282,253</u>
<b>EXPENDITURES</b>				
Current				
Instruction	3,628	46,521	50,489	186,555
Support services	-	3,687	2,836	-
Central services	-	-	-	-
Operations and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food service operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<u>3,628</u>	<u>50,208</u>	<u>53,325</u>	<u>186,555</u>
<b>Excess(deficiency) of revenue over (under) expenditures</b>	<u>-</u>	<u>(4,957)</u>	<u>(444)</u>	<u>95,698</u>
Other financing sources (uses)				
Operating transfers	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	(4,957)	(444)	95,698
Fund balances (Deficit), beginning of year	-	-	-	345,944
Fund balances, end of year	<u>\$ -</u>	<u>(4,957)</u>	<u>(444)</u>	<u>441,642</u>

*The Notes to the Financial Statements are an integral part of this statement.*

	Impact Aid Current 25147	Title XIX Medicaid 3/21 Years 25153	Indian Ed. Formula Grant 25184	Special Projects Demonstration 25194	Gear Up NM State Initiative 25205
\$	-	-	-	-	-
	1,213,004	434,028	220,483	322,849	303,203
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	65,960	-	-	-
	<u>1,213,004</u>	<u>499,988</u>	<u>220,483</u>	<u>322,849</u>	<u>303,203</u>
	628,608	104,067	91,880	21,539	238,046
	235,081	170,383	104,509	21,850	131,872
	12,132	375	38,610	199,467	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	109,126	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	<u>875,821</u>	<u>274,825</u>	<u>234,999</u>	<u>351,982</u>	<u>369,918</u>
	<u>337,183</u>	<u>225,163</u>	<u>(14,516)</u>	<u>(29,133)</u>	<u>(66,715)</u>
	-	-	-	-	-
	-	-	-	-	-
	337,183	225,163	(14,516)	(29,133)	(66,715)
	618,123	1,139,355	3,776	-	13,189
\$	<u><u>955,306</u></u>	<u><u>1,364,518</u></u>	<u><u>(10,740)</u></u>	<u><u>(29,133)</u></u>	<u><u>(53,526)</u></u>

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES NONMAJOR SPECIAL REVENUE FUNDS (CONT)  
Year Ended June 30, 2019**

	Native American Program 25248	US West 26106	REC/District Fiscal Agent 26107	LANL Foundation 26113
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
Federal grants	-	-	-	-
State grants	-	-	-	-
Charges for service	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	5,000
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,000</u>
<b>EXPENDITURES</b>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operations and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food service operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess(deficiency) of revenue over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,000</u>
Other financing sources (uses)				
Operating transfers	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	5,000
Fund balances (Deficit), beginning of year	-	2,539	2,201	22,932
Fund balances, end of year	<u>\$ -</u>	<u>2,539</u>	<u>2,201</u>	<u>27,932</u>

*The Notes to the Financial Statements are an integral part of this statement.*

	Intel Foundation 26116	Indian Health Services USPHS 27150	Direct Action for Youth Foundation 26158	Dual Credit Instructional Materials/HB2 27103
\$	-	-	-	-
	-	-	-	-
	-	17,914	-	1,328
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	17,914	-	1,328
	-	13,361	-	161
	-	-	-	2,028
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	13,361	-	2,189
	-	4,553	-	(861)
	-	-	-	-
	-	-	-	-
	-	4,553	-	(861)
	4,638	(4,536)	62	-
\$	4,638	17	62	(861)

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES NONMAJOR SPECIAL REVENUE FUNDS (CONT)  
Year Ended June 30, 2019**

	2008 GO Bond Student Library 27105	2012 GO Bond Student Library 27107	NM Reads to Lead K-3 Reading Initiative 27114
<b>REVENUES</b>			
Property taxes	\$ -	-	-
Federal grants	-	-	-
State grants	-	34,029	-
Charges for service	-	-	-
Investment income	-	-	-
Miscellaneous	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>34,029</u>	<u>-</u>
<b>EXPENDITURES</b>			
Current			
Instruction	-	-	-
Support services	-	23,586	-
Central services	-	-	-
Operations and maintenance of plant	-	-	-
Student transportation	-	-	-
Other support services	-	-	-
Food service operations	-	-	-
Community service	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>23,586</u>	<u>-</u>
<b>Excess(deficiency) of revenue over (under) expenditures</b>	<u>-</u>	<u>10,443</u>	<u>-</u>
Other financing sources (uses)			
Operating transfers	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	10,443	-
Fund balances (Deficit), beginning of year	86	(17,249)	(9)
Fund balances, end of year	<u>\$ 86</u>	<u>(6,806)</u>	<u>(9)</u>

*The Notes to the Financial Statements are an integral part of this statement.*



	Technology for Education PED 27117	Excellence in Teaching Awards 27125	Advanced Placement Program 27129
\$	-	-	-
	-	-	-
	-	21,504	-
	-	-	-
	-	-	-
	-	-	-
	-	21,504	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	21,504	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	385	-	(5,763)
\$	385	-	(5,763)

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES NONMAJOR SPECIAL REVENUE FUNDS (CONT)  
Year Ended June 30, 2019**

	Truancy Prevention 27141	Pre-K Initiative 27149	Beg. Teacher Mentoring 27154	Breakfast In the Classroom 27155
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
Federal grants	-	-	-	-
State grants	-	701,240	-	13,057
Charges for service	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>701,240</u>	<u>-</u>	<u>13,057</u>
<b>EXPENDITURES</b>				
Current				
Instruction	-	620,068	-	-
Support services	53	16,268	-	-
Central services	-	-	-	-
Operations and maintenance of plant	-	-	-	-
Student transportation	-	65,161	-	-
Other support services	-	-	-	-
Food service operations	-	-	-	13,056
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<u>53</u>	<u>701,497</u>	<u>-</u>	<u>13,056</u>
<b>Excess(deficiency) of revenue over (under) expenditures</b>	<u>(53)</u>	<u>(257)</u>	<u>-</u>	<u>1</u>
Other financing sources (uses)				
Operating transfers	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(53)	(257)	-	1
Fund balances (Deficit), beginning of year	53	207	11	1,561
Fund balances, end of year	<u>\$ -</u>	<u>(50)</u>	<u>11</u>	<u>1,562</u>

*The Notes to the Financial Statements are an integral part of this statement.*

	School Improvement Framework 27164	Kindergarten Three Plus 27166	After School Enrichment 27168	2013 School Bus 27178
\$	-	-	-	-
	-	-	-	-
	-	316,206	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	316,206	-	-
	-	290,676	-	-
	-	15,437	-	-
	-	-	-	-
	-	-	-	-
	-	10,093	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	316,206	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	2	-	(3,600)	-
\$	2	-	(3,600)	-

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES NONMAJOR SPECIAL REVENUE FUNDS (CONT)  
For the Year Ended June 30, 2019**

	STEM Teacher Initiative 27181	NM Grown FW 27183	Next Generation Assessment 27185	Teacher Hard to Staff Stipend 27195	K3 Plus 4&5 Pilot 27198
<b>REVENUES</b>					
Property taxes	\$ -	-	-	-	-
Federal grants	-	-	-	-	-
State grants	-	9,999	-	-	66,496
Charges for service	-	-	-	-	-
Investment income	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<b>Total revenues</b>	-	9,999	-	-	66,496
<b>EXPENDITURES</b>					
Current					
Instruction	-	-	-	-	64,342
Support services	-	-	-	-	-
Central services	-	-	-	-	-
Operations and maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	2,154
Other support services	-	-	-	-	-
Food service operations	-	9,999	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<b>Total expenditures</b>	-	9,999	-	-	66,496
<b>Excess(deficiency) of revenue over (under) expenditures</b>	-	-	-	-	-
Other financing sources (uses)					
Operating transfers	-	-	-	-	-
<b>Total other financing sources (uses)</b>	-	-	-	-	-
Net change in fund balances	-	-	-	-	-
Fund balances (Deficit), beginning of year	-	(9,987)	9,987	(60)	-
Fund balances, end of year	\$ -	(9,987)	9,987	(60)	-

*The Notes to the Financial Statements are an integral part of this statement.*

	GRADS Child Care 28189	GRADS Instruction 28190	Rez of Your Life Program 28202	GRADS Plus 28203	Private Direct Grants 29102
\$	-	-	-	-	-
	-	-	-	-	-
	514	-	1,685	14,520	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	31,320	-	-
	<u>514</u>	<u>-</u>	<u>33,005</u>	<u>14,520</u>	<u>-</u>
	-	2,239	31,273	6,648	-
	-	-	-	-	-
	-	-	1,733	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	<u>-</u>	<u>2,239</u>	<u>33,006</u>	<u>6,648</u>	<u>-</u>
	<u>514</u>	<u>(2,239)</u>	<u>(1)</u>	<u>7,872</u>	<u>-</u>
	-	-	-	-	-
	-	-	-	-	-
	514	(2,239)	(1)	7,872	-
	1,315	1,182	1,355	(1,107)	9,753
\$	<u>1,829</u>	<u>(1,057)</u>	<u>1,354</u>	<u>6,765</u>	<u>9,753</u>

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES NONMAJOR SPECIAL REVENUE FUNDS (CONT)  
Year Ended June 30, 2019**

	City/County Grants 29107	McCune Charitable Foundation 29114	Mid Rio Grande Collab Ed. Excellence 29122	Total Nonmajor Special Revenue Funds
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
Federal grants	-	-	-	7,245,913
State grants	-	-	-	1,198,492
Charges for service	-	-	-	173,303
Investment income	-	-	-	-
Miscellaneous	49,000	-	-	223,311
<b>Total revenues</b>	<u>49,000</u>	<u>-</u>	<u>-</u>	<u>8,841,019</u>
<b>EXPENDITURES</b>				
Current				
Instruction	68,236	-	-	5,239,995
Support services	-	-	-	1,316,719
Central services	-	-	-	432,835
Operations and maintenance of plant	-	-	-	-
Student transportation	-	-	-	77,408
Other support services	-	-	-	109,126
Food service operations	-	-	-	2,392,375
Community service	-	-	-	34,922
Capital outlay	-	-	-	9,746
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<u>68,236</u>	<u>-</u>	<u>-</u>	<u>9,613,126</u>
<b>Excess(deficiency) of revenue over (under) expenditures</b>	<u>(19,236)</u>	<u>-</u>	<u>-</u>	<u>(772,107)</u>
Other financing sources (uses)				
Operating transfers	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(19,236)	-	-	(772,107)
Fund balances (Deficit), beginning of year	38,454	10	14,829	3,497,847
Fund balances, end of year	<u>19,218</u>	<u>10</u>	<u>14,829</u>	<u>2,725,740</u>

*The Notes to the Financial Statements are an integral part of this statement.*

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
COMBINING BALANCE SHEET – GENERAL FUNDS  
June 30, 2019**

	Operational Fund 11000	Teacherage Fund 12000	Transportation Fund 13000	Instructional Materials Fund 14000	Total
<b>ASSETS</b>					
<i>Current Assets</i>					
Cash and cash equivalents	\$ 997,637	189,245	94,960	191,119	\$ 1,472,961
Accounts receivable					
Taxes	21,517	-	-	-	21,517
Due from other governments	-	-	-	-	-
Interfund receivables	3,412,215	-	-	-	3,412,215
Other	-	-	-	-	-
Investment	-	-	-	-	-
Prepaid expenditures	-	-	-	-	-
Inventory	-	-	40,991	-	40,991
<b>Total assets</b>	<b>\$ 4,431,369</b>	<b>189,245</b>	<b>135,951</b>	<b>191,119</b>	<b>\$ 4,947,684</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<i>Current Liabilities</i>					
Accounts payable	\$ 15,333	-	-	-	15,333
Accrued payroll liabilities	492,254	-	40,129	-	532,383
Interfund payables	484,016	-	-	-	484,016
Other Liabilities	32,542	-	-	-	32,542
<b>Total liabilities</b>	<b>1,024,145</b>	<b>-</b>	<b>40,129</b>	<b>-</b>	<b>1,064,274</b>
<b>DEFERRED INFLOWS</b>					
Property taxes	18,121	-	-	-	18,121
<b>Total deferred inflows</b>	<b>18,121</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,121</b>
<i>Fund Balances</i>					
Nonspendable	-	-	40,991	-	40,991
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	3,389,103	189,245	54,831	191,119	3,824,298
<b>Total fund balances</b>	<b>3,389,103</b>	<b>189,245</b>	<b>95,822</b>	<b>191,119</b>	<b>3,865,289</b>
<b>Total liabilities and fund balances</b>	<b>\$ 4,431,369</b>	<b>189,245</b>	<b>135,951</b>	<b>191,119</b>	<b>\$ 4,947,684</b>

*The Notes to the Financial Statements are an integral part of this statement.*

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
COMBINING STATEMENTS OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES – GENERAL FUNDS  
For the Year Ended June 30, 2019**

	Operational Fund 11000	Teacherage Fund 12000	Transportation Fund 13000	Instructional Materials Fund 14000	Total
<b>REVENUES</b>					
Property taxes	\$ 174,112	-	-	-	\$ 174,112
Federal grants	4,864,562	-	-	-	4,864,562
Federal flowthrough	307,883	-	-	-	307,883
State flowthrough	20,106,667	-	-	98,314	20,204,981
Transportation distribution	-	-	1,183,957	-	1,183,957
Charges for service	342,567	-	-	-	342,567
Investment income	431	-	-	-	431
Miscellaneous	44,694	36,165	-	-	80,859
<b>Total revenues</b>	<u>25,840,916</u>	<u>36,165</u>	<u>1,183,957</u>	<u>98,314</u>	<u>27,159,352</u>
<b>EXPENDITURES</b>					
Current					
Instruction	14,463,263	-	-	64,606	14,527,869
Support services	5,983,402	-	-	-	5,983,402
Central services	1,869,919	-	-	-	1,869,919
Operations and maintenance of plant	3,393,242	3,947	-	-	3,397,189
Student transportation	228,366	-	1,141,416	-	1,369,782
Other support services	25,911	-	-	-	25,911
Food service operations	370	-	-	-	370
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<b>Total expenditures</b>	<u>25,964,473</u>	<u>3,947</u>	<u>1,141,416</u>	<u>64,606</u>	<u>27,174,442</u>
<b>Excess(deficiency) of revenue over (under) expenditures</b>	<u>(123,557)</u>	<u>32,218</u>	<u>42,541</u>	<u>33,708</u>	<u>(15,090)</u>
Other financing sources (uses)					
Operating transfers	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(123,557)	32,218	42,541	33,708	(15,090)
Fund balances, beginning of year	3,512,660	157,027	53,281	157,411	3,880,379
Fund balances, end of year	<u>\$ 3,389,103</u>	<u>189,245</u>	<u>95,822</u>	<u>191,119</u>	<u>\$ 3,865,289</u>

*The Notes to the Financial Statements are an integral part of this statement.*



**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECT FUNDS  
June 30, 2019**

	NM Highway Department 28120	Public School Capital Outlay 31200	Special Capital Outlay Local 31300	Special Capital Outlay State 31400	Capital Improvements SB-9 31701	Public School Capital Outlay 20% 32100	Total Nonmajor Capital Project Funds
<b>ASSETS</b>							
<i>Current Assets</i>							
Cash and cash equivalents	\$ -	57,717	261,221	125,497	938,941	75	\$ 1,383,451
Accounts receivable							
Taxes	-	-	-	-	118,670	-	118,670
Due from other governments	-	5,377	-	-	-	-	5,377
Interfund receivables	-	-	-	-	358,539	-	358,539
Other	-	-	-	-	-	-	-
Investment	-	-	-	-	-	-	-
Prepaid expenditures	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-
<b>Total assets</b>	<b>-</b>	<b>63,094</b>	<b>261,221</b>	<b>125,497</b>	<b>1,416,150</b>	<b>75</b>	<b>1,866,037</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<i>Current Liabilities</i>							
Accounts payable	-	-	-	-	47,616	-	47,616
Accrued payroll liabilities	-	-	-	-	-	-	-
Interfund payables	80,201	-	-	-	517	-	80,718
<b>Total liabilities</b>	<b>80,201</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>48,133</b>	<b>-</b>	<b>128,334</b>
<b>DEFERRED INFLOWS</b>							
Property taxes	-	-	-	-	98,326	-	98,326
<b>Total deferred inflows</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>98,326</b>	<b>-</b>	<b>98,326</b>
<i>Fund Balances</i>							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	63,094	261,221	125,497	1,269,691	75	1,719,578
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	(80,201)	-	-	-	-	-	(80,201)
<b>Total fund balances</b>	<b>(80,201)</b>	<b>63,094</b>	<b>261,221</b>	<b>125,497</b>	<b>1,269,691</b>	<b>75</b>	<b>1,639,377</b>
<b>Total liabilities and fund balances</b>	<b>\$ -</b>	<b>63,094</b>	<b>261,221</b>	<b>125,497</b>	<b>1,416,150</b>	<b>75</b>	<b>\$ 1,866,037</b>

*The Notes to the Financial Statements are an integral part of this statement.*

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
COMBINING STATEMENTS OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES – NONMAJOR CAPITAL PROJECT FUNDS  
For the Year Ended June 30, 2019**

	NM Highway Department 28120	Public School Capital Outlay 31200	Special Capital Outlay Local 31300	Special Capital Outlay State 31400	Capital Improvements SB-9 31701	Public School Capital Outlay 20% 32100	Total Nonmajor Capital Project Funds
<b>REVENUES</b>							
Property taxes	\$ -	-	-	-	1,283,041	-	\$ 1,283,041
Federal grants	-	-	-	-	-	-	-
State flowthrough	-	-	-	-	-	-	-
Transportation distribution	-	-	-	-	-	-	-
Charges for service	-	-	-	-	-	-	-
Investment income	-	-	127	-	2,699	-	2,826
Miscellaneous	-	-	-	-	214	-	214
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>127</u>	<u>-</u>	<u>1,285,954</u>	<u>-</u>	<u>1,286,081</u>
<b>EXPENDITURES</b>							
Current							
Instruction	-	-	-	-	-	-	-
Support services	-	-	-	-	12,881	-	12,881
Central services	-	-	-	-	-	-	-
Operations and maintenance of plant	-	-	-	-	1,020,896	-	1,020,896
Student transportation	-	-	-	-	-	-	-
Other support services	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	93,162	-	93,162
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,126,939</u>	<u>-</u>	<u>1,126,939</u>
<b>Excess(deficiency) of revenue over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>127</u>	<u>-</u>	<u>159,015</u>	<u>-</u>	<u>159,142</u>
Other financing sources (uses)							
Operating transfers	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	127	-	159,015	-	159,142
Fund balances, beginning of year	(80,201)	63,094	261,094	125,497	1,110,676	75	1,480,235
Fund balances, end of year	<u>\$ (80,201)</u>	<u>63,094</u>	<u>261,221</u>	<u>125,497</u>	<u>1,269,691</u>	<u>75</u>	<u>\$ 1,639,377</u>

*The Notes to the Financial Statements are an integral part of this statement.*

## **SUPPORTING SCHEDULES**

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES AGENCY FUNDS  
June 30, 2019**

	Balance 30-Jun-18	Additions	Deletions	Balance 30-Jun-19
Flexible Medical Plan	\$ 3,126	22,437	(20,998)	\$ 4,566
Bernalillo High School	75,892	109,692	(124,490)	61,094
Bernalillo High School Athletics	30,587	70,138	(77,431)	23,294
Bernalillo Middle School	55,024	25,226	(37,923)	42,326
Algodones Elementary	1,222	18,091	(16,868)	2,445
Bernalillo Elementary	4,835	3,973	(4,319)	4,489
Cochiti School	22,898	36,310	(43,270)	15,938
Placitas Elementary	7,174	8,180	(8,158)	7,197
Santo Domingo School	4,662	22,520	(17,678)	9,503
Transportation Department	48,764	175	(4,036)	44,904
W.D. Carroll	6,002	11,002	(9,478)	7,526
Roosevelt Elem	-	1,677	-	1,677
La Escuelita	897	3,986	(3,244)	1,639
Admin/scholarship	9,106	7,201	(9,937)	6,370
<b>Total all schools</b>	<b>\$ 270,189</b>	<b>340,608</b>	<b>(377,830)</b>	<b>\$ 232,967</b>

**STATE OF NEW MEXICO  
 BERNALILLO PUBLIC SCHOOL DISTRICT  
 SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY FOR PUBLIC FUNDS  
 June 30, 2019**

<u>Name of Depository</u>	<u>Description of Pledge Collateral</u>	<u>Maturity</u>	<u>CUSIP Number</u>	<u>Fair Market Value at June 30, 2019</u>	<u>Location of Safekeeper</u>
US Bank	Line of Credit	9/30/2019	#528761	\$ 20,000,000	Federal Home Loan Bank of Cincinnati
	Total US Bank			<u>20,000,000</u>	
	<b>Total Pledged Collateral</b>			<b><u>\$ 20,000,000</u></b>	

*The Notes to the Financial Statements are an integral part of this statement.*

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
SCHEDULE OF CASH DEPOSITS  
June 30, 2019**

Bank Name/Account Name	Account Type	Bank Balance	Outstanding Checks	Deposits in Transit	Unreconciled Variance	Book Balance
US Bank						
Accounts payable	Checking	\$ 214,659	\$ 468,285	\$ 166,517	131,406	\$ 44,297
Capital account	Checking	6,811,670	10,556	-	-	6,801,114
Federal account	Checking	88,316	149,141	-	-	(60,825)
Food Service	Checking	451,008	-	-	44,079	495,087
Operating	Checking	10,440,126	7,065	4,653	934,016	11,371,730
Payroll	Checking	1,435,759	803,285	-	(953,322)	(320,848)
Algodones Elementary	Checking	2,445	-	-	-	2,445
Bernalillo Elementary	Checking	4,489	-	-	-	4,489
Admin/Scholarship Fund	Checking	6,434	64	-	-	6,370
Bernalillo High School Activity	Checking	67,794	6,700	-	-	61,094
BHS Dept of Athletics	Checking	25,576	2,282	-	-	23,294
BMS Activities Account	Checking	43,640	1,314	-	-	42,326
Roosevelt (Carroill) Elem Activity Fund	Checking	7,613	87	-	-	7,526
Cochiti Activities Fund	Checking	15,938	-	-	-	15,938
Placitas Elem Activity Fund	Checking	7,197	-	-	-	7,197
Santo Domingo Elem Activity	Checking	9,503	-	-	-	9,503
Other Agency Funds	Checking	1,639	-	-	-	1,639
Transportation Dept.	Checking	44,904	-	-	-	44,904
Flexible Medical Plan Account	Checking	4,566	-	-	-	4,566
Roosevelt Elementary	Checking	1,676	-	-	-	1,676
<b>Total - Cash and Investments</b>		<b>\$ 19,684,952</b>	<b>\$ 1,448,779</b>	<b>\$ 171,170</b>	<b>156,179</b>	<b>\$ 18,563,522</b>
Cash per financial statements						
Cash and cash equivalents - Governmental Activities				\$ 12,001,848		
Restricted cash and cash equivalents - Governmental Activities				6,328,707		
<b>Total cash per Government-wide Financial Statements</b>						<b>18,330,555</b>
Investment - Government Activities						-
Total cash and cash equivalents per Government-wide Financial Statements						<u>18,330,555</u>
Total cash - Agency funds						<u>232,967</u>
Total Cash and Investments Entity Wide						<u><u>\$ 18,563,522</u></u>

*The Notes to the Financial Statements are an integral part of this statement.*

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
P.E.D. CASH RECONCILIATION  
June 30, 2019**

	Operational Account 11000	Teacherage 12000	Transportation Account 13000
Cash, June 30, 2018	\$ 3,531,650	157,028	\$ 5,478
Add:			
2018-19 revenue	25,832,416	36,165	1,183,957
Cash transfers	522	-	-
<b>Total cash available</b>	<u>29,364,588</u>	<u>193,193</u>	<u>1,189,435</u>
Less:			
2018-19 expenditures	26,008,729	3,948	1,131,794
Capital outlay	-	-	-
Outstanding loans	2,494,403	-	-
Payroll accrual	-	-	-
<b>Total deductions</b>	<u>28,503,132</u>	<u>3,948</u>	<u>1,131,794</u>
<b>Cash, June 30, 2019</b>	<u>\$ 861,456</u>	<u>189,245</u>	<u>\$ 57,641</u>

*The Notes to the Financial Statements are an integral part of this statement.*

**STATE OF NEW MEXICO**  
**BERNALILLO PUBLIC SCHOOL DISTRICT**  
**P.E.D. CASH RECONCILIATION**  
**June 30, 2019**

Instructional Materials 14000	Food Services Account 21000	Athletics Account 22000	Non Instructional Sup Title I 23000
\$ 157,411	565,797	24,169	\$ -
98,314	1,908,582	45,004	-
-	-	-	-
<u>255,725</u>	<u>2,474,379</u>	<u>69,173</u>	<u>-</u>
64,606	2,409,726	34,084	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>64,606</u>	<u>2,409,726</u>	<u>34,084</u>	<u>-</u>
<u>\$ 191,119</u>	<u>64,653</u>	<u>35,089</u>	<u>\$ -</u>



**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
P.E.D. CASH RECONCILIATION  
June 30, 2019**

	Federal Flowthrough 24000	Federal Direct 25000	Local Grants 26000	State Flowthrough 27000
Cash, June 30, 2018	\$ (835,643)	1,954,660	20,290	\$ (461,476)
Add:				
2018-19 revenue	2,290,167	2,888,096	5,000	1,105,112
Cash transfers	53		(81)	(484)
<b>Total cash available</b>	<u>1,454,577</u>	<u>4,842,756</u>	<u>25,209</u>	<u>643,152</u>
Less:				
2018-19 expenditures	3,351,412	2,250,639	-	1,066,778
Capital outlay	-	-	-	-
Outstanding loans	(1,969,443)	-	-	(423,626)
Payroll accrual	-	-	-	-
<b>Total deductions</b>	<u>1,381,969</u>	<u>2,250,639</u>	<u>-</u>	<u>643,152</u>
<b>Cash, June 30, 2019</b>	<u>\$ 72,608</u>	<u>2,592,117</u>	<u>25,209</u>	<u>\$ -</u>

*The Notes to the Financial Statements are an integral part of this statement.*

**STATE OF NEW MEXICO  
 BERNALILLO PUBLIC SCHOOL DISTRICT  
 P.E.D. CASH RECONCILIATION  
 June 30, 2019**

State Direct 28000	Local/State 29000	Bond Building 31100	Public School Capital Outlay 31200
\$ (108,982)	63,046	4,398,929	\$ 57,717
46,088	49,000	4,996,192	-
-	(10)	-	-
(62,894)	112,036	9,395,121	57,717
38,440	62,106	4,061,999	-
-	-	-	-
(101,334)	-	-	-
-	-	-	-
(62,894)	62,106	4,061,999	-
\$ -	49,930	5,333,122	\$ 57,717

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
P.E.D. CASH RECONCILIATION  
June 30, 2019**

	Special Capital Outlay-Local 31300	Special Capital Outlay-State 31400	Capital Improvements SB-9 31700
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Cash, June 30, 2018	\$ 261,094	125,497	\$ (145,601)
Add:			
2018-19 revenue	126	-	145,601
Cash transfers	-	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total cash available</b>	<u>261,220</u>	<u>125,497</u>	<u>-</u>
Less:			
2018-19 expenditures	-	-	-
Capital outlay	-	-	-
Outstanding loans	-	-	-
Payroll accrual	-	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total deductions</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash, June 30, 2019</b>	<u><u>\$ 261,220</u></u>	<u><u>125,497</u></u>	<u><u>\$ -</u></u>

*The Notes to the Financial Statements are an integral part of this statement.*

**STATE OF NEW MEXICO**  
**BERNALILLO PUBLIC SCHOOL DISTRICT**  
**P.E.D. CASH RECONCILIATION**  
**June 30, 2019**

	Capital Improvements SB-9 31701	Public School Capital Outlay 20% 32100	Debt Service 41000	Total
\$	1,127,104	75	6,141,992	\$ 17,040,235
	1,290,739	-	6,172,082	48,092,641
	-	-	-	-
	2,417,843	75	12,314,074	65,132,876
	1,126,535	-	5,901,127	47,511,923
	-	-	-	-
	-	-	-	-
	-	-	-	-
	1,126,535	-	5,901,127	47,511,923
\$	1,291,308	75	6,412,947	\$ 17,620,953

**COMPLIANCE SECTION**



1030 18<sup>th</sup> Street NW  
Albuquerque, NM 87104  
505 338 0800 office www.riccicpa.com

**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***

**Independent Auditors' Report**

Brian S. Colón, Esq.  
New Mexico State Auditor  
and  
The Office of Management and Budget  
The Board of Education  
Bernalillo Public School District  
Bernalillo, New Mexico

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, and the budgetary comparisons of the general fund and major special revenue fund of Bernalillo Public School District (the "District") as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 15, 2019.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a

material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. During our audit we did identify a deficiency in internal control that we consider to be a significant deficiency and is listed as 2019-002 in the schedule of findings and questioned costs.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did identify a deficiency in internal control that we consider to be a material weakness and is listed as 2009-003 and 2019-001 in the schedule of findings and questioned costs.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from 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 an instance of non-compliance or other matter that are required to be reported under *Government Auditing Standards* and 2.2.2 NMAC the results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **District's Response to Findings**

The District's response to the findings identified in our audit is described in the accompanying schedule of Findings and Questioned Cost. Management's responses were not subject to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Ricci & Company LLC*

Albuquerque, New Mexico  
November 15, 2019

**FEDERAL FINANCIAL ASSISTANCE**





1030 18<sup>th</sup> Street NW  
Albuquerque, NM 87104  
505 338 0800 office www.riccicpa.com

## **Report on Compliance for each Major Program and on Internal Control over Compliance Required by the Uniform Guidance**

### **Independent Auditor's Report**

Brian S. Colón, Esq.  
New Mexico State Auditor  
and  
The Office of Management and Budget  
The Board of Education  
Bernalillo Public School District  
Bernalillo, New Mexico

### **Report on Compliance for Each Major Federal Program**

We have audited Bernalillo Public School District (the District)'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2019. 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.

### **Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

### **Opinion on Each Major Federal Program**

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

### **Report on Internal Control Over Compliance**

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the

requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information and the budgetary comparisons for the general fund and major special revenue funds of the district as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the district's basic financial statements. We issued our report thereon dated November 15, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Ricci & Company, LLC*

Albuquerque, New Mexico  
November 15, 2019

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year ended June 30, 2019**

Federal Grantor or Pass-Trough Grantor/Program Title	Pass Through Number	Federal CFDA	Federal Expenditures
<b>U.S. Department of Education</b>			
Passed through from New Mexico Public Education Department			
Title 1 School Improvement	24101	84.010	\$ 1,175,959
IDEA-B	24106	84.027	1,009,077
Pre-School IDEA-B	24109	84.173	28,983
IDEA-B Results Plan	24132	84.027	58,396
Striving Readers Comprehensive Literacy	24145	84.371C	694,804
English Language Acquisition	24153	84.365	195,290
Teacher/Principal Training and Recruiting	24154	84.367	163,940
Carl D Perkins Special Projects - Current	24171	84.048	38,741
Carl D Perkins Secondary - Secondary	24174	84.048A	43,201
Carl D Perkins Secondary - Redistribution	24176	84.048	3,628
Title1 Comprehensive Support and Improvement (CSI)	24190	84.010A	50,208
Title 1- HS Redesign	24191	84.010A	53,325
Gear Up New Mexico State Initiative	25205	84.334	369,918
Subtotal - Pass through New Mexico Education Department			<u>3,885,470</u>
Direct U.S. Department of Education			
Impact Aid- General Fund	11000	84.041	4,846,159 *
Impact Aid Special Education	25145	84.041	186,555 *
Impact Aid Indian Education	25147	84.041	875,821 *
Indian Ed Formula Grant	25184	84.060A	234,999
Special Projects Demonstration USDE	25194	84.299A	351,982
Subtotal - Direct U.S. Department of Education			<u>6,495,516</u>
Total U.S. Department of Education			<u>10,380,986</u>
<b>U. S. Department of Agriculture</b>			
Forest Reserve	11000	10.665	18,403
Food Distribution	21000	10.553	207,710
National School Breakfast	21000	10.553	702,057
National School Lunch Act	21000	10.555	1,394,809
Fresh Fruits & Vegetables	24118	10.582	63,469
Total - Direct U. S. Department of Agriculture			<u>2,386,448</u>
<b>Department of Health and Human Services</b>			
Title XIX Medicaid 3/21 Years	25153	93.778	274,825
Total - Passthrough State of New Mexico Department of Health and Human Services			<u>274,825</u>
<b>Total Federal Financial Assistance</b>			<u>\$ 13,042,259</u>

\* Denotes major program

*The Notes to the Financial Statements are an integral part of this statement.*

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year ended June 30, 2019**

***Basis of Presentation***

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

***Sub Recipients***

The District did not provide any federal awards to sub recipients during the year.

***Non-Cash Federal Assistance***

The District receives USDA Commodities for use in sponsoring the National School Lunch and Breakfast programs. The value of commodities received for the year ended June 30, 2019 was \$207,710 and is reported in the Schedule of Expenditures of Federal Awards under the Department of Agriculture Commodities program, CFDA number 10.553. Commodities are recorded as revenues and expenditures in the food service fund.

***Other***

The District opted not to use the 10% de minimums rate for charging indirect costs to federal programs.

***Reconciliation of SEFA to Federal Revenues***

The District has various grants that are not on a cost reimbursement basis (Impact Aid Special Education, Impact Aid Indian Education, and Title XIX Medicaid) resulting in a variance from federal revenues to the Schedule of Expenditures of Federal Awards. Both Impact Aid grants are not contingent on expenditures, and carry cash balance year over year until funds are expended resulting in revenue and expense being recognized in different periods. In the current fiscal year Federal revenues totaled \$12,418,358 and federal expenditures totaled \$13,042,259 resulting in a total variance of \$623,901.

**STATE OF NEW MEXICO  
 BERNALILLO PUBLIC SCHOOL DISTRICT  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 June 30, 2019**

**SUMMARY OF AUDITORS' REPORT**

*Financial Statements*

<b><u>Type of Auditors' Report Issued:</u></b>	<b><u>Unmodified</u></b>
Internal control over financial reporting:	
Material Weakness reported?	Yes
Significant deficiency is reported not considered to be material weaknesses?	Yes
Noncompliance material to financial statements noted?	No

*Federal Awards*

Internal control over major programs:	
a. Material weaknesses reported?	No
b. Significant deficiencies reported not considered material weaknesses?	No
c. Known questioned costs greater than \$25,000 for a compliance requirement for a major program?	No
d. Known questioned costs greater than \$25,000 for which is not audited as a major program?	No
e. Known or likely fraud?	No
f. Significant instances of abuse relating to major programs?	No
g. Circumstances causing the auditors' report on compliance for each major program to be modified, unless otherwise reported as audit findings?	No
h. Instances where results of audit follow-up procedures disclosed that the summary schedule of prior year audit findings prepared by the auditee materially misrepresents the status of any prior audit finding?	No
Type of auditors' report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?	No
Identification of major programs:	
<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
84.041	Impact Aid General Fund
84.041	Impact Aid Special Education
84.041	Impact Aid Indian Education
Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2019**

**FINDINGS-FINANCIAL STATEMENT AUDIT**

**2009-003      *Lack of internal control on Activity Funds (Material Weakness) – Repeated and Modified***

Condition

During the course of our audit procedures on cash receipts and disbursements of Activity Funds the following exceptions were noted:

Bernalillo High School Athletics Department - The Activity Fund had the following exceptions:

- For 17 out of the 18 cash receipts included in our testing, there is a breakdown in internal control. There is no way to know how much cash was received by the sponsor for a fundraiser prior to the sponsor turning the cash into the athletic office bookkeeper.
- In one instance, we noted that the sum of the store-bought receipts turned in to the athletic office bookkeeper was lower than the amount of cash given to the bookkeeper.
- In one instance, we noted that the sum of the store-bought receipts turned in to the athletic office bookkeeper was \$100 higher than the amount of cash given to the bookkeeper.
- In one instance, we noted that no receipts were issued during the fundraiser for cash received by the sponsor, hence there is no accountability or control for the cash tendered.
- In our testing of cash receipts 3 out of 6 items tested, there were inadequate control over the hard cash receipts at athletic events.

Bernalillo Middle School - The Activity Fund had the following exceptions:

- During the testing of cash receipts, we noted that the cash collected during registration was not deposited within 24 hours of receipt.

The District has made some progress in the following area:

- During our cash receipts testing, we noted that the district has implemented internal control over ticket sales, including recording the number of tickets sold and the price they were sold for.

Criteria

6-5-2C NMSA 1978 States that an entity shall implement internal controls designed to prevent accounting errors and violations of state and federal law and rules related to financial matters.

Cause

School not adhering to the Districts cash receipts policies, and not maintaining proper documentation.

Effect

Lack of control, monitoring and failure to have proper accounting processes, results in the susceptibility of the Department assets to misappropriation, abuse, or non-compliance.

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2019**

**FINDINGS-FINANCIAL STATEMENT AUDIT (CONTINUED)**

Auditors' Recommendation

We recommend that the District “standardize” policies with respect to controls over student activity funds at “all” schools. A lack of consistency of protocol existed as based on the result of our test work.

Management Response

The district recognizes that there was a need for standardization of procedures as it related to the activity funds. The District has implemented procedures around collecting money for fundraisers and has reiterated and trained on the importance of depositing cash within 24 hrs. In addition, the Finance Department has conducted monthly finance trainings to all bookkeepers, directors and principals in an effort to educate/inform everyone about proper policies and procedures.

Responsible Party

Finance Director, Principals, Activities Directors, Athletic Director

Timeline to Correct

This issue has been resolved as of July 1, 2019. Finance Department now has control over all activity funds and all activities are now recorded into the District’s financial software to standardize all funds regardless of classification and to ensure proper policies and procedures are being followed. The District has ordered extra numbered receipt books for the bookkeepers and created a policy around collecting cash for fundraisers. The district has reiterated the importance of depositing cash within 24 hours at District-wide In-service Training. It will take all of the responsible parties to work together to enforce policies and procedures throughout the year.

***Finding 2019-001 Cash not reconciled on timely basis – (Material Weakness)***

Condition

During our audit procedures over cash, we noted an unreconciled cash balance of \$156,179. The book statement was understated by \$156,179. In addition, there is a variance of \$170,166 between the cash balance per bank statement and PED cash report.

Criteria

Best practices as established pursuant to 2.20.5.8 (10) NMAC, require that all reporting of financial information must be timely, complete and accurate, to management and to oversight agencies and entities. In addition, section C of 2.2.2.12 NMAC requires that the school district schedule of cash reconciliation reconciles to the PED cash report.

Cause

The Finance Department had high turnover of key personnel and was not fully staffed until May of 2019.



**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2019**

**FINDINGS-FINANCIAL STATEMENT AUDIT (CONTINUED)**

Effect

Failure to have proper accounting processes, results in the susceptibility of District assets to misappropriation, abuse, or non-compliance.

Auditors' Recommendation

The District should set up proper protocols and procedures to ensure accurate reconciliation of cash accounts.

Management Response

During the school year 18-19 there was significant turnover of employees in key positions. The District sought out a Contractor to come in to assist the District in the Finance Department as key personnel resigned. The district did not have a fully staffed finance department until May of 2019. Reconciliations were conducted monthly; however, the item above was due to the incorrect recording of bank transfers between clearing accounts in the General Ledger. The district will be consolidating all bank accounts to alleviate the possibility of not posting to the General Ledger. This will make processes much more efficient and it will avoid overstating/understating our cash assets.

Responsible Party

The Comptroller will perform monthly reconciliations with oversight from the Finance Director every month.

Timeline

This issue has been resolved as of 07/01/2019. The Comptroller has been reconciling the monthly accounts with oversight by the Finance Director. Also, the new bank account has been opened as of 10/2019 and all accounts will be merged to alleviate the arduous task of transferring into clearing accounts and recording of bank transfers in the financial software.

***Finding 2019-002      Capital Asset (Significant Deficiency)***

Condition

During our audit procedures over capital assets we noted a lack of control over fixed asset. The District could not ascertain the completeness of their capital asset acquisition.

Criteria

Best practices as established pursuant to NMAC 2.20.1.15, each agency shall establish controls over its fixed assets for the primary purposes of safeguarding them and establish accountability for their custody and use.

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2019**

**FINDINGS-FINANCIAL STATEMENT AUDIT (CONTINUED)**

Cause

The District has not implemented proper protocols and procedures over capital assets.

Effect

Lack of control and monitoring results to results in the susceptibility of the Districts assets to misappropriation, abuse or non-compliance.

Auditors' Recommendation

The District should implement a proper protocols and procedures to ensure accurate reporting of acquisitions, deletions, depreciation and compliance to state statutes.

Management Response

The District will work on creating a procedure that will ensure that the Finance Department is aware of all capital acquisitions and fixed assets to appropriately record them into our financial software.

Responsible Party

Superintendent, Finance Director and Facilities Director.

Timeline

This issue will be resolved by June 30, 2020.

**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
STATUS OF PRIOR AUDIT FINDINGS  
June 30, 2019**

**Status of Prior Audit Findings**

FS 2009-003	Activity Funds (Lack of Internal Control) - Material Weakness	Repeated
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**STATE OF NEW MEXICO  
BERNALILLO PUBLIC SCHOOL DISTRICT  
EXIT CONFERENCE  
June 30, 2019**

The contents of this report were discussed in the exit conference held on November 14, 2019 with the following in attendance:

**Representing Bernalillo Public School District:**

Keith Cowan	Superintendent
Jodylynn Ortiz	Board Secretary
Vickie Garcia	Finance Director
Eric James	HR Director
Tamie Pargas	Deputy Superintendent
Vincent Montoya	Board Member

**Representing Ricci & Company, LLC:**

Mark Santiago, CPA	Senior Audit Manager
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