



**STATE OF NEW MEXICO**  
**CARLSBAD MUNICIPAL SCHOOL DISTRICT NO. 20**  
**ANNUAL FINANCIAL REPORT**  
**JUNE 30, 2015**



(This page intentionally left blank)

## **INTRODUCTORY SECTION**

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Table of Contents  
 June 30, 2015

	<u>Exhibit</u>	<u>Page</u>
<b>INTRODUCTORY SECTION</b>		
Table of Contents		4-6
Official Roster		7
<b>FINANCIAL SECTION</b>		
Independent Auditors' Report		10-11
Management's Discussion and Analysis		12-17
<b>BASIC FINANCIAL STATEMENTS</b>		
Government-wide Financial Statements:		
Statement of Net Position	A-1	20-21
Statement of Activities	A-2	22-23
Fund Financial Statements:		
Balance Sheet – Governmental Funds	B-1	24-25
Reconciliation of the Balance Sheet to the Statement of Net Position		27
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	B-2	28-29
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities		31
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual		
General Fund	C-1	32
Entitlement IDEA-B Special Revenue Fund	C-2	33
Statement of Fiduciary Assets and Liabilities – Agency Funds	D-1	35
<b>NOTES TO THE FINANCIAL STATEMENTS</b>		36-62
	<u>Statement/ Schedule</u>	<u>Page</u>
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>		
Schedule of Proportionate Share of Net Pension Liability	I	64
Schedule of Contributions	II	65
Notes to Required Supplementary Information		66
<b>SUPPLEMENTARY INFORMATION</b>		
Nonmajor Fund Descriptions		69-73
Combining and Individual Fund Statements and Schedules		
Combining Balance Sheet – Nonmajor Governmental Funds	A-1	74-81
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	A-2	82-89
Statement of Revenue, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual:		
Food Services Special Revenue Fund	B-1	90
Athletics Special Revenue Fund	B-2	91
Non-Instructional Support Special Revenue Fund	B-3	92
Title I Special Revenue Fund	B-4	93
Preschool IDEA-B Special Revenue Fund	B-5	94
IDEA-B Early Intervention Services Special Revenue Fund	B-6	95
Education for Homeless Children Special Revenue Fund	B-7	96
IDEA Private School Share Special Revenue Fund	B-8	97
IDEA-B "Risk Pool" Special Revenue Fund	B-9	98
Teacher/Principal Training & Recruiting Special Revenue Fund	B-10	99

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Table of Contents  
 June 30, 2015

	<u>Statement/ Schedule</u>	<u>Page</u>
<b>SUPPLEMENTARY INFORMATION-(Continued)</b>		
Statement of Revenue, Expenditures, and Changes in		
Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual:		
Title I 1300A School Improvement Special Revenue Fund	B-11	100
Carl D Perkins Secondary - Current Special Revenue Fund	B-12	101
Carl D Perkins HSTW – Current Special Revenue Fund	B-13	102
Carl D Perkins HSTW – PY Unliquidated Obligation Special Revenue Fund	B-14	103
Carl D Perkins HSTW – Redistribution Special Revenue Fund	B-15	104
Title XIX Medicaid 3/21 Years Special Revenue Fund	B-16	105
Bridge Early College High School Special Revenue Fund	B-17	106
Dual Credit Instructional Materials Special Revenue Fund	B-18	107
2008 GO Bond Student Library Fund Special Revenue Fund	B-19	108
New Mexico Reads to Lead Special Revenue Fund	B-20	109
Advanced Placement Middle School Special Revenue Fund	B-21	110
Breakfast for Elementary Students School Special Revenue Fund	B-22	111
K3 Plus Special Revenue Fund	B-23	112
New Mexico Grown Fruits and Vegetables Special Revenue Fund	B-24	113
Next Generation Assessments Special Revenue Fund	B-25	114
Special Capital Outlay State & Local Capital Projects Fund	B-26	115
Education Technology Notes Capital Projects Fund	B-27	116
Bond Building Capital Projects Funds	B-28	117
Capital Improvements HB-33 Capital Projects Fund	B-29	118
Capital Improvements SB-9 Capital Projects Fund	B-30	119
Debt Service Fund	B-31	120
General Fund Individual Fund Statements		
Combining Balance Sheet – General Fund	C-1	122
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – General fund	C-2	123
Statement of Revenue, Expenditures, and Changes in		
Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual:		
Operational Fund	C-3	124
Transportation Fund	C-4	125
Instructional Materials Fund	C-5	126
Component Unit Individual Fund Statements		
Jefferson Montessori Academy Charter School		
Combining Balance Sheet-Governmental Funds	D-1	128-131
Reconciliation of the Combining Balance Sheet to the Statement of Net Position		133
Combining Statement of Revenues, Expenditures and Changes in Fund Balances-Governmental Funds	D-2	134-137
Reconciliation of the Combining Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities		139

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Table of Contents  
 June 30, 2015

	<u>Statement/ Schedule</u>	<u>Page</u>
<b>SUPPLEMENTARY INFORMATION-(Continued)</b>		
Statement of Revenue, Expenditures and Changes in		
Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual:		
Operational Fund	D-3	140
Instructional Materials Fund	D-4	141
Food Services Special Revenue Fund	D-5	142
Non-Instructional Support Special Revenue Fund	D-6	143
Entitlement IDEA-B Special Revenue Fund	D-7	144
IDEA-B Discretionary Special Revenue Fund	D-8	145
IDEA-B Risk Pool Special Revenue Fund	D-9	146
2012 GO Bond Student Library Fund Special Revenue Fund	D-10	147
New Mexico Reads to Lead Special Revenue Fund	D-11	148
Next Generation Assessments Fund Special Revenue Fund	D-12	149
Public School Capital Outlay Capital Projects Fund	D-13	150
Capital Improvements SB-9 Capital Projects Fund	D-14	151
 <b>SUPPORTING SCHEDULES</b>		
Schedule of Deposits	III	155
Cash Reconciliation	IV	156-159
Schedule of Collateral Pledged by Depository for Public Funds	V	160-161
Schedule of Changes in Fiduciary Assets and Liabilities – Agency Funds	VI	163
Schedule of Memorandums of Understanding	VII	164-165
Schedule of Vendor Information for Purchases Exceeding \$60,000 (Excluding GRT)	VIII	166-169
 <b>COMPLIANCE SECTION</b>		
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		172-173
 <b>FEDERAL FINANCIAL ASSISTANCE</b>		
Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance Required by OMB Circular A-133		176-177
Schedule of Expenditures of Federal Awards	IX	178-179
Schedule of Findings and Questioned Costs	X	181-184
 <b>OTHER DISCLOSURES</b>		185

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Official Roster  
June 30, 2015

<u>Name</u>		<u>Title</u>
	<b><u>Board of Education</u></b>	
Abel Montoya		Board President
Andrew Harris		Board Vice President
Dr. Doris Bruton Carleton		Board Secretary
Ron Singleton		Board Member
Steve West		Board Member
	<b><u>School Officials</u></b>	
Gary Perkowski		Superintendent
Laura Garcia		Director of Finance

(This page intentionally left blank)



**FINANCIAL SECTION**



**Accounting & Consulting Group, LLP**  
Certified Public Accountants

## **INDEPENDENT AUDITORS' REPORT**

Timothy Keller  
New Mexico State Auditor  
The Office of Management and Budget  
The Board of Education  
Carlsbad Municipal School District No. 20  
Carlsbad, New Mexico

### **Report on Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the General Fund and major special revenue fund of Carlsbad Municipal School District No. 20 (the District), as of and for the year ended June 30, 2015, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental funds, the combining financial statements for the General Fund, and the budgetary comparisons for the major capital projects funds, major debt service fund, and all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2015, 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.

### **Auditor's 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 of 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 auditors' 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 District'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 District'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 financial statement presentation.

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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2015, and the respective changes in financial position thereof, and the respective budgetary comparisons for the general fund and major special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund, and the combining financial statements for General Fund of the District as of June 30, 2015, and the respective changes in financial position thereof, and the respective budgetary comparisons for the major capital projects funds, major debt service fund, and all nonmajor funds 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 on pages 12 through 17 and Supporting Schedules I and II on pages 64 through 66 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 Department 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 District's financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The introductory section, the Schedule of Expenditures of Federal Awards as required by Office of Management and Budget *Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations* and Supporting Schedules III through VIII 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 Supporting Schedules III through VI required by 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 financial statements. Schedules III through VI have 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 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 Expenditures of Federal Awards and Supporting Schedules III through VI required by section 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and Schedules VII and VIII have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 16, 2015, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Accounting & Consulting Group, LLP*

Accounting & Consulting Group, LLP  
Albuquerque, NM  
October 16, 2015

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Management's Discussion and Analysis  
June 30, 2015

**Introduction**

This discussion and analysis of Carlsbad Municipal School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2015. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

**Financial Highlights**

Key financial highlights for fiscal year 2014-15 are as follows:

- Capital assets increased from \$120,728,622 in the year ending June 30, 2014 to \$ 125,639,470 in the year ending June 30, 2015. This increase is attributed to an increase in construction in progress which increased from \$682,991 in the year ending June 30, 2014 to \$3,060,988 in the year ending June 30, 2015.
- Accumulated depreciation as of June 30, 2015 totaled \$55,229,672. This includes current year depreciation of \$3,820,884 for assets currently in service.
- The overall fund balance increased from \$59,980,772 for the year ending June 30, 2014 to \$67,674,688 for the year ending June 30, 2015. The increase is primarily attributed to the prior year \$30 million General Obligation Bond sale for the construction of up to four (4) new elementary schools. The District has \$27,538,570 of unspent bond proceeds.
- The net position of the District decreased by \$59,967,370 in FY15. Total assets from governmental activities were \$133,024,327 for the year ended June 30, 2014, increasing to \$143,702,741 for the year ended June 30, 2015. Current assets increased by \$14,632,175, while non-current assets decreased by \$3,954,031.
- Total liabilities from governmental activities increased by \$70,719,225. The increase can be primarily attributed to the net pension liability in the amount of \$72,050,819 due to the implementation of GASB Statement No. 68. Current liabilities increased by approximately \$4,832,064.
- Deferred outflows of resources of \$5,161,306 related to employer contributions subsequent to the measurement date and \$2,535,479 related change in proportion and deferred inflows of resources of \$1,073,307 related to actuarial experience and \$6,549,767 related to investment experience. These are related to the pension plan that is reported in the Statement of Net Position at June 30, 2015. These items are the result of the implementation of GASB 68 as it relates to the District's proportionate share of the NM Educational Retirement Board Pension Plan, a multiple employer cost sharing defined benefit pension plan.
- The District had approximately \$72 million in expenses related to governmental activities. Approximately \$13 million of these expenses were offset by program specific charges for services, grants and contributions. General revenues (primarily State Equalization Guarantee, property taxes and oil & gas taxes) of approximately \$70 million were adequate to provide for these programs.

**STATE OF NEW MEXICO**  
**Carlsbad Municipal School District No. 20**  
**Management's Discussion and Analysis**  
**June 30, 2015**

Condensed Statement of Net position:

	June 30, 2015 Governmental <u>Activities</u>	June 30, 2014 Governmental <u>Activities</u>
Current assets	\$ 42,138,762	\$ 27,506,587
Noncurrent assets	101,563,709	105,517,740
Total assets	<u>143,702,471</u>	<u>133,024,327</u>
Deferred outflow of resources	<u>7,696,785</u>	-
Total deferred outflow of resources	<u>7,696,785</u>	-
Current liabilities	10,700,963	5,868,899
LT- liabilities	<u>108,887,565</u>	<u>43,000,404</u>
Total liabilities	<u>119,588,528</u>	<u>48,869,303</u>
Deferred inflow of resources	<u>7,623,074</u>	-
Total deferred inflows of resources	<u>7,623,074</u>	-
Net investment in capital assets	58,093,368	57,216,401
Restricted	59,707,839	48,623,401
Unrestricted	(93,613,553)	(21,684,778)
Total net position	<u>\$ 24,187,654</u>	<u>\$ 84,155,024</u>

Condensed Statement of Activities:

	June 30, 2015 Governmental <u>Activities</u>	June 30, 2014 Governmental <u>Activities</u>
Revenue:		
Charges for services	\$ 2,963,142	\$ 2,061,318
Operating Grant	9,272,373	8,903,555
Capital Grant	840,446	464,141
General Revenues		
Taxes	20,473,531	13,665,844
State Aid	49,675,067	47,180,304
Other	86,330	(214,762)
Total Revenue	<u>83,310,889</u>	<u>72,060,400</u>
Expenses:		
Instruction	39,543,227	37,157,827
Support Services:		
Students	14,900,217	12,071,934
Central Services	2,092,385	1,633,353
Operation and maintenance of plant	8,686,701	11,023,569
Student transportation	1,672,694	1,579,362
Operation of non-support services:		
Food Services	3,629,363	4,009,739
Community Services	97,074	74,802
Interest on long term debt	1,386,721	462,094
Total expense	<u>72,008,382</u>	<u>68,012,680</u>
Increase in net position	<u>\$ 11,302,507</u>	<u>\$ 4,047,720</u>

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Management's Discussion and Analysis  
June 30, 2015

**Using the Basic Financial Statements**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Carlsbad Municipal School District as a financial whole, or as an entire operating entity.

The Statement of Net position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in a single column. For Carlsbad Municipal School District, the General Fund is the most significant fund.

**Statement of Net position and Statement of Activities**

While this report contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2015?" The statement of net position and the statement of activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting system used by most private sector companies. The accrual basis of accounting considers all of the current year's revenues and expenses regardless of when cash was received or paid.

These two statements report the School District's net position and changes in those assets. This change in net position is important because it identifies whether the financial position of the School District has improved or diminished for the School District as a whole. The cause of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's property tax base, facility conditions, required educational programs, and other factors.

In the Statement of Net position and the Statement of Activities, the School District reports only governmental activities:

**Governmental Activities** – Most of the School District's programs and services are reported in this statement including instruction, support services, operation and maintenance of plant, pupil transportation, and extracurricular activities.

**Reporting the School District's Most Significant Funds**

**Fund Financial Statements**

Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds identified for FY15 are the General Fund, IDEA-B cluster, Bond Building, HB-33 Capital Improvements, Debt Service and the SB-9 Capital Improvements Fund.

**Governmental Funds**

Most of the School District's activities are reported in governmental funds, which focus on how monies flow into and out of those funds and the balances left at fiscal year end for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent in the near future to finance educational programs. The relationship, or differences, between governmental activities reported in the statement of net position and the statement of activities and the governmental funds is reconciled in the financial statements.

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Management's Discussion and Analysis  
 June 30, 2015

**Governmental Activities**

The Statement of Activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The Statement of Activities, for government activities, indicates the total cost of services and the net cost of services. It identifies the cost of these services supported by revenues from state entitlements.

The dependence upon revenues from the State of New Mexico for governmental activities is apparent. Approximately 98% percent of total primary government expenses are supported through general revenues. This is an increase from the prior year, primary due to an increase in the tax revenue collected in the current year.

The School District's food service operation is dependent upon revenues from federal sources. The School District's food service operation had revenues of \$3,775,991 and expenses of \$3,608,972 for fiscal year 2015. This year the food service operation experienced excess of revenues over expenditures of \$167,019 in program operations. The food service operation receives no support from tax revenues.

**The School District's Funds**

The School District's governmental funds are accounted for using the modified accrual basis of accounting. Total governmental funds had revenues of approximately \$82.3 million and expenditures of \$76.8 million. Total other financing sources were \$2.1 million. The net change in fund balance for the year was an increase of \$7.6 million.

**General Fund Budgeting Highlights**

The School District's budget is prepared in compliance with New Mexico statute and New Mexico Public Education Department regulation and is based on revenue and expenditure trends, current year projections for certain transactions including cash receipts, disbursements, and encumbrances and is driven by the Educational Plan for Student Success. The budget development process requires the creation of District and School budget advisory committees with representation from all stakeholder groups. The primary focus of the District's budget development process is the General Fund due to funding challenges, legislative mandates for the educational programs and provision of student services, staffing and other operating decisions.

During the course of fiscal year 2015, the School District amended its budget as needed.

The following table examines the summary budget performance of the general fund and the major special revenue fund for the fiscal year ending June 30, 2015.

	Original Budget- Expenditures	Final Budget- Expenditures
General Fund	\$ 59,732,490	\$ 62,193,989
Entitlement IDEA-B Fund	1,304,806	1,661,752
Total	61,037,296	63,855,741

	Original Budget- Revenues	Final Budget- Revenues
General Fund	\$ 52,020,974	\$ 53,918,733
Entitlement IDEA-B Fund	1,304,806	1,661,752
Total	53,325,780	55,580,485

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Management's Discussion and Analysis  
June 30, 2015

**General Fund Budgeting Highlights-continued**

For the General Fund, final budgeted revenues were approximately \$53.9 million while actual revenues were approximately \$54.9 million. Total revenues from state sources amounted to \$52.3 million or 95% of the total. The excess of expenditures over revenues was (\$1,981,869) for fiscal year 2015.

Final General Fund expenditures were budgeted at \$62.1 million while actual expenditures were \$56.9 million. The favorable variance between final budget and actual expenditures was approximately \$5.2 million.

The General Fund is predominately funded by revenues from the State of New Mexico as allocated through the State Equalization Guarantee (SEG) formula, the Transportation formula and Instructional Materials awards. This fund covers the costs for employee salaries and benefits, fixed costs including utilities and insurance, school and department operating allocations, student transportation contracts, adopted and non-adopted instructional materials and reserves.

**Capital Assets and Debt Administration**

**Capital Assets**

At the end of fiscal 2015, the District had approximately \$125.6 million invested in capitalized assets with associated accumulated depreciation of \$55.2 million (see note 7). The value of District owned land and buildings were adjusted to correspond to historical cost or appraised value (if historical cost was not available).

**Debt**

The total principal amount paid for outstanding debt for the year ending June 30, 2015 was \$3,435,000; a decrease from the \$5,170,000 principal paid for outstanding debt for the year ending June 30, 2014.

The District had outstanding bonds payable in the amount of \$39,855,000 for the year ending June 30, 2015. In addition, the District accrues compensated absences for employee vacation and other compensatory time. At year end, the compensated absences were valued at \$484,702.

**Economic Factors and Next Year's Budget**

Carlsbad Municipal School is located in Eddy County. Eddy County has a strong and balanced economy. With the expansion of the oil & gas industry in Southeastern New Mexico, unemployment rates in the area have declined. The recruitment and retention of District employees has been a challenge since wages paid by the private sectors has pulled from the potential employee pool. In addition, the lack of adequate and affordable housing for new employees moving to the area has negatively impacted employee recruitment retention.

Eddy County's population continues to increase and the student enrollment in Carlsbad Municipal School District continues to grow. From 2006 to 2009, the District experienced declines in enrollment. At the time, the student population was projected to stabilize and in 2009-10. In 2010-11, the District experienced an unexpected increase in enrollment and the student population has continued to grow steadily since then. The rate of growth has exceeded 1% for the five (5) most recent years. The rate of growth has qualified the District for additional funding through the State Equalization Formula. The final student enrollment count for 2014-15 was 6,336. This was an increase of 123 students over the final enrollment count of 6,213 in 2013-14. Projected enrollment for 2015-16 is 6,567. Student enrollment growth is expected to continue in the coming years.

Carlsbad Municipal Schools received approximately 38% of the 2014-15 approved annual operating budget from the State of New Mexico through the State Equalization Guaranteed Funding. This percentage of the total budget dropped from the prior year due to increased capital funding related to the General Obligation Bonds earmarked for the construction of up to four (4) new elementary schools.



**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Management's Discussion and Analysis  
June 30, 2015

The objectives of the SEG funding formula are (1) to equalize educational opportunity statewide (by crediting certain local and federal support and then distributing state support in an objective manner) and (2) to retain local autonomy in actual use of funds by allowing funds to be used in local districts at the discretion of local policy making bodies. The basis for the formula is in the number of students enrolled. Weighting factors are assigned to students that receive special services, i.e., special education and bilingual education services, as well as other factors based on the training and experience of the teaching staff and the District's at-risk population.

Carlsbad Municipal Schools continues to seek community partnerships to support the implementation and expansion of instructional programs and student support services. Community partnerships with various governmental agencies including the City of Carlsbad and Eddy County, service organizations including United Way of Carlsbad, the Daniels Fund/Bridge of Southern New Mexico and parent organizations, area potash mining companies, Devon Energy, Chevron and other individuals and businesses were established. These partnerships have resulted in shared funding arrangements for the start-up and continuation of the Eddy Alternative School and the Carlsbad Early College High School. Community partners, through their service on various District Advisory Committees, assisted in guiding program decisions through their recommendations. This work resulted in the re-design of the substitute pay and placement system and the re-establishment of the Freshman Academy to the original design. The District's community partnerships are greatly valued and community involvement will continue to be a priority for the District.

**Contacting the School District's Financial Management**

The financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to reflect the School District's accountability for the monies it receives. Questions about this report or requests for additional financial information may be directed to:

Laura Garcia  
Director of Finance  
Carlsbad Municipal Schools  
408 N. Canyon  
Carlsbad, NM 88220  
[Laura.Garcia@carlsbad.k12.nm.us](mailto:Laura.Garcia@carlsbad.k12.nm.us)  
(575) 234-3300, Ext. 1016

(This page intentionally left blank)

**BASIC  
FINANCIAL STATEMENTS**

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Statement of Net Position  
 June 30, 2015

	Governmental Activities	Component Unit
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 37,356,342	\$ 226,502
Receivables:		
Taxes	2,337,738	-
Due from other governments	2,079,567	20,624
Other	1,306	-
Inventory	363,809	-
Total current assets	42,138,762	247,126
Noncurrent assets		
Unspent bond proceeds	27,538,570	-
Restricted cash and cash equivalents	3,615,341	-
Capital assets	125,639,470	124,614
Less: accumulated depreciation	(55,229,672)	(118,319)
Total noncurrent assets	101,563,709	6,295
Total assets	143,702,471	253,421
<b>Deferred outflows of resources</b>		
Employer contributions subsequent to the measurement date	5,161,306	164,554
Change in proportion	2,535,479	-
Total deferred outflows of resources	7,696,785	164,554
Total assets and deferred outflows of resources	\$ 151,399,256	\$ 417,975

The accompanying notes are an integral part of these financial statements

	Governmental Activities	Component Unit
<b>Liabilities</b>		
Current liabilities		
Accounts payable	\$ 812,321	\$ 4,459
Accrued payroll	3,194,450	176,889
Accrued interest	664,952	-
Current portion of accrued compensated absences	229,240	-
Current portion of bonds payable	5,800,000	-
	<u>10,700,963</u>	<u>181,348</u>
Noncurrent liabilities		
Accrued compensated absences	255,462	-
Bond premiums, net of amortization of \$218,001	2,526,284	-
Bonds payable	34,055,000	-
Net pension liability	72,050,819	2,240,061
	<u>108,887,565</u>	<u>2,240,061</u>
Total liabilities	<u>119,588,528</u>	<u>2,421,409</u>
<b>Deferred inflows of resources</b>		
Change in proportion	-	108,566
Actuarial experience	1,073,307	33,369
Investment experience	6,549,767	203,631
	<u>7,623,074</u>	<u>345,566</u>
Total deferred inflows of resources	<u>7,623,074</u>	<u>345,566</u>
<b>Net position</b>		
Net investment in capital assets	58,093,368	6,295
Restricted for:		
Special revenue	2,267,836	18,866
Debt service	10,872,503	-
Capital projects	46,567,500	28,069
Unrestricted	(93,613,553)	(2,402,230)
	<u>24,187,654</u>	<u>(2,349,000)</u>
Total net position	<u>24,187,654</u>	<u>(2,349,000)</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 151,399,256</u>	<u>\$ 417,975</u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Statement of Activities  
 For the Year Ended June 30, 2015

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Primary Government:</b>				
<b>Governmental Activities:</b>				
Instruction	\$ 39,543,227	\$ 1,300,538	\$ 4,556,861	\$ -
Support services	14,900,217	594,090	447,489	840,446
Central services	2,092,385	-	-	-
Operation and maintenance of plant	8,686,701	-	-	-
Student transportation	1,672,694	-	1,560,658	-
Food services operations	3,629,363	1,068,514	2,707,365	-
Community services operations	97,074	-	-	-
Interest on long-term debt	1,386,721	-	-	-
	<u>\$ 72,008,382</u>	<u>\$ 2,963,142</u>	<u>\$ 9,272,373</u>	<u>\$ 840,446</u>
<b>Component Unit Activities:</b>				
Jefferson Montessori Academy	<u>\$ 2,331,370</u>	<u>\$ 36,847</u>	<u>\$ 139,998</u>	<u>\$ 165,913</u>

**General Revenues:**

Taxes:

- Property taxes, levied for operating programs
- Property taxes, levied for debt services
- Property taxes, levied for capital projects
- Oil and gas
- State equalization guarantee
- Interest and investment earnings
- Proceeds from the sale of inventoriable assets
- Miscellaneous
- Loss on disposal of capital assets

Subtotal, general revenues

Change in net position

Net position, beginning

Restatement (Note 14)

Net position, beginning of the year as restated

Net position, ending

<b>Net (Expense) Revenue and Changes in Net Position</b>	
<b>Primary Government</b>	<b>Component Unit</b>
<b>Governmental Activities</b>	<b>Charter School</b>
\$ (33,685,828)	\$ -
(13,018,192)	-
(2,092,385)	-
(8,686,701)	-
(112,036)	-
146,516	-
(97,074)	-
(1,386,721)	-
(58,932,421)	-
-	(1,988,612)
531,051	-
6,528,964	-
4,469,239	-
8,944,277	-
49,675,067	1,854,175
59,307	-
35,000	-
129,160	205
(137,137)	-
70,234,928	1,854,380
11,302,507	(134,232)
84,155,024	253,474
(71,269,877)	(2,468,242)
12,885,147	(2,214,768)
<u>\$ 24,187,654</u>	<u>\$ (2,349,000)</u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Balance Sheet  
 Governmental Funds  
 June 30, 2015

	General Fund	Entitlement IDEA-B	Bond Building
<i>Assets</i>			
Cash and cash equivalents	\$ 13,116,531	\$ -	\$ 27,538,570
Receivables:			
Taxes	146,758	-	-
Due from other governments	-	603,464	-
Other	-	-	-
Inventory	253,567	-	-
Due from other funds	1,457,737	-	-
<i>Total assets</i>	<u>\$ 14,974,593</u>	<u>\$ 603,464</u>	<u>\$ 27,538,570</u>
<i>Liabilities, deferred inflows and fund balances</i>			
<i>Liabilities</i>			
Accounts payable	\$ 137,058	\$ 49	\$ 4,501
Accrued payroll	2,876,814	113,103	-
Due to other funds	-	490,312	-
<i>Total liabilities</i>	<u>3,013,872</u>	<u>603,464</u>	<u>4,501</u>
<i>Deferred inflows</i>			
Unavailable revenue	103,831	-	-
<i>Total deferred inflows</i>	<u>103,831</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>			
Nonspendable:			
Inventory	253,567	-	-
Spendable:			
Restricted for:			
Educational purposes	-	-	-
Food services	-	-	-
Capital acquisitions and improvements	-	-	27,534,069
Debt service	-	-	-
Committed for:			
Subsequent years' expenditures	11,603,323	-	-
Unassigned	-	-	-
<i>Total fund balances</i>	<u>11,856,890</u>	<u>-</u>	<u>27,534,069</u>
<i>Total liabilities, deferred inflows and fund balances</i>	<u>\$ 14,974,593</u>	<u>\$ 603,464</u>	<u>\$ 27,538,570</u>

The accompanying notes are an integral part of these financial statements



Capital Improvements HB-33	Capital Improvements SB-9	Debt Service	Other Governmental Funds	Total
\$ 9,365,646	\$ 4,387,585	\$ 10,534,516	\$ 3,567,405	\$ 68,510,253
593,896	551,986	1,045,098	-	2,337,738
-	311,192	-	1,164,911	2,079,567
-	-	-	1,306	1,306
-	-	-	110,242	363,809
-	-	-	42	1,457,779
<u>\$ 9,959,542</u>	<u>\$ 5,250,763</u>	<u>\$ 11,579,614</u>	<u>\$ 4,843,906</u>	<u>\$ 74,750,452</u>
\$ 137,188	\$ 240,713	\$ -	\$ 292,812	\$ 812,321
-	-	-	204,533	3,194,450
-	-	-	967,467	1,457,779
<u>137,188</u>	<u>240,713</u>	<u>-</u>	<u>1,464,812</u>	<u>5,464,550</u>
<u>419,317</u>	<u>380,955</u>	<u>707,111</u>	<u>-</u>	<u>1,611,214</u>
<u>419,317</u>	<u>380,955</u>	<u>707,111</u>	<u>-</u>	<u>1,611,214</u>
-	-	-	110,242	363,809
-	-	-	973,180	973,180
-	-	-	1,294,456	1,294,456
9,403,037	4,629,095	-	1,001,299	42,567,500
-	-	10,872,503	-	10,872,503
-	-	-	-	11,603,323
-	-	-	(83)	(83)
<u>9,403,037</u>	<u>4,629,095</u>	<u>10,872,503</u>	<u>3,379,094</u>	<u>67,674,688</u>
<u>\$ 9,959,542</u>	<u>\$ 5,250,763</u>	<u>\$ 11,579,614</u>	<u>\$ 4,843,906</u>	<u>\$ 74,750,452</u>

(This page intentionally left blank)

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Governmental Funds

Exhibit B-1  
 Page 2 of 2

Reconciliation of the Balance Sheet to the Statement of Net Position  
 June 30, 2015

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

Fund balances - total governmental funds	\$	67,674,688
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds		70,409,798
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be unavailable revenue in the fund financial statements, but are considered revenue in the Statement of Activities		1,611,214
Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore, are not reported in funds		
Deferred outflows of resources related to employer contributions subsequent to the measurement date		5,161,306
Deferred outflows of resources related to changes in proportion		2,535,479
Deferred inflows of resources related to actuarial experience		(1,073,307)
Deferred inflows of resources related to investment experience		(6,549,767)
Interest on long-term debt is not accrued in the fund financial statements unless it is due and payable:		
Accrued interest		(664,952)
Some liabilities, including bonds payable, the net pension liability and compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds:		
Accrued compensated absences		(484,702)
Bond premiums		(2,526,284)
Bonds payable		(39,855,000)
Net pension liability		(72,050,819)
		(114,916,805)
Total net position - governmental activities	\$	24,187,654

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Statement of Revenues, Expenditures and Changes in Fund Balances  
 Governmental Funds  
 For the Year Ended June 30, 2015

	General Fund	Entitlement IDEA-B	Bond Building
<i>Revenues</i>			
Taxes	\$ 1,218,787	\$ -	\$ -
Intergovernmental revenue			
Federal flowthrough	74,262	1,458,657	-
Federal direct	44,210	-	-
Local	-	-	-
State flowthrough	50,244,653	-	-
State direct	508,240	-	-
Transportation distribution	1,560,658	-	-
Charges for services	1,275,678	-	-
Investment income	18,073	-	23,717
Miscellaneous	91	-	-
<i>Total revenues</i>	<u>54,944,652</u>	<u>1,458,657</u>	<u>23,717</u>
<i>Expenditures</i>			
Current			
Instruction	32,174,780	1,159,519	-
Support services	13,003,334	257,562	38,241
Central services	1,997,501	35,422	-
Operation and maintenance of plant	5,231,666	-	-
Student transportation	1,610,685	-	-
Food services operations	104,994	-	-
Community services operations	88,284	-	-
Capital outlay	277,699	6,154	2,395,149
Debt service:			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	<u>54,488,943</u>	<u>1,458,657</u>	<u>2,433,390</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>455,709</u>	<u>-</u>	<u>(2,409,673)</u>
<i>Other financing sources (uses)</i>			
Bond proceeds	-	-	-
Proceeds from the sale of inventorable assets	35,000	-	-
<i>Total other financing sources (uses)</i>	<u>35,000</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	490,709	-	(2,409,673)
<i>Fund balances - beginning</i>	<u>11,366,181</u>	<u>-</u>	<u>29,943,742</u>
<i>Fund balances - ending</i>	<u>\$ 11,856,890</u>	<u>\$ -</u>	<u>\$ 27,534,069</u>

The accompanying notes are an integral part of these financial statements

Capital Improvements HB-33	Capital Improvements SB-9	Debt Service	Other Governmental Funds	Total
\$ 4,972,786	\$ 4,975,033	\$ 8,243,908	\$ -	\$ 19,410,514
-	-	-	3,948,278	5,481,197
-	-	-	489,060	533,270
-	-	-	123,857	123,857
-	311,647	-	679,732	51,236,032
-	-	-	344,632	852,872
-	-	-	-	1,560,658
-	-	-	1,687,464	2,963,142
16,348	-	656	513	59,307
-	14,258	-	114,811	129,160
<u>4,989,134</u>	<u>5,300,938</u>	<u>8,244,564</u>	<u>7,388,347</u>	<u>82,350,009</u>
-	-	-	2,217,546	35,551,845
-	570,036	39,921	485,235	14,394,329
-	-	-	-	2,032,923
-	2,247,308	-	1,263,446	8,742,420
-	-	-	23,800	1,634,485
-	-	-	3,645,984	3,750,978
-	-	-	-	88,284
2,019,446	623,467	-	614,338	5,936,253
-	-	3,435,000	-	3,435,000
-	-	1,224,575	-	1,224,575
<u>2,019,446</u>	<u>3,440,811</u>	<u>4,699,496</u>	<u>8,250,349</u>	<u>76,791,092</u>
<u>2,969,688</u>	<u>1,860,127</u>	<u>3,545,068</u>	<u>(862,002)</u>	<u>5,558,917</u>
-	-	-	2,100,000	2,100,000
-	-	-	-	35,000
-	-	-	<u>2,100,000</u>	<u>2,135,000</u>
2,969,688	1,860,127	3,545,068	1,237,998	7,693,917
<u>6,433,349</u>	<u>2,768,968</u>	<u>7,327,435</u>	<u>2,141,096</u>	<u>59,980,771</u>
<u>\$ 9,403,037</u>	<u>\$ 4,629,095</u>	<u>\$ 10,872,503</u>	<u>\$ 3,379,094</u>	<u>\$ 67,674,688</u>

(This page intentionally left blank)

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Governmental Funds

Reconciliation of the Statement of Revenues, Expenditures and Changes  
 in Fund Balances of Governmental Funds to the Statement of Activities  
 For the year ended June 30, 2015

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

Net change in fund balances - total governmental funds	\$	7,693,917
--	----	-----------

Governmental funds report capital outlays as expenditures. However, in  
 the Statement of Activities, the cost of those assets is allocated over their  
 estimated useful lives and reported as depreciation expense:

Capital expenditures recorded in capital outlay		5,936,253
Depreciation expense		(3,820,884)
Loss on disposal of capital assets		(137,137)

Revenues in the Statement of Activities that do not provide current financial  
 resources are not reported as revenue in the funds:

Increase in deferred inflows related to unavailable property taxes		1,063,017
--	--	-----------

Expenses in the Statement of Activities that do not consume current financial  
 resources are not reported as expenditures in the funds:

Decrease in accrued compensated absences		101,719
Increase in accrued interest		(380,147)

Governmental funds report district pension contributions as expenditures. However  
 in the Statement of Activities, the cost of pension benefits earned net of employee  
 contributions is reported as pension expense

District pension contribution		5,161,306
Pension expense		(5,868,537)

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 position. 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:

Amortization of premiums		218,000
Bond proceeds		(2,100,000)
Principal payments on bonds		3,435,000
		3,435,000

Change in net position of governmental activities	\$	11,302,507
---	----	------------

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Exhibit C-1

Carlsbad Municipal School District No. 20

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ 894,410	\$ 894,410	\$ 1,254,021	\$ 359,611
Intergovernmental revenue				
Federal flowthrough	60,000	60,000	74,262	14,262
State flowthrough	49,113,762	50,399,999	50,244,653	(155,346)
State direct	97,065	97,065	508,240	411,175
Transportation distribution	1,480,487	1,610,713	1,560,658	(50,055)
Charges for services	355,250	836,546	1,275,678	439,132
Investment income	20,000	20,000	18,073	(1,927)
Miscellaneous	-	-	91	91
<i>Total revenues</i>	<u>52,020,974</u>	<u>53,918,733</u>	<u>54,979,886</u>	<u>1,061,153</u>
<i>Expenditures</i>				
Current				
Instruction	35,220,250	36,255,274	34,728,370	1,526,904
Support services	13,124,750	14,655,693	13,032,669	1,623,024
Central services	2,212,585	2,803,785	1,985,389	818,396
Operation and maintenance of plant	7,393,324	6,416,666	5,237,609	1,179,057
Student transportation	1,480,487	1,610,714	1,610,712	2
Food services operations	6,000	6,000	1,023	4,977
Community services operations	95,094	95,094	84,509	10,585
<i>Total expenditures</i>	<u>59,732,490</u>	<u>62,193,989</u>	<u>56,961,755</u>	<u>5,232,234</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(7,711,516)</u>	<u>(8,275,256)</u>	<u>(1,981,869)</u>	<u>6,293,387</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	7,711,516	8,275,256	-	(8,275,256)
Transfers in (out)	-	-	-	-
Proceeds from the sale of capital assets	-	-	35,000	35,000
<i>Total other financing sources (uses)</i>	<u>7,711,516</u>	<u>8,275,256</u>	<u>35,000</u>	<u>(8,240,256)</u>
<i>Net change in fund balances</i>	-	-	(1,946,869)	(1,946,869)
<i>Fund balances - beginning</i>	-	-	13,644,323	13,644,323
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,697,454</u>	<u>\$ 11,697,454</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (1,946,869)
Adjustments to revenues for property taxes, oil and gas taxes and state flowthrough grants				(35,234)
Adjustments to expenditures for salaries, general supplies and materials, and other contract services				2,472,812
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 490,709</u>

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Entitlement IDEA-B Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	1,304,806	1,661,752	1,413,037	(248,715)
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	1,304,806	1,661,752	1,413,037	(248,715)
<i>Expenditures</i>				
Current				
Instruction	1,095,556	1,299,718	1,258,669	41,049
Support services	159,619	306,405	259,043	47,362
Central services	44,631	49,474	35,414	14,060
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	5,000	6,155	6,153	2
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	1,304,806	1,661,752	1,559,279	102,473
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(146,242)	(146,242)
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(146,242)	(146,242)
<i>Fund balances - beginning</i>	-	-	(457,173)	(457,173)
<i>Fund balances - ending</i>	\$ -	\$ -	\$ (603,415)	\$ (603,415)
<i>Net change in fund balances (Budget Basis)</i>				\$ (146,242)
Adjustments to revenues for federal flowthrough grants				45,620
Adjustments to expenditures for general supplies and materials				100,622
<i>Net change in fund balances (GAAP Basis)</i>				\$ -

The accompanying notes are an integral part of these financial statements

(This page intentionally left blank)

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Statement of Fiduciary Assets and Liabilities  
Agency Funds  
June 30, 2015

Exhibit D-1

*Assets*

Cash and cash equivalents	<u>\$ 63,300</u>
---------------------------	------------------

<i>Total assets</i>	<u><u>\$ 63,300</u></u>
---------------------	-------------------------

*Liabilities*

Deposits held in trust for others	<u>\$ 63,300</u>
-----------------------------------	------------------

<i>Total liabilities</i>	<u><u>\$ 63,300</u></u>
--------------------------	-------------------------

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Notes to Financial Statements  
June 30, 2015

**NOTE 1. Summary of Significant Accounting Policies**

Carlsbad Municipal School District No. 20 (“District”) is a special purpose government corporation governed by an elected five-member Board of Education. The Board of Education is the basic level of government which has oversight responsibility and control over all activities related to the public school education in the City of Carlsbad and surrounding area. The District is responsible for all activities related to public elementary and secondary school education within its jurisdiction. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

The summary of significant accounting policies of the District is presented to assist in the understanding of the District’s financial statements. The financial statements and notes are the representation of the District’s management who is responsible for their integrity and objectivity. The financial statements and notes of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The 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 the governmental units. The more significant of the District’s accounting policies are described below.

During the year ended June 30, 2015, the District adopted GASB Statements No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27* (“GASB 68”), and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68* (“GASB 71”). These two Statements are required to be implemented at the same time. GASB 68 addresses accounting and financial reporting for pensions that are provided to the employees of state and local governments through pension plans that are administered through trusts that have the following characteristics:

- Contributions from employers and nonemployer contributing entities to the pension plan and earnings on those contributions are irrevocable.
- Pension plan assets are dedicated to providing pensions to plan members in accordance with the benefit terms.
- Pension plan assets are legally protected from the creditors of employers, nonemployer contributing entities, and the pension plan administrator. If the plan is a defined benefit plan, plan assets are also legally protected from creditors of the plan members.

GASB 68 establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to pensions. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. As a result of the implementation of GASB 68, the government recognized a net pension liability (“NPL”) measured as of a date no later than the end of its prior fiscal year. If the government employer makes a contribution to the pension plan subsequent to the measurement date but prior to the end of the current fiscal year, GASB 68 requires the government to recognize that contribution as a deferred outflow of resources. In addition, GASB 68 requires the recognition of deferred outflows of resources and deferred inflows of resources for changes in the NPL that arise from other types of events, but does not require the government to recognize beginning deferred outflows of resources or deferred inflows of resources if the amounts are not practical to estimate. At transition to Statement 68, Statement 71 requires the employer or nonemployer contributing entity to recognize a beginning deferred outflow of resources for its pension contributions made subsequent to the measurement date of the beginning net pension liability but before the start of the government’s fiscal year, thus avoiding possible understatement of an employer or nonemployer contributing entity’s beginning net position and expense in the initial period of implementation. This pronouncement has materially impacted the financial statements and additional disclosures are included in the notes to the financial statements to highlight the effects.

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Notes to Financial Statements  
June 30, 2015

**NOTE 1. Summary of Significant Accounting Policies** (continued)

A. *Financial Reporting Entity*

In evaluating how to define the District for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statements No. 14 amended by GASB Statements No. 39 and No. 61. Blended component units, although legally separate entities, are in substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion in the reporting entity. Based upon the application of these criteria, the District has one component unit and is not a component unit of another government agency.

The District's Board of Education approved the Jefferson Montessori Academy Charter School for operations in accordance with the criteria listed above. The charter school is deemed to be fiscally dependent upon the District and has been deemed to be a separate legal entity based on state statute and is presented as a discrete component unit. The discretely presented component unit does not have separately issued financial statements.

B. *Government-wide and fund financial statements*

The government-wide financial statements (i.e., the statement of net position and the statement of activities) 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 does not have any *business-type activities*.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments 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 such as the sale of lunch tickets and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function such as state and federal grants. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

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

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Notes to Financial Statements  
June 30, 2015

**NOTE 1. Summary of Significant Accounting Policies** (continued)

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as is the fiduciary fund financial statement. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions should be recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from nonexchange transactions should be recognized when the related purpose restriction, eligibility requirement or time requirement is met in accordance with GASB 33 and GASB 65. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Property taxes and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Property tax receivables are recognized in the period for which the taxes are levied, net of estimated refunds and uncollectible amounts. Oil and gas 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. All other revenue items are considered to be measurable and available only when cash is received by the government. Unavailable revenues are classified as a deferred inflow of resources.

The District reports the following major governmental funds:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenues are provided by the District's school tax levy, state equalization and transportation funds, state instructional material allocations, and earnings from investments. Expenditures include all costs associated with the daily operations of the schools except for those items included in other funds.

The *Entitlement IDEA-B Special Revenue 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. The funding is authorized by the 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

The *Bond Building Capital Projects Fund* is used to account for the erecting, remodeling, additions and furnishings of school buildings. This particular Bond Building Fund is for the bonds issued in 2007.

The *Capital Improvements SB-9 Capital Projects Fund* is used to account for expenditures of property taxes levied and state matching funds restricted to maintenance and capital improvement projects as adopted by school board resolution. Authority for creation of this fund is NMSA 22-25-1 to 22-25-10.

The *Capital Improvements HB-33 fund* is used to account for two mill levy funds authorized by the Public School Capital Improvement Act. The levy must be voted on by local residents and allows the District to impose a property tax.

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Notes to Financial Statements  
June 30, 2015

**NOTE 1. Summary of Significant Accounting Policies** (continued)

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

The *Debt Service* fund is used to accumulate resources for payment of principal and interest due on general obligation bonds. Financing is provided by a special tax levy approved by the voters, and assessed by the County Assessor and collected and remitted to the District by the County Treasurer.

Additionally, the District reports the following agency fund:

The *Fiduciary Funds* account for assets held by the District in a trustee capacity or as an agent for individual, private organizations, other governments and/or other funds.

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

D. *Assets, Liabilities and Net Position*

**Deposits and 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 Schools to invest in Certificates of Deposit, obligations of the U.S. Government, and the Local Government Investment Pool. The 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 pool shares. As of June 30, 2015, the District does not have any investments with Local Governmental Investment Pool.

**Restricted Assets:** Certain proceeds of the District's revenue bonds and general obligation bonds are classified as restricted assets on the balance sheet because their use is limited by the applicable bond covenants. The Bond Building fund has \$27,538,570 in unspent bond proceeds as of June 30, 2015. Also the debt service fund reports \$3,615,341 in cash which cannot be used for general operations.

**Receivables and Payables:** Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

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 from Eddy County. The funds are collected by the County Treasurer and are remitted to the District the following month. Under the modified accrual method of accounting, the amount remitted by the County Treasurer in July and August 2015 is considered 'measurable and available' and, accordingly, is recorded as revenue in the governmental fund statements during the year ended June 30, 2015. Period of availability is deemed to be sixty days subsequent to year end. The portion of property taxes receivable not collected within 60 days is classified as a deferred inflow.

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.

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Notes to Financial Statements  
June 30, 2015

**NOTE 1. Summary of Significant Accounting Policies** (continued)

*D. Assets, Liabilities and Net Position (continued)*

**Inventory:** The District's method of accounting for inventory is the consumption method. Under the consumption approach, governments report inventories they purchase as an asset and defer recognition of the expenditures until the period in which the inventories actually are consumed. Inventory in the General Fund consists of expendable supplies held for consumption. Inventory in the Food Service Special Revenue Fund consists of U.S.D.A. commodities and other purchased food and non-food supplies. The cost of purchased food is recorded as expenditures at the time individual inventory items are consumed.

U.S.D.A. commodities consumed during the year are reported as revenues and expenditures; unused commodities are reported as inventories.

**Capital Assets:** Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Information Technology equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.20.1.9 C (5). The District does not have any infrastructure. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Library books are deemed to have useful lives of one year and are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction. Construction projects paid for by the Public School Capital Outlay Council are included in the District's capital assets.

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

<u>Assets</u>	<u>Years</u>
Land improvements	20
Buildings and improvements	20-50
Equipment	5-20

**Deferred Inflow of Resources:** In addition to liabilities, the balance sheet reports 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. Revenue must be susceptible to accrual (measurable and available to finance expenditures of the current fiscal period) to be recognized. If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding liability for deferred inflows of resources. The District has one type of item, which arises under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue - property taxes, is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The District has recorded \$1,611,214 related to property taxes considered "unavailable." In addition, the District has two types of items presented on the Statement of Net Position which arise due to the implementation of GASB 68 and the related net pension liability. Accordingly, the items, actuarial experience and investment experience, are reported on the Statement of Net Position in the amounts of \$1,073,307 and \$6,549,767 respectively. The Academy reports three types of deferred inflows due to the implementation of GASB 68. Accordingly, these items Change in Proportion, Actuarial experience, and Investment experience totaling, \$108,566, 33,369 and 203,631 respectively are reported in the Statement of Net Position.



**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Notes to Financial Statements  
June 30, 2015

**NOTE 1. Summary of Significant Accounting Policies** (continued)

D. *Assets, Liabilities and Net Position* (continued)

**Deferred Outflows of Resources:** In addition to assets, the balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a use of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until that time. The District has two types of items that qualify for reporting in this category. Accordingly, the items, change in proportion in the amount of \$2,535,479 and employer contributions subsequent to measurement date in the amount of \$5,161,306. The component unit has one type of item that qualify for reporting in this category. Accordingly, employer contributions subsequent to measurement date in the amount of \$164,554. These amounts are reported in the Statement of Net Position.

**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 Board (ERB) and additions to/deductions from ERB's fiduciary net position have been determined on the same basis as they are reported by ERB, on the economic resources measurement focus and accrual basis of accounting. 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.

**Compensated Absences:** The District permits administrative employees to accumulate a limited amount of earned but unused vacation, which will be paid if not used, upon termination from the District. Accumulated sick leave benefits vest with each employee in accordance with District policy. All vacation pay and applicable accumulated sick leave is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. No liability is reported for unpaid accumulated sick leave, as no payment is required upon termination of service employees.

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 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 government-wide statement of net position.

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**Fund Balance Classification Policies and Procedures:** The District has implemented GASB Statement No. 54 and has defined the various categories reported in fund balance. 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.

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Notes to Financial Statements  
June 30, 2015

**NOTE 1. Summary of Significant Accounting Policies** (continued)

D. *Assets, Liabilities and Net Position* (continued)

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.

**Nonspendable Fund Balance:** At June 30, 2015, the nonspendable fund balances in the general fund and food service fund are made up of inventory in the amount of \$253,567 and \$110,242, respectively, which are not in spendable form.

**Restricted and Committed Fund Balance:** At June 30, 2015, the restricted fund balance on the governmental funds balance sheet is made up of \$55,707,639 for the purposes described on pages 38-39 and 70-73. The District also has committed funds of \$11,603,323 in the general fund rebudgeted for the subsequent year's expenditures. The District has no minimum fund balance policy. Residual amounts of fund balance are reported as unassigned in the general fund.

**Equity Classifications**

*Government-wide Statements*

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets:  
Net investment in capital assets includes 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.
- b. Restricted:  
This component consists of amounts 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 "special revenue," "debt service" and "capital projects" are described on pages 38-39 and 70-73.
- c. Unrestricted:  
This component consists of all other amounts that do not meet the definition of "restricted" or "net investment in capital assets."

**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. The District's estimates include the useful lives of depreciable assets and the current portion of compensated absences. Accordingly, actual results could differ from those estimates.

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Notes to Financial Statements  
June 30, 2015

**NOTE 1. Summary of Significant Accounting Policies** (continued)

E. *Revenues*

**State Equalization Guarantee:** School districts in the State of New Mexico receive a 'state equalization guarantee distribution' which is defined as "that amount of money distributed to each school district to insure that the school district's operating revenue, including its local and federal revenues as defined (in Chapter 22, Section 825, NMSA 1978) is at least equal to the school district's program costs." A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$49,675,067 in state equalization guarantee distributions during the year ended June 30, 2015.

**Tax Revenues:** The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Property taxes are assessed on January 1st of each year and are payable in two equal installments, on November 10th of the year in which the tax bill is prepared and April 10th of the following year with the levies becoming delinquent 30 days (one month) thereafter. The District recognizes tax revenues in the period for which they are levied in the government-wide financial statements. The District records only the portion of the taxes considered 'measurable' and 'available' in the governmental fund financial statements. The District recognized \$11,529,254 in property tax revenues during the year ended June 30, 2015. The amount is included in revenue from taxes reported in the statement of activities. 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. The District received \$8,944,277 in oil and gas tax revenues in fiscal year 2015.

**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 \$1,560,658 in transportation distributions during the year ended June 30, 2015.

**Instructional Materials:** The Public Education Department receives federal mineral leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, seventy percent is restricted to the requisition of materials listed in the State Board of Education "State Adopted Instructional Material" list, while thirty percent of each allocation is available for purchases directly from vendors. The District received \$447,224 in instructional materials during the year ended June 30, 2015.

**SB-9 State Match:** The Director shall distribute to any school district that has imposed a tax under the Public School Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978) an amount from the public school capital improvements fund that is equal to the amount by which the revenue estimated to be received from the imposed tax as specified in Subsection B of Section 22-25-3 NMSA 1978, assuming a one hundred percent collection rate, is less than an amount calculated by multiplying the product obtained by the rate imposed in the Schools 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. The District received \$311,647 in SB-9 match during the year ended June 30, 2015.

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Notes to Financial Statements  
June 30, 2015

**NOTE 1. Summary of Significant Accounting Policies** (continued)

E. *Revenues (continued)*

**Public School Capital Outlay:** The public school capital outlay fund was created under the provisions of Chapter 22, Article 24, NMSA 1978. The money in the fund may be used for: capital expenditures deemed by the public school capital outlay council to be necessary for an adequate education program per Section 22-24-4(B); core administrative function of the public school facilities authority and for project management expense upon approval of the council per Section 22-24-4(G); and for the purpose of demolishing abandoned school district facilities, upon application by a school district to the council, per Section 22-24-4(L). 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. The District did not receive any funds from PSCOC awards during the year ended June 30, 2015.

**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 operates under its own budget, which has been approved by the Federal Department or the flowthrough agency (usually the New Mexico Public Education Department). 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 for its food services operations, and the distribution of commodities through the New Mexico Human Services Department.

**NOTE 2. Stewardship, Compliance and Accountability**

*Budgetary Information*

Budgets for the General, Special Revenue, Debt Service, and Capital Projects 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 at the function level. 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 District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In April or May, the superintendent submits to the Board of Education a proposed operating budget of the fiscal year commencing the following July. The operating budget includes proposed expenditures and the means of financing them, and has approval by the Public Education Department.
2. In May or June, the budget is approved by the Board of Education.
3. The school board must certify the budget. The school board meeting is open for the general public unless a closed meeting has been called.
4. 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.

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Notes to Financial Statements  
June 30, 2015

**NOTE 2. Stewardship, Compliance and Accountability** (continued)

*Budgetary Information (continued)*

5. 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.
6. Budgets for the General, Special Revenue, Debt Service, and Capital Projects Funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Budget basis expenditures exclude encumbrances.

The School Board may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. New Mexico Administrative Code 6.20.2.9 prohibits a District from exceeding budgetary control at the function level. The District is required to balance its budgets each year.

**NOTE 3. Deposits and Investments**

State statutes authorize the investment of District funds in a wide variety of instruments including certificates of deposit and other similar obligations, the 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, 2015.

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. The financial institution must provide pledged collateral for 50% of the deposit amount in excess of the deposit insurance.

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 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.

All of the District's accounts at an insured depository institution, including non-interest bearing accounts are insured by the FDIC up to the standard maximum deposit insurance amount of \$250,000.

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District 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, 2015, \$58,610,831 of the District's bank balance of \$62,469,977 was subject to custodial credit risk. \$39,863,349 was uninsured and collateralized by collateral held by the pledging bank's trust department, not in the District's name. \$18,747,484 of the District's deposits were uninsured and uncollateralized at June 30, 2015.

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Notes to Financial Statements  
 June 30, 2015

**NOTE 3. Deposits and Investments (continued)**

	Western Commerce Bank	Wells Fargo Bank	Carlsbad National Bank	Total
Amount of deposits	\$ 37,147,058	\$ 7,229,387	\$ 18,093,532	\$ 62,469,977
Repurchase agreement	-	7,655,350	-	7,655,350
FDIC coverage	(10,764,496)	(250,000)	(500,000)	(11,514,496)
Total uninsured public funds	<u>26,382,562</u>	<u>14,634,737</u>	<u>17,593,532</u>	<u>58,610,831</u>
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the Uninsured and uncollateralized	<u>15,972,496</u>	<u>14,503,206</u>	<u>9,387,647</u>	<u>39,863,349</u>
	<u>\$ 10,410,066</u>	<u>\$ 131,531</u>	<u>\$ 8,205,885</u>	<u>\$ 18,747,482</u>
Collateral requirements				
(102% of repurchase agreement)	\$ -	\$ 7,808,457	\$ -	\$ 7,808,457
(50% of uninsured funds)	13,191,281	3,489,694	8,796,766	25,477,741
Pledged Collateral	<u>15,972,496</u>	<u>14,503,206</u>	<u>9,387,647</u>	<u>39,863,349</u>
Over (Under) collateralized	<u>\$ 2,781,215</u>	<u>\$ 3,205,056</u>	<u>\$ 590,881</u>	<u>\$ 6,577,153</u>

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

Reconciliation to the Statement of Net Position

The carrying amounts of deposits shown above are included in the District's Statement of Net Position as follows:

Cash and cash equivalents per Exhibit A-1	\$37,356,342
Unspent bond proceeds per Exhibit A-1	27,538,570
Restricted cash and cash equivalents per Exhibit A-1	3,615,341
Agency funds cash per Exhibit D-1	<u>63,300</u>
Total cash and cash equivalents	<u>68,573,553</u>
Less deposits in transit	(601,151)
Less petty cash	(1,000)
Add outstanding checks	2,178,213
Less other adjustments	<u>(24,288)</u>
Bank balance of deposits	<u>\$70,125,327</u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Notes to Financial Statements  
 June 30, 2015

**NOTE 3. Deposits and Investments (continued)**

**Component Unit:**

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of a bank failure, the Component Unit’s deposits may not be returned to it. The Component Unit 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, 2015, there were no amounts of the component unit’s bank balance of \$237,642 subject to custodial credit risk.

	<u>Wells Fargo Bank</u>
Amount of deposits	\$ 237,642
FDIC Insurance	<u>(237,642)</u>
 Total uninsured public funds	 \$ -
 Collateralized by securities held by pledging institutions or by its trust department or agent in other than the Component Unit's name	          <u>-</u>
Uninsured and uncollateralized	<u>\$ -</u>
 Collateral requirement (50% of uninsured funds)	 \$ -
Pledged Collateral	<u>-</u>
Over (Under) collateralized	<u>\$ -</u>

Reconciliation to the Statement of Net Position

The carrying amounts of deposits shown above are included in the component unit’s statement of net position as follows:

Cash and cash equivalents per Exhibit A-1	\$ <u>226,502</u>
Total cash and cash equivalents	<u>226,502</u>
Add: outstanding checks	11,340
Less: petty cash	<u>(200)</u>
Bank balance of deposits	<u>\$ <u>237,642</u></u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Notes to Financial Statements  
 June 30, 2015

**NOTE 4. Accounts Receivable**

**Primary Government:**

Accounts receivable as of June 30, 2015, are as follows:

	<u>General</u>	<u>Entitlement IDEA-B</u>	<u>Capital Improvements SB-9</u>
Taxes receivable:			
Property taxes	\$ 109,845	\$ -	\$ 404,564
Oil and gas taxes	36,913	-	147,422
Due from other governments:			
State	-	-	311,192
Federal	-	603,464	-
Other receivables:			
Reimbursements	-	-	-
Totals by fund	<u>\$ 146,758</u>	<u>\$ 603,464</u>	<u>\$ 863,178</u>

	<u>Capital Improvements HB-33</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Taxes receivable:				
Property taxes	\$ 446,243	\$ 759,295	\$ -	\$ 1,719,947
Oil and gas taxes	147,653	285,803	-	617,791
Due from other governments:				
State	-	-	571,196	882,388
Federal	-	-	593,715	1,197,179
Other receivables:				
Reimbursements	-	-	1,306	1,306
Totals by fund	<u>\$ 593,896</u>	<u>\$ 1,045,098</u>	<u>\$ 1,166,217</u>	<u>\$ 4,418,611</u>

In accordance with GASB Statement No. 33, property tax revenues in the amount of \$1,611,214, which were recognized as receivables before time requirements were met, have been reclassified as deferred inflow within the governmental fund financial statements. All of the above receivables are deemed 100% collectible.

**Component unit:**

Accounts receivable as of June 30, 2015, are as follows:

	<u>Food Services</u>	<u>Entitlement IDEA-B</u>	<u>IDEA-B Risk Pool</u>	<u>New Mexico Reads to Lead</u>	<u>Total</u>
Due from other governments:					
State	\$ -	\$ -	\$ -	\$ 11,445	\$ 11,445
Federal	532	8,602	45	-	9,179
Totals by fund	<u>\$ 532</u>	<u>\$ 8,602</u>	<u>\$ 45</u>	<u>\$ 11,445</u>	<u>\$ 20,624</u>



**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Notes to Financial Statements  
 June 30, 2015

**NOTE 5. Interfund Receivables, Payables**

The District records temporary interfund receivables and payables to enable the funds to operate until grant monies are received. All interfund balances are to be repaid within one year. The composition of interfund balances during the year ended June 30, 2015 is as follows:

**Primary Government:**

<u>Due from Other Fund</u>	<u>Due to Other Fund</u>	<u>Amount</u>
General Fund	Entitlement IDEA-B	\$ 490,312
General Fund	Title I	394,525
General Fund	Preschool IDEA-B	10,170
General Fund	IDEA Private School Share	381
General Fund	IDEA-B "Risk Pool"	1,275
General Fund	Teacher/Principal Training & Recruiting	73,233
General Fund	Title I 1300A School Improvement	1,539
General Fund	Carl D Perkins Secondary - Current	23,573
General Fund	Carl D Perkins HSTW - Current	28,218
General Fund	Carl D Perkins HSTW- PY Unliquidated Obligations	66
General Fund	Dual Credit Instructional Materials	6,518
General Fund	2008 GO Bond Student Library Fund	1,455
General Fund	New Mexico Reads to Lead	28,836
General Fund	Special Capital Outlay-State & Local	397,636
Teacher/Principal Training & Recruiting	General Fund	<u>42</u>
Total Interfund Balances		<u><u>\$ 1,457,779</u></u>

**Component Unit:**

<u>Due from Other Fund</u>	<u>Due to Other Fund</u>	<u>Amount</u>
General Fund-operational	Entitlement IDEA-B	\$ 2,592
General Fund-operational	IDEA-B Risk Pool	45
General Fund-operational	New Mexico Reads to Lead	<u>2,507</u>
Total Interfund Balances		<u><u>\$ 5,144</u></u>

**NOTE 6. 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

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Notes to Financial Statements  
 June 30, 2015

**NOTE 7. Capital Assets**

A summary of capital assets and changes occurring during the year ended June 30, 2015 is as follows.

**Primary Government:**

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 1,346,923	\$ -	\$ -	\$ 1,346,923
Construction in progress	<u>682,991</u>	<u>3,060,988</u>	<u>(682,991)</u>	<u>3,060,988</u>
Total capital assets not being depreciated	<u>2,029,914</u>	<u>3,060,988</u>	<u>(682,991)</u>	<u>4,407,911</u>
Capital assets being depreciated:				
Land improvements	13,604,271	719,611	-	14,323,882
Buildings and improvements	98,501,620	1,798,778	-	100,300,398
Equipment	<u>6,592,817</u>	<u>1,026,974</u>	<u>(1,012,512)</u>	<u>6,607,279</u>
Total capital assets being depreciated	<u>118,698,708</u>	<u>3,545,363</u>	<u>(1,012,512)</u>	<u>121,231,559</u>
Less accumulated depreciation:				
Land Improvements	4,386,255	589,121	-	4,975,376
Buildings and improvements	43,666,759	2,612,762	-	46,279,521
Equipment	<u>4,244,042</u>	<u>619,001</u>	<u>(888,268)</u>	<u>3,974,775</u>
Total accumulated depreciation	<u>52,297,056</u>	<u>3,820,884</u>	<u>(888,268)</u>	<u>55,229,672</u>
Total capital assets, net of depreciation	<u>\$ 68,431,566</u>	<u>\$ 2,785,467</u>	<u>\$ (807,235)</u>	<u>\$ 70,409,798</u>

In fiscal year 2014 a project included in construction in progress was cancelled. Total amount of expenditures related to the project totaled 12,893.

Depreciation expense for the year ended June 30, 2015 was charged to the following functions:

Direct Instruction	\$ 3,347,095
Support Services-Students	244,537
Central Services	11,462
Operation and maintenance of plant	106,984
Student Transportation	38,209
Food service operations	64,956
Community service operations	<u>7,641</u>
Total	<u>\$ 3,820,884</u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Notes to Financial Statements  
 June 30, 2015

**NOTE 7. Capital Assets** (continued)

**Component Unit:**

	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015
Capital assets being depreciated:				
Furniture, fixtures and equipment	\$ 124,614	\$ -	\$ -	\$ 124,614
Less accumulated depreciation:				
Furniture, fixtures and equipment	(117,619)	(700)	-	(118,319)
Total capital assets, net of depreciation	\$ 6,995	\$ (700)	\$ -	\$ 6,295

**NOTE 8. Long-term Debt**

**Primary Government**

On June 24, 2004 the District issued general obligation bonds secured by ad valorem taxes to provide funds for the acquisition and construction of major capital facilities. The original amount of the issue was \$7,100,000. The bonds are issued with varying terms, interest rates that range between 2.5% to 4%, and varying amounts of principal maturing each year.

On November 20, 2007 the District issued general obligation bonds secured by ad valorem taxes to provide funds for purposes of purchasing, improving, renovating, remodeling, upgrading, and making additions to the heating and cooling systems in elementary and secondary schools, restrooms at P.R. Leyva Middle School auditorium, playground equipment at elementary schools, and outside lockers at Carlsbad High School. The original amount of the issue was \$7,100,000. The bonds are issued with varying terms, interest rates that range between 3.75% to 4%, and varying amounts of principal maturing each year.

On June 24, 2011 the District issued general obligation bonds secured by ad valorem taxes for purposes of providing funds for an on-going school building and renovation program, to purchase or improve schools grounds, to purchase computer software and hardware for student use in public schools, and to provide matching funds for capital outlay projects funded pursuant to the Public School Capital Outlay Act. The original amount of the issue was \$7,000,000. The bonds are issued with varying terms, interest rates that range between 2% to 3.5%, and varying amounts of principal maturing each year.

On February 8, 2012 the District issued general obligation bonds secured by ad valorem taxes for purposes of a lease purchase of educational technology equipment. The original amount of the issue was \$740,000. The bonds are issued with varying terms, interest rates that range between .2% and .85%, with principal in the amount of \$140,000 maturing in 2013, and \$150,000 of principal maturing each subsequent year through 2017.

On May 21, 2014 the District issued general obligation bonds secured by ad valorem taxes for purposes of erecting, remodeling and making additions to and furnish school buildings within the District, to purchase or improve school grounds, to purchase computer software and hardware for student use in public schools, and to provide matching funds for capital outlay projects funded pursuant the Public School Capital Outlay Act. The original amount of the issue was \$30,000,000. The bonds are issued with varying terms, interest rates that range between 2.5% and 5% and varying amounts of principal maturing each year through August 1, 2027.

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Notes to Financial Statements  
 June 30, 2015

**NOTE 8. Long-term Debt** (continued)

On August 20, 2014 the District issued Educational Technology Note Series 2014 secured by ad valorem taxes. The note was issued for an undivided interest in the right to receive certain rent payments. The original amount of the issue was \$2,100,000. The bonds are issued with interest rate of .20% and principal due and paid on August 21, 2014. All general obligation bonds as of June 30, 2015 are for governmental activities. The following is a summary of the long-term debt and the activity for the year ending June 30, 2015.

	Balance June 30, 2014	Additions	Retirements	Balance June 30, 2015	Due Within One Year
Bonds	\$ 41,190,000	\$ 2,100,000	\$ 3,435,000	\$ 39,855,000	\$ 5,800,000
Compensated Absences	586,421	127,521	229,240	484,702	229,240
<b>Total long-term debt</b>	<b>\$ 7,248,287</b>	<b>\$ 2,227,521</b>	<b>\$ 3,664,240</b>	<b>\$ 40,339,702</b>	<b>\$ 6,029,240</b>

The final year of payment for bonds outstanding is fiscal year 2028. The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2015, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2015	\$ 5,800,000	\$ 1,458,910	\$ 7,258,910
2016	6,360,000	1,180,025	7,540,025
2017	2,275,000	987,244	3,262,244
2018	2,525,000	888,300	3,413,300
2019	11,300,000	764,294	12,064,294
2020-2024	7,170,000	1,853,300	9,023,300
2025-2028	4,425,000	519,625	4,944,625
	<b>\$ 39,855,000</b>	<b>\$ 7,651,698</b>	<b>\$ 47,506,698</b>

**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, 2015, compensated absences decreased by \$101,719 from the prior year accrual. In prior years, the general fund was typically used to liquidate long-term liabilities.

**NOTE 9. Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. Therefore, the District is a member of the New Mexico Public School Insurance Authority (NMPSIA). NMPSIA 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 for each property damage claim with a \$15,000 deductible per occurrence with a maximum annual deductible of \$60,000. General liability coverage is afforded to all employees, volunteers and school board members and the limit is subject to the NMSA Tort Claims Act on a per occurrence basis. The automobile and property liability limit is subject to the provisions of the Tort Claims Act. The crime limit is \$250,000 per occurrence for Faithful Performance. A limit of \$250,000 applies to Depositor's Forgery, Credit Card Forgery and Money Orders. A limit of \$100,000 applies to Money and Securities, which include 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. No settlements exceeded insurance coverage for 2015.

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Notes to Financial Statements  
June 30, 2015

**NOTE 10. Deficit Fund Balances and Budget Noncompliance Issues**

Generally accepted accounting principles require disclosures of certain information concerning individual funds including:

- A. Deficit fund balance of individual funds. The following funds reflected a deficit fund balance as of June 30, 2015:

**Primary Government:**

Non-Major Funds:

Athletics	\$	83
-----------	----	----

**Component Unit:**

None

- B. Excess of expenditures over appropriations. The following funds exceeded approved budgetary authority for the year ended June 30, 2015:

**Primary Government:**

None

**Component Unit:**

None

- C. The following funds exceeded budgeted designated cash appropriations for the year ended June 30, 2015:

**Primary Government:**

None

**Component Unit:**

None

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Notes to Financial Statements  
June 30, 2015

**NOTE 11. Pension Plan- Educational Retirement Board**

**General Information about the Pension Plan**

*Plan description.* ERB was created by the state's Educational Retirement Act, Section 22-11-1 through 22-11-52, NMSA 1978, as amended, to administer the New Mexico Educational Employees' Retirement Plan (Plan). The Plan is a cost-sharing, multiple employer 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 agencies providing educational programs. The Plan is a pension trust fund of the State of New Mexico. The New Mexico legislature has the authority to set or amend contribution rates.

ERB issues a publicly available financial report and a comprehensive annual financial report that can be obtained at [www.nmerb.org](http://www.nmerb.org).

*Benefits provided.* A member's retirement benefit is determined by a formula which includes three component parts: the member's final average salary (FAS), the number of years of service credit, and 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. A brief summary of Plan coverage provisions follows:

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. The eligibility for a member who either becomes a new member on or after July 1, 2010, or at any time prior to that date refunded all member contributions and then became, or becomes, reemployed after that date 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.

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. There are three benefit options available: single life annuity; single life annuity monthly benefit reduced to provide for a 100% survivor's benefit; or single life annuity monthly benefit is reduced to provide for a 50% survivor's benefit.

Retired members and surviving beneficiaries receiving benefits receive an automatic cost of living adjustment (COLA) to their benefit each July 1, beginning in the year the member attains or would have attained age 65 or on July 1 of the year following the member's retirement date, whichever is later. Prior to June 30, 2013 the COLA adjustment was equal to one-half the change in the Consumer Price Index (CPI), except that the COLA shall not exceed 4% nor be less than 2%, unless the change in CPI is less than 2%, in which case, the Cola would equal the change in the CPI, but never less than zero. As of July 1, 2013, for current and future retirees the COLA was immediately reduced until the plan is 100% funded. The COLA reduction was based on the median retirement benefit of all retirees excluding

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Notes to Financial Statements  
June 30, 2015

**NOTE 11. Pension Plan- Educational Retirement Board (continued)**

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 1.8%. All other retirees will have a 20% COLA reduction; their average COLA will be 1.6%. 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 1.9%. All other retirees will have a 10% COLA reduction; their average will be 1.8%. 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.

A member is eligible for a disability benefit provided (a) he or she has credit for at least 10 years of service, and (b) the disability is approved by ERB. The monthly benefit is equal to 2% of FAS times years of service, but not less than the smaller of (a) one-third of FAS or (b) 2% of FAS times year of service projected to age 60. The disability benefit commences immediately upon the member's retirement. Disability benefits are payable as a monthly life annuity, with a guarantee that, if the payments made do not exceed the member's accumulated contributions, determined as of the date of retirement, the balance will be paid in a lump sum to the member's surviving beneficiary. If the disabled member survives to age 60, the regular optional forms of payment are then applied. A member with five or more years of earned service credit on deferred status may retire on disability retirement when eligible under the Rule of 75 or when the member attains age 65.

**Contributions.** The contribution requirements of plan members and the District are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from the District and component unit were \$5,161,306 and \$164,554, respectively, for the year ended June 30, 2015.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:** The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, the District and the component unit reported a liability of \$72,050,819 and \$2,240,061 respectively for their proportionate share of the net pension liability. The District's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, the District's proportion was 1.26278 percent, which was a decrease of 0.05442 from its proportion measured as of June 30, 2013. At June 30, 2014, the component unit's proportion was 0.03926 percent, which was a decrease of 0.00233 from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, the District and component unit recognized pension expense of \$5,868,537 and \$117,385, respectively. At the June 30, 2015, the District and component unit reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Notes to Financial Statements  
 June 30, 2015

**NOTE 11. Pension Plan- Educational Retirement Board (continued)**

**Primary Government:**

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ -	\$ 1,073,307
Net difference between projected and actual earnings on pension plan investments	-	6,549,767
Changes in proportion and differences between District contributions and proportionate share of contribution	2,535,479	-
District's contributions subsequent to the measurement date	<u>5,161,306</u>	<u>-</u>
Total	<u>\$ 7,696,785</u>	<u>\$ 7,623,074</u>

**Component Unit:**

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ -	\$ 33,369
Net difference between projected and actual earnings on pension plan investments	-	203,631
Changes in proportion and differences between Component Unit contributions and proportionate share of contribution	-	108,566
Component Unit's contributions subsequent to the measurement date	<u>164,554</u>	<u>-</u>
Total	<u>\$ 164,554</u>	<u>\$ 345,566</u>

\$5,161,306 reported as deferred outflows of resources related to pensions resulting from District contributions and \$164,554 reported as deferred outflows of resources related to pensions resulting from the component unit's contributions subsequent to the measurement date of June 30, 2014, will be recognized as a reduction of the net pension liability in the year ended June 30, 2016.



**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Notes to Financial Statements  
 June 30, 2015

**NOTE 11. Pension Plan- Educational Retirement Board (continued)**

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Primary Government:**

Year ended June 30:	
2016	\$ (1,129,740)
2017	(1,129,740)
2018	(1,190,663)
2019	(1,637,452)
2020	-
Thereafter	-

**Component Unit:**

2016	\$ (100,191)
2017	(100,191)
2018	(94,277)
2019	(50,907)
2020	-
Thereafter	-

**Actuarial assumptions.** As described above, the total ERB pension liability and net pension liability are based on an actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014 using generally accepted actuarial principles. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2014. Specifically, the liabilities measured as of June 30, 2014 incorporate the following assumptions:

1. All members with an annual salary of more than \$20,000 will contribute 10.10% during the fiscal year ending June 30, 2014 and 10.7% thereafter.
2. Members hired after June 30, 2013 will have an actuarially reduced retirement benefit if they retire before age 55 and their COLA will be deferred until age 67.
3. COLAs for most retirees are reduced until ERB attains a 100% funded status.
4. These assumptions were adopted by ERB on April 26, 2013 in conjunction with the six-year experience study period ending June 30, 2012.

For the purposes of projecting future benefits, it is assumed that the full COLA is paid in all future years. The actuarial methods and assumptions used to determine contributions rates included in the measurement are as follows:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll
Remaining Period	Amortized – closed 30 years from June 30, 2012 to June 30, 2042
Asset Valuation Method	5 year smoothed market for funding valuation (fair value for financial valuation)

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Notes to Financial Statements  
 June 30, 2015

**NOTE 11. Pension Plan- Educational Retirement Board (continued)**

Inflation	3.00%
Salary Increases	Composition: 3% inflation, plus 1.25% productivity increase rate, plus step rate promotional increases for members with less than 10 years of service
Investment Rate of Return	7.75%
Retirement Age	Experience based table of age and service rates
Mortality	90% of RP-2000 Combined Mortality Table with White Collar Adjustment projected to 2014 using Scale AA (one year setback for females)

The long-term expected rate of return on pension plan investments is determined annually using a building-block approach that includes the following: 1) rate of return projections are the sum of current yield plus projected changes in price (valuation, defaults, etc.), 2) application of key economic projections (inflation, real growth, dividends, etc.), and 3) structural themes (supply and demand imbalances, capital flows, etc.). These items are developed for each major asset class. Best estimates of geometric real rates of return for each major asset class included in the Plan's target asset allocation for 2014 and 2013 for 30-year return assumptions are summarized in the following table:

<b>Asset Class</b>	<b>2014 Long-Term Expected Real Rate of Return</b>	<b>2013 Long-Term Expected Real Rate of Return</b>
Cash	1.50%	0.75%
Treasuries	2.00%	1.00%
IG Corp Credit	3.50%	3.00%
MBS	2.25%	2.50%
Core Bonds	2.53%	2.04%
TIPS	2.50%	1.50%
High Yield Bonds	4.50%	5.00%
Bank Loans	5.00%	5.00%
Global Bonds (Unhedged)	1.25%	0.75%
Global Bonds (Hedged)	1.38%	0.93%
EMD External	5.00%	4.00%
EMD Local Currency	5.75%	5.00%
Large Cap Equities	6.25%	6.75%
Small/Mid Cap	6.25%	7.00%
International Equities (Unhedged)	7.25%	7.75%
International Equities (Hedged)	7.50%	8.00%
Emerging International Equities	9.50%	9.75%
Private Equity	8.75%	9.00%
Private Debt	8.00%	8.50%
Private Real Assets	7.75%	8.00%
Real Estate	6.25%	6.00%
Commodities	5.00%	5.00%
Hedge Funds Low Vol	5.50%	4.75%
Hedge Funds Mod Vol	5.50%	6.50%

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Notes to Financial Statements  
 June 30, 2015

**NOTE 11. Pension Plan- Educational Retirement Board (continued)**

**Discount rate:** A single discount rate of 7.75% was used to measure the total ERB pension liability as of June 30, 2014 and June 30, 2013. This single discount rate was based on the expected rate of return on pension plan investments of 7.75%. Based on the stated assumptions and the projection of cash flows, the Plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current pension plan members. Therefore the long term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The projection of cash flows used to determine this single discount rate assumed that Plan contributions will be made at the current statutory levels. Additionally, contributions received through the Alternative Retirement Plan (ARP), ERB's defined contribution plan, are included in the projection of cash flows. ARP contributions are assumed to remain at a level percentage of ERB payroll, where the percentage of payroll is based on the most recent five year contribution history.

**Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.** The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2014. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

**Primary Government:**

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
District's proportionate share of the net pension	\$ 98,033,451	\$ 72,050,819	\$ 50,348,332

**Component Unit:**

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Component Unit's proportionate share of the net pension liability	\$ 3,047,863	\$ 2,240,061	\$ 1,565,318

**Pension plan fiduciary net position.** Detailed information about the pension plan's fiduciary net position is available in the separately issued audited financial statements as of and for June 30, 2014 and June 30, 2013 which are publicly available at [www.nmerb.org](http://www.nmerb.org).

**Payables to the pension plan.** The District remits the legally required employer and employee contributions on a monthly basis to ERB. The ERB requires that the contributions be remitted by the 15th day of the month following the month for which contributions are withheld. At June 30, 2015 there were no contributions due and payable for the District or the component unit.

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Notes to Financial Statements  
June 30, 2015

**NOTE 12. Post-Employment Benefits – State Retiree Health Care Plan**

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

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

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

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

The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the employer and employee contributions can be changed by the New Mexico State Legislature. Employers that choose to become participating employers after January 1, 1998, are required to make contributions to the RHCA fund in the amount determined to be appropriate by the board.

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2014, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The District's contributions to the RHCA for the years ended June 30, 2015, 2014, and 2013 were \$739,418, \$691,606, and \$658,950,277 respectively, which equal the required contributions for each year. The Academy's contributions for fiscal year ending June 30, 2015, 2014 and 2013 were \$21,788, \$21,642, \$18,698.

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Notes to Financial Statements  
 June 30, 2015

**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 District expects such amount, if any, to be immaterial.

The District is involved in various claims and lawsuits arising in the normal course of business. The District does not believe that the outcomes of any other lawsuits would have a material effect on the financial statements.

**NOTE 14. Net Position Restatement**

The District has a prior period adjustment of \$(71,269,877) which was required for implementation of Statement No. GASB 68 and GASB 71. The adjustment reflects a beginning net pension liability of \$(75,846,986) and a beginning of deferred outflow of resources- employer contributions subsequent to the measurement date of \$4,577,109.

The component unit has a prior period adjustment of \$(2,468,242) which was required for implementation of Statement No. GASB 68 and GASB 71. The adjustment reflects a beginning net pension liability of \$(2,610,543) and a beginning of deferred outflow of resources- employer contributions subsequent to the measurement date of \$142,301.

**NOTE 15. Commitments**

The District's construction commitments as of June 30, 2015 are as follows:

<u>Construction Projects</u>	<u>Projected Completion Date</u>	<u>Contract Amount</u>
Admin Records Building	2015-2016	\$ 148,011
AV Handicap/Boys Gym	2015-2016	19,462
PRL ADA Locker Install	2015-2016	3,399
CHS Baby Cave Flooring	2015-2016	5,439
CHS Direct Digital Controls	2015-2016	13,968
CHS Lights - Natatorium	2015-2016	57,921
CHS Main/PAD Project Engineering	2015-2016	43,156
CHS PAD Lighting & Ceiling	2015-2016	81,564
CHS Stadium HVAC Upgrade	2015-2016	26,489
CHS Teacher Parking Lot	2015-2016	75,201
Hillcrest HVAC Upgrades	2015-2016	96,480
Hillcrest Water Line Replacement	2015-2016	72,346
Monterrey Ceiling Lights Upgrade	2015-2016	14,318
Monterrey Intrusion Alarm System	2015-2016	2,805
Pate/Desert Willow Elementary	2015-2016	1,958,159
Riverside/Ocotillo Elementary	2015-2016	2,958,119
PRL Football Stadium Lights	2015-2016	181,115
PRL Sidewalk	2015-2016	9,839
		<hr/> <hr/> <b>\$ 5,767,791</b>

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Notes to Financial Statements  
June 30, 2015

**NOTE 15. Commitments-(continued)**

**Lease Agreement**

The component unit Jefferson Montessori Academy (Academy) leases from the District a portion of the Eisenhower School, office space, and playground space situated at 500 West Church Street in Carlsbad, New Mexico. The term of the lease is from July 1, 2013 through June 30, 2018. The annual rent paid to the District is based on the amount of lease reimbursement grant made to Academy which is determined by the Academy enrollment for the year pursuant to NMSA Section 22-24-41(1)(b)(2007) as amended. The total amount paid by the Academy to the District for fiscal year 2015 was \$137,844.

**NOTE 16. Restricted Net Position**

The government-wide statement of net position reports \$59,707,839 of restricted amounts, all of which is restricted by enabling legislation. For the Academy restricted net position is \$46,935. For descriptions of the related restrictions for net position amounts restricted for special revenue, debt service and capital projects, see pages 38-39 and 70-73.

**NOTE 17. Subsequent Pronouncements**

In February 2015, GASB Statement No. 72 *Fair Value Measurement and Application*, was issued. Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2015. Earlier application is encouraged. The District will implement this standard during the fiscal year ended June 30, 2016. The District is still evaluating how this pronouncement will affect the financial statements.

In June 2015, GASB Statement No. 73 *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, was issued. Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2016. Earlier application is encouraged. The District is still evaluating how this pronouncement will affect the District.

In June 2015, GASB Statement No. 74 *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, was issued. Effective Date: The provisions of this Statement are effective for fiscal years beginning after June 15, 2016. This pronouncement will not effect the District's financial statements.

In June 2015, GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, was issued. Effective Date: The provisions of this Statement are effective for fiscal years beginning after June 15, 2017. The standard will be implemented during the fiscal year ended June 30, 2018. The District expects this pronouncement to have a material effect on the financial statements.

In June 2015, GASB Statement No. 76 *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, was issued. Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2015. Earlier application is encouraged. The District will implement this standard during the fiscal year ended June 30, 2016. The District expects the pronouncement to have a material effect on the financial statements.

In August 2015, GASB Statement No. 77 *Tax Abatement Disclosures*, was issued. Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2015. Earlier application is encouraged. The District will implement this standard during the fiscal year ended June 30, 2017. The District is still evaluating how this pronouncement will effect the financial statements.

**NOTE 18. Subsequent Events**

The date to which events occurring after June 30, 2015, have been evaluated for possible adjustment to the financial statements or disclosures is October 16, 2015. No other events occurring after June 30, 2015 necessitate adjustment to the financial statements or disclosure in the notes.

**REQUIRED SUPPLEMENTARY INFORMATION**

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20's  
 Schedule of Proportionate Share of the Net Pension Liability  
 Educational Retirement Board (ERB) Pension Plan  
 Last 10 Fiscal Years\*

	2015 Measurement Date (As of and for the Year Ended June 30, 2014)
<b>Primary Government</b>	
Carlsbad Municipal School District No. 20's proportion of the net pension liability (asset)	1.2628%
Carlsbad Municipal School District No. 20's proportionate share of the net pension liability (asset)	\$ 72,050,819
Carlsbad Municipal School District No. 20's covered-employee payroll	34,806,911
Carlsbad Municipal School District No. 20's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	207%
Plan fiduciary net position as a percentage of the total pension liability	66.54%

	2015 Measurement Date (As of and for the Year Ended June 30, 2014)
<b>Component Unit</b>	
Jefferson Montessori Academy Charter School's proportion of the net pension liability (asset)	0.03926%
Jefferson Montessori Academy Charter School's proportionate share of the net pension liability (asset)	\$ 2,240,061
Jefferson Montessori Academy Charter School's covered-employee payroll	1,082,138
Jefferson Montessori Academy Charter School's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	207%
Plan fiduciary net position as a percentage of the total pension liability	66.54%

\* The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, Carlsbad Municipal School District No. 20 and Jefferson Montessori Academy Charter School will present information for those years for which information is available.

See independent auditor's report  
 See notes to required supplementary information



**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Schedule of Contributions  
 Educational Retirement Board (ERB) Pension Plan  
 Last 10 Fiscal Years\*

	As of and for the Year Ended <u>June 30, 2015</u>
<b>Primary Government</b>	
Contractually required contribution	\$ 5,161,306
Contributions in relation to the contractually required contribution	<u>5,161,306</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>
Carlsbad Municipal School District no.. 20 covered-employee payroll	37,132,807
Contribution as a percentage of covered-employee payroll	13.90%
	As of and for the Year Ended <u>June 30, 2015</u>
<b>Component Unit</b>	
Contractually required contribution	\$ 164,554
Contributions in relation to the contractually required contribution	<u>164,554</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>
Jefferson Montessori Academy Charter School covered-employee payroll	1,183,757
Contribution as a percentage of covered-employee payroll	13.90%

\* The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, Carlsbad Municipal School District No. 20 will present information for those years for which information is available.

See independent auditor's report  
 See notes to required supplementary information

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Notes to Required Supplementary Information  
June 30, 2015

*Changes of benefit terms.*

The COLA and retirement eligibility benefits changes in recent years are described in the Benefits Provided subsection of the financial statement note disclosure Pension Plan – Educational Retirement Board, General Information on the Pension Plan.

*Changes of assumptions.*

Per the ERB FY14 annual audit Management Discussion and Analysis, ERB conducts an actuarial experience study every two years. The actuarial experience study, presented to the Board of Trustees on April 26, 2013, compiled data for the six-year period ending June 30, 2013.

1. Fiscal year 2014 and 2013 valuation assumptions that changed based on this study:
  - a. Lower wage inflation from 4.75% to 4.25%
  - b. Lower payroll growth from 3.75% to 3.50%
  - c. Minor changes to demographic assumptions
  - d. Population growth per year from 0.75% to 0.50%
2. Assumptions that were not changed:
  - a. Investment return will remain at 7.75%
  - b. Inflation will remain at 3.00%

See also the *Actuarial Assumptions* subsection of the financial statement note disclosure *Pension Plan – Educational Retirement Board, General Information on the Pension Plan*

See independent auditor's report

**SUPPLEMENTARY INFORMATION**

(This page intentionally left blank)

**NONMAJOR GOVERNMENTAL FUNDS**

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Nonmajor Fund Descriptions  
June 30, 2015

**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 utilized to account for Federal and Local sources of income relating to the food service programs. The Cafeteria Fund is segregated into two categories, one being the Federal funds and the other being Non-Federal funds. Federal funds consist of National School Lunch Program, which is administered by the State of New Mexico for the purpose of making breakfast and lunch available to all school children and to encourage the domestic consumption of agricultural commodities and other food components. Authority for the creation of this fund is NMSA 22-13-13.

**Athletics (22000)** – This fund is used to account for fees generated at athletic activities throughout the School District. The gate receipts are obtained from the general public and are expended in this fund. The authority for creation of this fund is 6.20.2 NMAC.

**Non-Instructional Support (23000)** - To account for funds paid to the Schools for student activity travel. Accumulated funds are used to replace activity buses. Funding authority is the New Mexico Public Education Department.

**Title I (24101)** – This fund is used to provide supplemental educational opportunity for academically disadvantaged children in the area of residing. Campuses are identified for program participation by the percentage of students on free or reduced price lunches. Any school with a free and reduced price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criteria that identify a campus; educational need determines the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Public Education Department. Authority for creation of this fund is Part A of Chapter I of Title I of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

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

**IDEA-B Early Intervention Services (24112)** – To account for a program funded by a Federal grant to assist the District to make improvements in elementary and secondary education. Funding authorized by Elementary and Secondary Education Act of 1965, as amended, Title I, Chapter 2, Part A; Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvements of 1988, Public Law 100-297, 20 U.S.C. 2911-2952, 2971-2976.

**Education for Homeless Children (24113)**- To reduce barriers to public education for homeless children and youth (Public Law 100-77)

**IDEA Private School Share (24115)** - Under 34 CFR §§ 300.132-300.133, an LEA must spend a proportionate amount of their IDEA-B Basic Entitlement and, if applicable, Preschool sub-grant funds for special education and related services (“equitable participation services”) to students with disabilities who are parentally placed in private elementary and secondary schools (“equitable participation services”) located in the school district served by the LEA. The private schools must be nonprofit institutions. Children aged three through five are considered to be parentally-placed private school children with disabilities, only if they are enrolled in a private school that meets the definition of elementary school in 34 CFR §300.13. New Mexico State law defines an elementary school as “a public school providing instruction for grades kindergarten through eight, unless there is a junior high school program approved by the state board [department], in which case it means a public school providing instruction for grades kindergarten through six” 22-1-3(A) NMSA 1978.

**IDEA-B “Risk Pool” (24120)** - Entitlement funds that are set aside each year for the Puente para los Ninos high cost child program.

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Nonmajor Fund Descriptions  
June 30, 2015

**SPECIAL REVENUE FUNDS** (continued)

**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. Authority for creation of this fund is the Rehabilitation Act of 1973, as amended, Title III, Section 303(b)-(d). 20 U.S.C. 777a and 797a.

**Title I 1300A School Improvement (24162)** – To improve Title I schools identified for improvement, corrective action, or restructuring. Authority for the creation of this fund is School Improvement Grants (SIG) section 1003 (g) of Title I of the Elementary and Secondary Education Act of 1965.

**Carl D Perkins Secondary – Current (24174), Carl D Perkins HSTW - Current (24180), Carl D Perkins HSTW – PY Unliquidated Obligations (24181), and Carl D Perkins HSTW - Redistribution (24182)** - 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.

**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.

**Bridge Early College High School (26215)** –To account for a program that is educationally driven by local business community to develop the local workforce and reduce the high school drop-out rate. Authority is Public School Code Section 22, NMSA 1978.

**Dual Credit Instructional Materials (27103)** - SB943 (2007) and SB31 (2008) create a dual credit program that allows public high school students in school districts, charter schools and state-supported schools in the state to earn both high school and college credit for qualifying dual credit courses. Authority is Senate Bills 943 and 31.

**2008 GO Bond Student Library Fund (27105)** - Must be used to fund each library facility for improvement or acquisition and to acquire library books and library resources to support the library program. Authority is Senate Bill 333, 2008.

**New Mexico Reads to Lead (27114)** – To account for a program that increases the quality of reading instruction, provides screening assessment for use in planning data-driven instruction and reaches out to parents and families with free resources in English and Spanish to support children’s reading at home. Authority is Laws of 2013 House Bill 2.

**Advanced Placement Middle School (27129)** – To account for funds used to support teacher training for advanced placement certification, which enables teachers to offer advanced placement testwork. Authority for creation of this fund is by the New Mexico Public Education Department.

**Breakfast for Elementary Students (27155)** – To account for Legislative Appropriation to implement Breakfast in the Classroom for elementary students in need of improvement based on AYP designation. Authority for the creation of this fund is the New Mexico Public Education Department.

**K3 Plus (27166)** –To account for a program that extends the school year for K-3 by 25 instructional days beginning before school starts. Authority for the creation of this fund is the New Mexico Public Education Department (Title II part A).

**New Mexico Grown Fruits & Vegetables (27183)** – To account for appropriations received from the New Mexico Public Education Department for the purchase of New Mexico grown fresh fruits and vegetables for school meal programs. Authority for the creation of this fund is the New Mexico Public Education Department.

**Next Generation Assessments (27185)** – To account for funds used to remediate deficiencies in computer devices compliant with Partnership for Assessment of Readiness for College Careers (PARCC) award letter. Authority for the creation of this fund is the New Mexico Public Education Department.

(This page intentionally left blank)



**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Nonmajor Fund Descriptions  
June 30, 2015

**CAPITAL PROJECTS FUNDS**

Capital projects funds are used to account for acquisition and construction of major facilities.

**Special Capital Outlay – State & Local (31300)** – 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. To account for special appropriations made by the Public Schools Capital Outlay Council (PSCOC) based on school facility needs. The allocations are made through a standards-based process that ranks the condition of every school building in the State and provides funding to allow public school facilities to meet an adequate level statewide.

**Education Technology Notes (31900)** – To account for revenue received from any revenue bonds issued into as part of a lease purchase agreement under the Education Technology Act. The Education Technology Act was enacted to implement a provision of Article IX Section 11 of the Constitution of New Mexico which declares that a school district may create a debt under the constitution by entering into a lease purchase arrangement to acquire education technology without submitting the proposition to a vote of the qualified electors of the school district.

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2015

	Special Revenue		
	Food Services	Athletics	Non-Instructional Support
<i>Assets</i>			
Cash and cash equivalents	\$ 1,440,496	\$ 1,935	\$ 477,617
Receivables:			
Due from other governments	-	-	-
Other	749	24	533
Due from other funds	-	-	-
	<u>1,551,487</u>	<u>1,959</u>	<u>478,150</u>
<i>Total assets</i>	<u>\$ 1,551,487</u>	<u>\$ 1,959</u>	<u>\$ 478,150</u>
<i>Liabilities</i>			
Accounts payable	\$ 30,531	\$ 1,403	\$ 44,067
Accrued payroll	116,258	639	10,991
Due to other funds	-	-	-
	<u>146,789</u>	<u>2,042</u>	<u>55,058</u>
<i>Total liabilities</i>	<u>146,789</u>	<u>2,042</u>	<u>55,058</u>
<i>Fund balances</i>			
Nonspendable:			
Inventory	110,242	-	-
Spendable:			
Restricted for:			
Educational purposes	-	-	423,092
Food service	1,294,456	-	-
Capital acquisitions and improvements	-	-	-
Unassigned	-	(83)	-
	<u>1,404,698</u>	<u>(83)</u>	<u>423,092</u>
<i>Total fund balances</i>	<u>1,404,698</u>	<u>(83)</u>	<u>423,092</u>
<i>Total liabilities and fund balances</i>	<u>\$ 1,551,487</u>	<u>\$ 1,959</u>	<u>\$ 478,150</u>

The accompanying notes are an integral part of these financial statements

Special Revenue				
Title I	Preschool IDEA-B	IDEA-B Early Intervention Services	Education for Homeless Children	IDEA Private School Share
\$ -	\$ -	\$ -	\$ -	\$ -
434,140	11,567	-	-	477
-	-	-	-	-
-	-	-	-	-
<u>\$ 434,140</u>	<u>\$ 11,567</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 477</u>
\$ -	\$ -	\$ -	\$ -	\$ -
39,615	1,397	-	-	96
<u>394,525</u>	<u>10,170</u>	<u>-</u>	<u>-</u>	<u>381</u>
434,140	11,567	-	-	477
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 434,140</u>	<u>\$ 11,567</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 477</u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2015

	Special Revenue		
	IDEA-B "Risk Pool"	Teacher/Principal Training & Recruiting	Title I 1300A School Improvement
<i>Assets</i>			
Cash and cash equivalents	\$ -	\$ -	\$ -
Receivables:			
Due from other governments	1,275	92,860	1,539
Other	-	-	-
Due from other funds	-	42	-
<i>Total assets</i>	\$ 1,275	\$ 92,902	\$ 1,539
<i>Liabilities</i>			
Accounts payable	\$ -	\$ -	\$ -
Accrued payroll	-	19,627	-
Due to other funds	1,275	73,275	1,539
<i>Total liabilities</i>	1,275	92,902	1,539
<i>Fund balances</i>			
Nonspendable:			
Inventory	-	-	-
Spendable:			
Restricted for:			
Educational purposes	-	-	-
Food service	-	-	-
Capital acquisitions and improvements	-	-	-
Unassigned	-	-	-
<i>Total fund balances</i>	-	-	-
<i>Total liabilities and fund balances</i>	\$ 1,275	\$ 92,902	\$ 1,539

The accompanying notes are an integral part of these financial statements

Special Revenue				
Carl D Perkins Secondary - Current	Carl D Perkins HSTW - Current	Carl D Perkins HSTW- PY Unliquidated Obligations	Carl D Perkins HSTW - Redistribution	Title XIX Medicaid 3/21 Years
\$ -	\$ -	\$ -	\$ -	\$ 538,392
23,573	28,218	66	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 23,573</u>	<u>\$ 28,218</u>	<u>\$ 66</u>	<u>\$ -</u>	<u>\$ 538,392</u>
\$ -	\$ -	\$ -	\$ -	\$ 641
-	-	-	-	12,777
23,573	28,218	66	-	-
<u>23,573</u>	<u>28,218</u>	<u>66</u>	<u>-</u>	<u>13,418</u>
-	-	-	-	-
-	-	-	-	524,974
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>524,974</u>
<u>\$ 23,573</u>	<u>\$ 28,218</u>	<u>\$ 66</u>	<u>\$ -</u>	<u>\$ 538,392</u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2015

	Special Revenue		
	Bridge Early College High School	Dual Credit Instructional Materials	2008 GO Bond Student Library Fund
<i>Assets</i>			
Cash and cash equivalents	\$ 28,290	\$ -	\$ -
Receivables:			
Due from other governments	-	6,518	1,455
Other	-	-	-
Due from other funds	-	-	-
	<u>\$ 28,290</u>	<u>\$ 6,518</u>	<u>\$ 1,455</u>
<i>Total assets</i>	<u>\$ 28,290</u>	<u>\$ 6,518</u>	<u>\$ 1,455</u>
<i>Liabilities</i>			
Accounts payable	\$ 48	\$ -	\$ -
Accrued payroll	3,132	-	-
Due to other funds	-	6,518	1,455
	<u>3,180</u>	<u>6,518</u>	<u>1,455</u>
<i>Total liabilities</i>	<u>3,180</u>	<u>6,518</u>	<u>1,455</u>
<i>Fund balances</i>			
Nonspendable:			
Inventory	-	-	-
Spendable:			
Restricted for:			
Educational purposes	25,110	-	-
Food service	-	-	-
Capital acquisitions and improvements	-	-	-
Unassigned	-	-	-
	<u>25,110</u>	<u>-</u>	<u>-</u>
<i>Total fund balances</i>	<u>25,110</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balances</i>	<u>\$ 28,290</u>	<u>\$ 6,518</u>	<u>\$ 1,455</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

New Mexico Reads to Lead	Advanced Placement Middle School	Breakfast for Elementary Students	K3 Plus	New Mexico Grown Fruits and Vegetables
\$ -	\$ -	\$ -	\$ 4	\$ -
28,837	-	-	5,587	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 28,837</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,591</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ 5,587	\$ -
1	-	-	-	-
28,836	-	-	-	-
<u>28,837</u>	<u>-</u>	<u>-</u>	<u>5,587</u>	<u>-</u>
-	-	-	-	-
-	-	-	4	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>4</u>	<u>-</u>
<u>\$ 28,837</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,591</u>	<u>\$ -</u>

(This page intentionally left blank)



**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Nonmajor Governmental Funds  
Combining Balance Sheet  
June 30, 2015

	<u>Special Revenue</u>	<u>Capital Projects</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>Next Generation Assessments</u>	<u>Special Capital Outlay-State &amp; Local</u>	<u>Education Technology Notes</u>	
<i>Assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ 1,080,671	\$ 3,567,405
Receivables:				
Due from other governments	-	528,799	-	1,164,911
Other	-	-	-	1,306
Due from other funds	-	-	-	42
<i>Total assets</i>	<u>\$ -</u>	<u>\$ 528,799</u>	<u>\$ 1,080,671</u>	<u>\$ 4,843,906</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ 131,163	\$ 79,372	\$ 292,812
Accrued payroll	-	-	-	204,533
Due to other funds	-	397,636	-	967,467
<i>Total liabilities</i>	<u>-</u>	<u>528,799</u>	<u>79,372</u>	<u>1,464,812</u>
<i>Fund balances</i>				
Nonspendable:				
Inventory	-	-	-	110,242
Spendable:				
Restricted for:				
Educational purposes	-	-	-	973,180
Food service	-	-	-	1,294,456
Capital acquisitions and improvements	-	-	1,001,299	1,001,299
Unassigned	-	-	-	(83)
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>1,001,299</u>	<u>3,379,094</u>
<i>Total liabilities and fund balances</i>	<u>\$ -</u>	<u>\$ 528,799</u>	<u>\$ 1,080,671</u>	<u>\$ 4,843,906</u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Nonmajor Governmental Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the Year Ended June 30, 2015

	Special Revenue		
	Food Services	Athletics	Non-Instructional Support
<i>Revenues</i>			
Intergovernmental revenue			
Federal flowthrough	\$ 2,482,908	\$ -	\$ -
Federal direct	224,457	-	-
Local grants		-	-
State flowthrough	-	-	-
State direct	-	-	-
Charges for services	1,068,514	157,746	461,204
Investment income	112	-	401
Miscellaneous	-	-	55,385
<i>Total revenues</i>	<u>3,775,991</u>	<u>157,746</u>	<u>516,990</u>
<i>Expenditures</i>			
Current			
Instruction	-	230,221	476,128
Support services	-	-	-
Central services	-	-	-
Operation and maintenance of plant	-	-	-
Student transportation	-	-	-
Food services operations	3,520,381	-	-
Capital outlay	88,591	10,034	-
<i>Total expenditures</i>	<u>3,608,972</u>	<u>240,255</u>	<u>476,128</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>167,019</u>	<u>(82,509)</u>	<u>40,862</u>
<i>Other financing sources (uses)</i>			
Bond proceeds	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	167,019	(82,509)	40,862
<i>Fund balances - beginning</i>	<u>1,237,679</u>	<u>82,426</u>	<u>382,230</u>
<i>Fund balances - ending</i>	<u>\$ 1,404,698</u>	<u>\$ (83)</u>	<u>\$ 423,092</u>

The accompanying notes are an integral part of these financial statements

Special Revenue				
Title I	Preschool IDEA-B	IDEA-B Early Intervention Services	Education for Homeless Children	IDEA Private School Share
\$ 1,024,991	\$ 42,689	\$ -	\$ -	\$ 1,833
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>1,024,991</u>	<u>42,689</u>	<u>-</u>	<u>-</u>	<u>1,833</u>
867,175	18,052	-	-	-
66,597	24,637	-	-	1,833
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
91,219	-	-	-	-
<u>1,024,991</u>	<u>42,689</u>	<u>-</u>	<u>-</u>	<u>1,833</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Nonmajor Governmental Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the Year Ended June 30, 2015

	Special Revenue		
	IDEA-B "Risk Pool"	Teacher/Principal Training & Recruiting	Title I 1300A School Improvement
<i>Revenues</i>			
Intergovernmental revenue			
Federal flowthrough	\$ 1,275	\$ 283,635	\$ 10,990
Federal direct	-	-	-
Local grants	-	-	-
State flowthrough	-	-	-
State direct	-	-	-
Charges for services	-	-	-
Investment income	-	-	-
Miscellaneous	-	-	-
<i>Total revenues</i>	<u>1,275</u>	<u>283,635</u>	<u>10,990</u>
<i>Expenditures</i>			
Current			
Instruction	1,242	263,359	10,645
Support services	33	20,276	345
Central services	-	-	-
Operation and maintenance of plant	-	-	-
Student transportation	-	-	-
Food services operations	-	-	-
Capital outlay	-	-	-
<i>Total expenditures</i>	<u>1,275</u>	<u>283,635</u>	<u>10,990</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>			
Bond proceeds	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-
<i>Fund balances - beginning</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue				
Carl D Perkins Secondary - Current	Carl D Perkins HSTW - Current	Carl D Perkins HSTW- PY Unliquidated Obligations	Carl D Perkins HSTW - Redistribution	Title XIX Medicaid 3/21 Years
\$ 42,409	\$ 54,995	\$ 2,553	\$ -	\$ -
-	-	-	-	264,603
-	-	-	-	123,857
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>42,409</u>	<u>54,995</u>	<u>2,553</u>	<u>-</u>	<u>388,460</u>
27,727	24,293	1,370	-	8,854
4,857	30,702	1,183	-	224,792
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
9,825	-	-	-	-
<u>42,409</u>	<u>54,995</u>	<u>2,553</u>	<u>-</u>	<u>233,646</u>
-	-	-	-	154,814
-	-	-	-	-
-	-	-	-	-
-	-	-	-	154,814
-	-	-	-	370,160
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 524,974</u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Nonmajor Governmental Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the Year Ended June 30, 2015

	Special Revenue		
	Bridge Early College High School	Dual Credit Instructional Materials	2008 GO Bond Student Library Fund
<i>Revenues</i>			
Intergovernmental revenue			
Federal flowthrough	\$ -	\$ -	\$ -
Federal direct	-	-	-
Local grants	-	-	-
State flowthrough	-	23,875	1,455
State direct	-	-	-
Charges for services	-	-	-
Investment income	-	-	-
Miscellaneous	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>23,875</u>	<u>1,455</u>
<i>Expenditures</i>			
Current			
Instruction	23,309	23,875	-
Support services	28,993	-	1,455
Central services	-	-	-
Operation and maintenance of plant	-	-	-
Student transportation	-	-	-
Food services operations	-	-	-
Capital outlay	-	-	-
<i>Total expenditures</i>	<u>52,302</u>	<u>23,875</u>	<u>1,455</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(52,302)</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>			
Bond proceeds	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	(52,302)	-	-
<i>Fund balances - beginning</i>	<u>77,412</u>	<u>-</u>	<u>-</u>
<i>Fund balances - ending</i>	<u>\$ 25,110</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

New Mexico Reads to Lead	Advanced Placement Middle School	Breakfast for Elementary Students	K3 Plus	New Mexico Grown Fruits and Vegetables
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	125,603	-	-
160,332	-	-	184,300	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>160,332</u>	<u>-</u>	<u>125,603</u>	<u>184,300</u>	<u>-</u>
111,257	-	-	130,039	-
49,075	-	-	30,457	-
-	-	-	-	-
-	-	-	-	-
-	-	-	23,800	-
-	-	125,603	-	-
-	-	-	-	-
<u>160,332</u>	<u>-</u>	<u>125,603</u>	<u>184,296</u>	<u>-</u>
-	-	-	4	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	4	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ -</u>

(This page intentionally left blank)



**STATE OF NEW MEXICO**  
**Carlsbad Municipal School District No. 20**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended June 30, 2015**

	Special Revenue		Capital Projects		Total Nonmajor Governmental Funds
	Next Generation Assessments	Special Capital Outlay-State & Local	Education Technology Notes		
<i>Revenues</i>					
Intergovernmental revenue					
Federal flowthrough	\$ -	\$ -	\$ -		\$ 3,948,278
Federal direct	-	-	-		489,060
Local grants	-	-	-		123,857
State flowthrough	-	528,799	-		679,732
State direct	-	-	-		344,632
Charges for services	-	-	-		1,687,464
Investment income	-	-	-		513
Miscellaneous	-	59,426	-		114,811
<i>Total revenues</i>	<u>-</u>	<u>588,225</u>	<u>-</u>		<u>7,388,347</u>
<i>Expenditures</i>					
Current					
Instruction	-	-	-		2,217,546
Support services	-	-	-		485,235
Central services	-	-	-		-
Operation and maintenance of plant	-	228,946	1,034,500		1,263,446
Student transportation	-	-	-		23,800
Food services operations	-	-	-		3,645,984
Capital outlay	-	357,188	57,481		614,338
<i>Total expenditures</i>	<u>-</u>	<u>586,134</u>	<u>1,091,981</u>		<u>8,250,349</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>2,091</u>	<u>(1,091,981)</u>		<u>(862,002)</u>
<i>Other financing sources (uses)</i>					
Bond proceeds	-	-	2,100,000		2,100,000
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>2,100,000</u>		<u>2,100,000</u>
<i>Net change in fund balances</i>	-	2,091	1,008,019		1,237,998
<i>Fund balances - beginning</i>	<u>-</u>	<u>(2,091)</u>	<u>(6,720)</u>		<u>2,141,096</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,001,299</u>		<u>\$ 3,379,094</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-1

Carlsbad Municipal School District No. 20  
 Food Services Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	2,468,700	2,468,700	2,541,950	73,250
Federal direct	208,940	208,940	249,033	40,093
Local grants	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	965,000	965,000	1,072,783	107,783
Investment income	1,000	1,000	112	(888)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>3,643,640</u>	<u>3,643,640</u>	<u>3,863,878</u>	<u>220,238</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Food services operations	4,333,516	4,543,516	3,643,860	899,656
Community services operations	-	-	-	-
Capital outlay	100,000	177,920	88,591	89,329
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>4,433,516</u>	<u>4,721,436</u>	<u>3,732,451</u>	<u>988,985</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(789,876)</u>	<u>(1,077,796)</u>	<u>131,427</u>	<u>1,209,223</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	789,876	1,077,796	-	(1,077,796)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>789,876</u>	<u>1,077,796</u>	<u>-</u>	<u>(1,077,796)</u>
<i>Net change in fund balances</i>	-	-	131,427	131,427
<i>Fund balances - beginning</i>	-	-	1,192,811	1,192,811
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,324,238</u>	<u>\$ 1,324,238</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 131,427
Adjustments to revenues for federal flowthrough grants and charges for services				(87,887)
Adjustments to expenditures for food costs				<u>123,479</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 167,019</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-2

Carlsbad Municipal School District No. 20  
 Athletics Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	185,000	185,001	158,070	(26,931)
Investment income	-	-	-	-
Miscellaneous	8,000	8,000	-	(8,000)
<i>Total revenues</i>	<u>193,000</u>	<u>193,001</u>	<u>158,070</u>	<u>(34,931)</u>
<i>Expenditures</i>				
Current				
Instruction	193,000	265,003	228,842	36,161
Support services	-	-	-	-
Central services	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	10,100	10,034	66
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>193,000</u>	<u>275,103</u>	<u>238,876</u>	<u>36,227</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(82,102)</u>	<u>(80,806)</u>	<u>1,296</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	82,102	-	(82,102)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>82,102</u>	<u>-</u>	<u>(82,102)</u>
<i>Net change in fund balances</i>	-	-	(80,806)	(80,806)
<i>Fund balances - beginning</i>	-	-	82,102	82,102
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,296</u>	<u>\$ 1,296</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (80,806)
Adjustments to revenues for charges for services				(324)
Adjustments to expenditures for student travel				(1,379)
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (82,509)</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-3

Carlsbad Municipal School District No. 20  
 Non-Instructional Support Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	365,000	365,000	465,381	100,381
Investment income	450	450	401	(49)
Miscellaneous	25,000	25,000	55,385	30,385
<i>Total revenues</i>	<u>390,450</u>	<u>390,450</u>	<u>521,167</u>	<u>130,717</u>
<i>Expenditures</i>				
Current				
Instruction	711,860	773,692	447,960	325,732
Support services	-	-	-	-
Central services	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>711,860</u>	<u>773,692</u>	<u>447,960</u>	<u>325,732</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(321,410)</u>	<u>(383,242)</u>	<u>73,207</u>	<u>456,449</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	321,410	383,242	-	(383,242)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>321,410</u>	<u>383,242</u>	<u>-</u>	<u>(383,242)</u>
<i>Net change in fund balances</i>	-	-	73,207	73,207
<i>Fund balances - beginning</i>	<u>-</u>	<u>-</u>	<u>393,419</u>	<u>393,419</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 466,626</u>	<u>\$ 466,626</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 73,207
Adjustments to revenues for miscellaneous income				(4,177)
Adjustments to expenditures for salaries				<u>(28,168)</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 40,862</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-4

Carlsbad Municipal School District No. 20

Title I Special Revenue Fund

Statement of Revenue, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	1,013,500	1,374,556	991,766	(382,790)
Federal direct	-	-	-	-
Local grants	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,013,500</u>	<u>1,374,556</u>	<u>991,766</u>	<u>(382,790)</u>
<i>Expenditures</i>				
Current				
Instruction	905,375	1,143,394	908,554	234,840
Support services	108,125	126,162	66,598	59,564
Central services	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	105,000	91,218	13,782
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,013,500</u>	<u>1,374,556</u>	<u>1,066,370</u>	<u>308,186</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(74,604)</u>	<u>(74,604)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(74,604)	(74,604)
<i>Fund balances - beginning</i>	-	-	(359,536)	(359,536)
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (434,140)</u>	<u>\$ (434,140)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (74,604)
Adjustments to revenues for federal flowthrough grants				33,225
Adjustments to expenditures for general supplies and materials				41,379
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-5

Carlsbad Municipal School District No. 20  
 Preschool IDEA-B Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	39,866	48,471	44,229	(4,242)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>39,866</u>	<u>48,471</u>	<u>44,229</u>	<u>(4,242)</u>
<i>Expenditures</i>				
Current				
Instruction	15,257	22,128	20,152	1,976
Support services	24,609	26,343	24,754	1,589
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>39,866</u>	<u>48,471</u>	<u>44,907</u>	<u>3,564</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(678)</u>	<u>(678)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(678)	(678)
<i>Fund balances - beginning</i>	-	-	(10,889)	(10,889)
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (11,567)</u>	<u>\$ (11,567)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (678)
Adjustments to revenues for federal flowthrough grants				(1,540)
Adjustments to expenditures for general supplies and materials				2,218
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-6

Carlsbad Municipal School District No. 20  
 IDEA-B Early Intervention Services Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	2,495	2,495
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>2,495</u>	<u>2,495</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>2,495</u>	<u>2,495</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	2,495	2,495
<i>Fund balances - beginning</i>	-	-	(2,495)	(2,495)
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 2,495
Adjustments to revenues for federal flowthrough grants				(2,495)
No adjustments to expenditures				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-7

Carlsbad Municipal School District No. 20  
 Education for Homeless Children Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	6,524	6,524
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>6,524</u>	<u>6,524</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>6,524</u>	<u>6,524</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	6,524	6,524
<i>Fund balances - beginning</i>	-	-	(6,524)	(6,524)
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 6,524
Adjustments to revenues for federal direct revenues				(6,524)
No adjustments to expenditures				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements



## STATE OF NEW MEXICO

Statement B-8

Carlsbad Municipal School District No. 20  
 IDEA Private School Share Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	2,620	5,471	8,608	3,137
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	2,620	5,471	8,608	3,137
<i>Expenditures</i>				
Current				
Instruction	346	1,735	-	1,735
Support services	2,274	3,736	2,430	1,306
Central services	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	2,620	5,471	2,430	3,041
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	6,178	6,178
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	6,178	6,178
<i>Fund balances - beginning</i>	-	-	(6,655)	(6,655)
<i>Fund balances - ending</i>	\$ -	\$ -	\$ (477)	\$ (477)
<i>Net change in fund balances (Budget Basis)</i>				\$ 6,178
Adjustments to revenues for federal flowthrough grants				(6,775)
Adjustments to expenditures for salaries				597
<i>Net change in fund balances (GAAP Basis)</i>				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-9

Carlsbad Municipal School District No. 20  
 IDEA-B "Risk Pool" Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variations
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	1,326	12,216	10,890
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>1,326</u>	<u>12,216</u>	<u>10,890</u>
<i>Expenditures</i>				
Current				
Instruction	-	1,246	1,242	4
Support services	-	80	33	47
Central services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>1,326</u>	<u>1,275</u>	<u>51</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>10,941</u>	<u>10,941</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	10,941	10,941
<i>Fund balances - beginning</i>	-	-	(12,216)	(12,216)
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,275)</u>	<u>\$ (1,275)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 10,941
Adjustments to revenues for federal flowthrough grants				(10,941)
No adjustments to expenditures				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-10

Carlsbad Municipal School District No. 20  
 Teacher/Principal Training & Recruiting Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	197,164	509,063	322,709	(186,354)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>197,164</u>	<u>509,063</u>	<u>322,709</u>	<u>(186,354)</u>
<i>Expenditures</i>				
Current				
Instruction	197,164	441,041	291,920	149,121
Support services	-	68,022	23,499	44,523
Central services	-	-	-	-
Community services operations	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>197,164</u>	<u>509,063</u>	<u>315,419</u>	<u>193,644</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>7,290</u>	<u>7,290</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>7,290</u>	<u>7,290</u>
<i>Fund balances - beginning</i>	<u>-</u>	<u>-</u>	<u>(100,192)</u>	<u>(100,192)</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (92,902)</u>	<u>\$ (92,902)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 7,290
Adjustments to revenues for federal flowthrough grants				(39,074)
Adjustments to expenditures for salaries				31,784
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-11

Carlsbad Municipal School District No. 20  
 Title I 1300A School Improvement Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	23,350	23,411	61
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>23,350</u>	<u>23,411</u>	<u>61</u>
<i>Expenditures</i>				
Current				
Instruction	-	23,005	23,005	-
Support services	-	345	345	-
Central services	-	-	-	-
Food services operations	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>23,350</u>	<u>23,350</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>61</u>	<u>61</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	61	61
<i>Fund balances - beginning</i>	<u>-</u>	<u>-</u>	<u>(1,600)</u>	<u>(1,600)</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,539)</u>	<u>\$ (1,539)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 61
Adjustments to revenues for federal flowthrough grants				(12,421)
Adjustments to expenditures for salaries				<u>12,360</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-12

Carlsbad Municipal School District No. 20  
 Carl D Perkins Secondary - Current Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	45,046	64,643	38,894	(25,749)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>45,046</u>	<u>64,643</u>	<u>38,894</u>	<u>(25,749)</u>
<i>Expenditures</i>				
Current				
Instruction	36,537	42,236	29,004	13,232
Support services	7,610	11,683	4,857	6,826
Central services	-	-	-	-
Capital outlay	-	9,825	9,825	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>44,147</u>	<u>63,744</u>	<u>43,686</u>	<u>20,058</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>899</u>	<u>899</u>	<u>(4,792)</u>	<u>(5,691)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(899)	(899)	-	899
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(899)</u>	<u>(899)</u>	<u>-</u>	<u>899</u>
<i>Net change in fund balances</i>	-	-	(4,792)	(4,792)
<i>Fund balances - beginning</i>	-	-	(18,781)	(18,781)
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (23,573)</u>	<u>\$ (23,573)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (4,792)
Adjustments to revenues for federal flowthrough grants				3,515
Adjustments to expenditures for general supplies and materials				<u>1,277</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-13

Carlsbad Municipal School District No. 20  
 Carl D Perkins HSTW - Current Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	31,176	58,779	77,057	18,278
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>31,176</u>	<u>58,779</u>	<u>77,057</u>	<u>18,278</u>
<i>Expenditures</i>				
Current				
Instruction	31,176	26,061	25,663	398
Support services	-	32,718	31,437	1,281
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>31,176</u>	<u>58,779</u>	<u>57,100</u>	<u>1,679</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>19,957</u>	<u>19,957</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>19,957</u>	<u>19,957</u>
<i>Fund balances - beginning</i>	<u>-</u>	<u>-</u>	<u>(48,175)</u>	<u>(48,175)</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (28,218)</u>	<u>\$ (28,218)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 19,957
Adjustments to revenues for federal flowthrough grants				(22,062)
Adjustments to expenditures for salaries				2,105
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-14

Carlsbad Municipal School District No. 20  
 Carl D Perkins HSTW - PY Unliquidated Obligations Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	3,311	2,487	(824)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>3,311</u>	<u>2,487</u>	<u>(824)</u>
<i>Expenditures</i>				
Current				
Instruction	-	1,562	1,370	192
Support services	-	1,749	1,183	566
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>3,311</u>	<u>2,553</u>	<u>758</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(66)</u>	<u>(66)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(66)	(66)
<i>Fund balances - beginning</i>	-	-	-	-
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (66)</u>	<u>\$ (66)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (66)
Adjustments to revenues for federal flowthrough grants				66
Adjustments to expenditures for salaries				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-15

Carlsbad Municipal School District No. 20  
 Carl D Perkins HSTW - Redistribution Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	17,103	-	(17,103)
Federal direct	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>17,103</u>	<u>-</u>	<u>(17,103)</u>
<i>Expenditures</i>				
Current				
Instruction	-	11,660	-	11,660
Support services	-	5,443	-	5,443
Central services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>17,103</u>	<u>-</u>	<u>17,103</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning</i>	-	-	(3,080)	(3,080)
<i>Fund balances - reclassification</i>	-	-	3,080	3,080
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements



## STATE OF NEW MEXICO

Statement B-16

Carlsbad Municipal School District No. 20  
 Title XIX Medicaid 3/21 Years Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	200,000	200,000	266,935	66,935
Local grants	-	-	123,857	123,857
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>200,000</u>	<u>200,000</u>	<u>390,792</u>	<u>190,792</u>
<i>Expenditures</i>				
Current				
Instruction	-	15,000	12,702	2,298
Support services	539,168	552,491	224,438	328,053
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>539,168</u>	<u>567,491</u>	<u>237,140</u>	<u>330,351</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(339,168)</u>	<u>(367,491)</u>	<u>153,652</u>	<u>521,143</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	339,168	367,491	-	(367,491)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>339,168</u>	<u>367,491</u>	<u>-</u>	<u>(367,491)</u>
<i>Net change in fund balances</i>	-	-	153,652	153,652
<i>Fund balances - beginning</i>	-	-	371,963	371,963
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 525,615</u>	<u>\$ 525,615</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 153,652
Adjustments to revenues for federal direct grants				(2,332)
Adjustments to expenditures for salaries				3,494
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 154,814</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-17

Carlsbad Municipal School District No. 20  
 Bridge Early College High School Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	50,840	25,682	25,158
Support services	-	28,993	28,993	-
Central services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>79,833</u>	<u>54,675</u>	<u>25,158</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(79,833)</u>	<u>(54,675)</u>	<u>25,158</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	79,833	-	(79,833)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>79,833</u>	<u>-</u>	<u>(79,833)</u>
<i>Net change in fund balances</i>	-	-	(54,675)	(54,675)
<i>Fund balances - beginning</i>	-	-	79,833	79,833
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,158</u>	<u>\$ 25,158</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (54,675)
No adjustments to revenues				-
Adjustments to expenditures for salaries				2,373
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (52,302)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-18

Carlsbad Municipal School District No. 20  
 Dual Credit Instructional Materials Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	23,875	20,104	(3,771)
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>23,875</u>	<u>20,104</u>	<u>(3,771)</u>
<i>Expenditures</i>				
Current				
Instruction	-	23,875	23,875	-
Support services	-	-	-	-
Central services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>23,875</u>	<u>23,875</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,771)</u>	<u>(3,771)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(3,771)	(3,771)
<i>Fund balances - beginning</i>	-	-	(2,747)	(2,747)
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,518)</u>	<u>\$ (6,518)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (3,771)
Adjustments to revenues for state flowthrough grants				3,771
No adjustments to expenditures				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-19

Carlsbad Municipal School District No. 20  
 2008 GO Bond Student Library Fund Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	1,459	44,679	43,220
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>1,459</u>	<u>44,679</u>	<u>43,220</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	1,459	1,455	4
Central services	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>1,459</u>	<u>1,455</u>	<u>4</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>43,224</u>	<u>43,224</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	43,224	43,224
<i>Fund balances - beginning</i>	-	-	(44,679)	(44,679)
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,455)</u>	<u>\$ (1,455)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 43,224
Adjustments to revenues for state flowthrough grants				(43,224)
No adjustments to expenditures				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-20

Carlsbad Municipal School District No. 20  
 New Mexico Reads to Lead Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	162,500	162,500	149,762	(12,738)
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>162,500</u>	<u>162,500</u>	<u>149,762</u>	<u>(12,738)</u>
<i>Expenditures</i>				
Current				
Instruction	142,000	112,898	111,257	1,641
Support services	20,500	49,602	49,075	527
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>162,500</u>	<u>162,500</u>	<u>160,332</u>	<u>2,168</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(10,570)</u>	<u>(10,570)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(10,570)	(10,570)
<i>Fund balances - beginning</i>	-	-	(18,267)	(18,267)
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (28,837)</u>	<u>\$ (28,837)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (10,570)
Adjustments to revenues for state direct grants				10,570
No adjustments to expenditures				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-21

Carlsbad Municipal School District No. 20  
 Advanced Placement Middle School Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	18,354	18,354
State direct	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>18,354</u>	<u>18,354</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>18,354</u>	<u>18,354</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	18,354	18,354
<i>Fund balances - beginning</i>	<u>-</u>	<u>-</u>	<u>(18,354)</u>	<u>(18,354)</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 18,354
Adjustments to revenues for state flowthrough grants				(18,354)
No adjustments to expenditures				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-22

Carlsbad Municipal School District No. 20  
 Breakfast for Elementary Students Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variations
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	125,603	125,603	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>125,603</u>	<u>125,603</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	125,603	125,603	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>125,603</u>	<u>125,603</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning</i>	-	-	-	-
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-23

Carlsbad Municipal School District No. 20

K3 Plus Special Revenue Fund

Statement of Revenue, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	233,580	208,796	284,933	76,137
Combined state/local	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>233,580</u>	<u>208,796</u>	<u>284,933</u>	<u>76,137</u>
<i>Expenditures</i>				
Current				
Instruction	169,185	154,524	145,043	9,481
Support services	40,595	30,472	30,470	2
Operation and maintenance of plant	-	-	-	-
Student transportation	23,800	23,800	23,800	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>233,580</u>	<u>208,796</u>	<u>199,313</u>	<u>9,483</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>85,620</u>	<u>85,620</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>85,620</u>	<u>85,620</u>
<i>Fund balances - beginning</i>	<u>-</u>	<u>-</u>	<u>(85,616)</u>	<u>(85,616)</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ 4</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 85,620
Adjustments to revenues for state direct grants				(100,633)
Adjustments to expenditures for salaries				15,017
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 4</u>

The accompanying notes are an integral part of these financial statements



STATE OF NEW MEXICO

Statement B-24

Carlsbad Municipal School District No. 20  
 New Mexico Grown Fruits and Vegetables Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	591	591
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>591</u>	<u>591</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>591</u>	<u>591</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	591	591
<i>Fund balances - beginning</i>	-	-	(591)	(591)
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 591
Adjustments to revenues for state operating grants				(591)
No adjustments to expenditures				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-25

Carlsbad Municipal School District No. 20  
 Next Generation Assessments Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	128,172	128,172
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>128,172</u>	<u>128,172</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>128,172</u>	<u>128,172</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	128,172	128,172
<i>Fund balances - beginning</i>	-	-	(128,172)	(128,172)
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 128,172
Adjustments to revenues for state flowthrough grants				(128,172)
No adjustments to expenditures				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-26

Carlsbad Municipal School District No. 20  
Special Capital Outlay-State & Local Capital Projects Fund  
Statement of Revenue, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	530,000	536,000	250,000	(286,000)
Miscellaneous	-	61,071	59,426	(1,645)
<i>Total revenues</i>	<u>530,000</u>	<u>597,071</u>	<u>309,426</u>	<u>(287,645)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	16,000	15,445	555
Central services	-	-	-	-
Operation and maintenance of plant	130,000	91,059	91,059	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	398,808	489,451	357,188	132,263
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>528,808</u>	<u>596,510</u>	<u>463,692</u>	<u>132,818</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>1,192</u>	<u>561</u>	<u>(154,266)</u>	<u>(154,827)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(1,192)	(561)	-	561
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(1,192)</u>	<u>(561)</u>	<u>-</u>	<u>561</u>
<i>Net change in fund balances</i>	-	-	(154,266)	(154,266)
<i>Fund balances - beginning</i>	-	-	(243,370)	(243,370)
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (397,636)</u>	<u>\$ (397,636)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (154,266)
Adjustments to revenues for state direct grants				278,799
Adjustments to expenditures for capital outlay				<u>(122,442)</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 2,091</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-27

Carlsbad Municipal School District No. 20  
 Education Technology Notes Capital Projects Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	1,590,000	961,848	628,152
Capital outlay	-	510,000	57,481	452,519
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>2,100,000</u>	<u>1,019,329</u>	<u>1,080,671</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(2,100,000)</u>	<u>(1,019,329)</u>	<u>1,080,671</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Bond proceeds	-	2,100,000	2,100,000	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>2,100,000</u>	<u>2,100,000</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	1,080,671	1,080,671
<i>Fund balances - beginning</i>	-	-	-	-
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,080,671</u>	<u>\$ 1,080,671</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 1,080,671
No adjustments to revenues				-
Adjustments to expenditures for repairs and maintenance				<u>(72,652)</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 1,008,019</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-28

Carlsbad Municipal School District No. 20  
 Bond Building Capital Projects Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
Charges for services	-	-	-	-
Investment income	60,000	60,000	23,717	(36,283)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>60,000</u>	<u>60,000</u>	<u>23,717</u>	<u>(36,283)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	1,000,000	1,000,000	91,048	908,952
Central services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	29,119,672	29,034,835	2,395,151	26,639,684
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>30,119,672</u>	<u>30,034,835</u>	<u>2,486,199</u>	<u>27,548,636</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(30,059,672)</u>	<u>(29,974,835)</u>	<u>(2,462,482)</u>	<u>27,512,353</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	30,059,672	29,974,835	-	(29,974,835)
Bond proceeds	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>30,059,672</u>	<u>29,974,835</u>	<u>-</u>	<u>(29,974,835)</u>
<i>Net change in fund balances</i>	-	-	(2,462,482)	(2,462,482)
<i>Fund balances - beginning</i>	-	-	30,001,052	30,001,052
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,538,570</u>	<u>\$ 27,538,570</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (2,462,482)
No adjustments to revenues				-
Adjustments to expenditures for construction services				<u>52,809</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (2,409,673)</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-29

Carlsbad Municipal School District No. 20  
 Capital Improvements HB-33 Capital Projects Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ 3,672,380	\$ 3,672,380	\$ 5,111,786	\$ 1,439,406
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
Charges for services	-	-	-	-
Investment income	8,000	8,000	16,348	8,348
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>3,680,380</u>	<u>3,680,380</u>	<u>5,128,134</u>	<u>1,447,754</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	1,040,000	1,446,343	295,620	1,150,723
Central services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	7,982,992	8,982,992	2,174,174	6,808,818
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>9,022,992</u>	<u>10,429,335</u>	<u>2,469,794</u>	<u>7,959,541</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(5,342,612)</u>	<u>(6,748,955)</u>	<u>2,658,340</u>	<u>9,407,295</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	5,342,612	6,748,955	-	(6,748,955)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>5,342,612</u>	<u>6,748,955</u>	<u>-</u>	<u>(6,748,955)</u>
<i>Net change in fund balances</i>	-	-	2,658,340	2,658,340
<i>Fund balances - beginning</i>	-	-	6,707,306	6,707,306
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,365,646</u>	<u>\$ 9,365,646</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 2,658,340
Adjustments to revenues for property and oil and gas taxes				(139,000)
Adjustments to expenditures for construction services				<u>450,348</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 2,969,688</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-30

Carlsbad Municipal School District No. 20  
 Capital Improvements SB-9 Capital Projects Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ 3,698,526	\$ 3,698,526	\$ 5,117,180	\$ 1,418,654
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	311,192	455	(310,737)
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	14,258	14,258
<i>Total revenues</i>	<u>3,698,526</u>	<u>4,009,718</u>	<u>5,131,893</u>	<u>1,122,175</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	1,137,000	1,309,223	758,837	550,386
Central services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	1,542,781	2,710,860	693,165	2,017,695
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>5,179,781</u>	<u>6,833,775</u>	<u>3,568,365</u>	<u>3,265,410</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,481,255)</u>	<u>(2,824,057)</u>	<u>1,563,528</u>	<u>4,387,585</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	1,481,255	2,824,057	-	(2,824,057)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,481,255</u>	<u>2,824,057</u>	<u>-</u>	<u>(2,824,057)</u>
<i>Net change in fund balances</i>	-	-	1,563,528	1,563,528
<i>Fund balances - beginning</i>	-	-	2,824,057	2,824,057
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,387,585</u>	<u>\$ 4,387,585</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 1,563,528
Adjustments to revenues for property and oil and gas taxes and state flowthrough grants				169,045
Adjustments to expenditures for construction services				127,554
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 1,860,127</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-31

Carlsbad Municipal School District No. 20

Debt Service Fund

Statement of Revenue, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ 1,920,449	\$ 1,920,449	\$ 8,122,017	\$ 6,201,568
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	656	656
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,920,449</u>	<u>1,920,449</u>	<u>8,122,673</u>	<u>6,202,224</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	2,728,637	112,254	39,921	72,333
Central services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	3,855,166	7,694,956	3,435,000	4,259,956
Interest	344,355	1,224,577	1,224,575	2
<i>Total expenditures</i>	<u>6,928,158</u>	<u>9,031,787</u>	<u>4,699,496</u>	<u>4,332,291</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(5,007,709)</u>	<u>(7,111,338)</u>	<u>3,423,177</u>	<u>10,534,515</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	5,007,709	7,111,338	-	(7,111,338)
Bond Premium	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>5,007,709</u>	<u>7,111,338</u>	<u>-</u>	<u>(7,111,338)</u>
<i>Net change in fund balances</i>	-	-	3,423,177	3,423,177
<i>Fund balances - beginning</i>	-	-	7,111,339	7,111,339
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,534,516</u>	<u>\$ 10,534,516</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 3,423,177
Adjustments to revenues for property and oil and gas taxes				121,891
No adjustments to expenditures				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 3,545,068</u>

The accompanying notes are an integral part of these financial statements



**GENERAL FUND**

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 General Fund  
 Combining Balance Sheet  
 June 30, 2015

Statement C-1

	Operational Fund	Transportation Fund	Instructional Materials Fund	Total
<i>Assets</i>				
Cash and cash equivalents	\$ 12,779,670	\$ 1	\$ 336,860	\$ 13,116,531
Receivables:				
Taxes	146,758	-	-	146,758
Inventory	253,567	-	-	253,567
Due from other funds	1,457,737	-	-	1,457,737
<i>Total assets</i>	\$ 14,637,732	\$ 1	\$ 336,860	\$ 14,974,593
<i>Liabilities, deferred inflows and fund balances</i>				
<i>Liabilities</i>				
Accounts payable	\$ 137,058	\$ -	\$ -	\$ 137,058
Accrued payroll	2,876,814	-	-	2,876,814
Due to other funds	-	-	-	-
<i>Total liabilities</i>	3,013,872	-	-	3,013,872
<i>Deferred inflows</i>				
Unavailable revenue	103,831	-	-	103,831
<i>Total deferred inflows</i>	103,831	-	-	103,831
<i>Fund balances</i>				
Nonspendable				
Inventory	253,567	-	-	253,567
Spendable:				
Committed for:				
Subsequent year's expenditures	11,266,462	1	336,860	11,603,323
<i>Total fund balances</i>	11,520,029	1	336,860	11,856,890
<i>Total liabilities and fund balances</i>	\$ 14,637,732	\$ 1	\$ 336,860	\$ 14,974,593

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**Carlsbad Municipal School District No. 20**  
**General Fund**

Statement C-2

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2015

	Operational Fund	Transportation Fund	Instructional Materials Fund	Total
<i>Revenues</i>				
Taxes	\$ 1,218,787	\$ -	\$ -	\$ 1,218,787
Intergovernmental revenues				
Federal flowthrough	74,262	-	-	74,262
Federal direct	44,210	-	-	44,210
State flowthrough	49,797,429	-	447,224	50,244,653
State direct	508,240	-	-	508,240
Transportation distribution	-	1,560,658	-	1,560,658
Charges for services	1,275,678	-	-	1,275,678
Investment income	18,073	-	-	18,073
Miscellaneous	91	-	-	91
<i>Total revenues</i>	<u>52,936,770</u>	<u>1,560,658</u>	<u>447,224</u>	<u>54,944,652</u>
<i>Expenditures</i>				
Current				
Instruction	31,855,019	-	319,761	32,174,780
Support services	13,003,334	-	-	13,003,334
Central services	1,997,501	-	-	1,997,501
Operation and maintenance of plant	5,231,666	-	-	5,231,666
Student transportation	-	1,610,685	-	1,610,685
Food services operations	104,994	-	-	104,994
Community services operations	88,284	-	-	88,284
Capital outlay	277,699	-	-	277,699
<i>Total expenditures</i>	<u>52,558,497</u>	<u>1,610,685</u>	<u>319,761</u>	<u>54,488,943</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>378,273</u>	<u>(50,027)</u>	<u>127,463</u>	<u>455,709</u>
<i>Other financing sources (uses)</i>				
Transfers in (out)	-	-	-	-
Proceeds from the sale of inventoriable assets	35,000	-	-	35,000
<i>Total other financing sources (uses)</i>	<u>35,000</u>	<u>-</u>	<u>-</u>	<u>35,000</u>
<i>Net change in fund balances</i>	413,273	(50,027)	127,463	490,709
<i>Fund balances - beginning</i>	<u>11,106,756</u>	<u>50,028</u>	<u>209,397</u>	<u>11,366,181</u>
<i>Fund balances - ending</i>	<u>\$ 11,520,029</u>	<u>\$ 1</u>	<u>\$ 336,860</u>	<u>\$ 11,856,890</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement C-3

Carlsbad Municipal School District No. 20

Operational Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Taxes	\$ 894,410	\$ 894,410	\$ 1,254,021	\$ 359,611
Intergovernmental revenue				
Federal flowthrough	60,000	60,000	74,262	14,262
Federal direct	-	-	44,210	44,210
State flowthrough	48,801,086	49,952,775	49,797,429	(155,346)
State direct	97,065	97,065	508,240	411,175
Charges for services	347,750	829,046	1,200,479	371,433
Investment income	20,000	20,000	18,073	(1,927)
Miscellaneous	7,500	7,500	75,290	67,790
<i>Total revenues</i>	<u>50,227,811</u>	<u>51,860,796</u>	<u>52,972,004</u>	<u>1,111,208</u>
<i>Expenditures</i>				
Current				
Instruction	34,746,126	35,598,653	34,408,609	1,190,044
Support services	13,124,750	14,655,693	13,032,669	1,623,024
Central services	2,212,585	2,803,785	1,985,389	818,396
Operation and maintenance of plant	7,393,324	6,416,666	5,237,609	1,179,057
Student transportation	-	-	-	-
Food services operations	6,000	6,000	1,023	4,977
Community services operations	95,094	95,094	84,509	10,585
Capital outlay	200,000	350,763	281,474	69,289
<i>Total expenditures</i>	<u>57,777,879</u>	<u>59,926,654</u>	<u>55,031,282</u>	<u>4,895,372</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(7,550,068)</u>	<u>(8,065,858)</u>	<u>(2,059,278)</u>	<u>6,006,580</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	7,550,068	8,065,858	-	(8,065,858)
Transfers in (out)	-	-	-	-
Proceeds from sale of capital assets	-	-	35,000	35,000
<i>Total other financing sources (uses)</i>	<u>7,550,068</u>	<u>8,065,858</u>	<u>35,000</u>	<u>(8,030,858)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(2,024,278)</u>	<u>(2,024,278)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>13,384,871</u>	<u>13,384,871</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,360,593</u>	<u>\$ 11,360,593</u>
<i>Net change in fund balance (Budget Basis)</i>				\$ (2,024,278)
Adjustments to revenues for intergovernmental revenues and tax revenues				(35,234)
Adjustments to expenditures for salaries, supplies and professional services expenditures				2,472,785
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ 413,273</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement C-4

Carlsbad Municipal School District No. 20

Transportation Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	1,480,487	1,610,713	1,560,658	(50,055)
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,480,487</u>	<u>1,610,713</u>	<u>1,560,658</u>	<u>(50,055)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	1,480,487	1,610,714	1,610,712	2
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>1,480,487</u>	<u>1,610,714</u>	<u>1,610,712</u>	<u>2</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	(1)	(50,054)	(50,053)
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	1	-	1
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>1</u>	<u>-</u>	<u>1</u>
<i>Net change in fund balances</i>	-	-	(50,054)	(50,054)
<i>Fund balances - beginning of year</i>	-	-	50,055	50,055
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>
<i>Net change in fund balance (Budget Basis)</i>				\$ (50,054)
No adjustments to revenues				-
Adjustments to expenditures for salaries				27
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ (50,027)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement C-5

Carlsbad Municipal School District No. 20

Instructional Materials Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	312,676	514,887	447,224	(67,663)
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>312,676</u>	<u>514,887</u>	<u>447,224</u>	<u>(67,663)</u>
<i>Expenditures</i>				
Current				
Instruction	474,124	656,621	319,761	336,860
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>474,124</u>	<u>656,621</u>	<u>319,761</u>	<u>336,860</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(161,448)</u>	<u>(141,734)</u>	<u>127,463</u>	<u>269,197</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	161,448	141,734	-	(141,734)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>161,448</u>	<u>141,734</u>	<u>-</u>	<u>(141,734)</u>
<i>Net change in fund balances</i>	-	-	127,463	127,463
<i>Fund balances - beginning of year</i>	-	-	209,397	209,397
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 336,860</u>	<u>\$ 336,860</u>
<i>Net change in fund balance (Budget Basis)</i>				\$ 127,463
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ 127,463</u>

The accompanying notes are an integral part of these financial statements

**JEFFERSON MONTESSORI ACADEMY CHARTER SCHOOL**

**STATE OF NEW MEXICO**  
Jefferson Montessori Academy Charter School  
Combining Balance Sheet  
Governmental Funds  
June 30, 2015

	General		Special Revenue	
	Operational	Instructional Materials	Food Services	Non- Instructional Support
<b>ASSETS</b>				
<i>Current assets</i>				
Cash and cash equivalents	\$ 170,472	\$ 18,831	\$ 7,201	\$ 1,929
Receivables:				
Due from other governments	-	-	532	-
Due from other funds	5,144	-	-	-
<i>Total assets</i>	\$ 175,616	\$ 18,831	\$ 7,733	\$ 1,929
<b>LIABILITIES AND FUND BALANCES</b>				
<i>Current liabilities</i>				
Accounts payable	\$ 4,459	\$ -	\$ -	\$ -
Accrued payroll	161,941	-	-	-
Due to other funds	-	-	-	-
<i>Total liabilities</i>	166,400	-	-	-
<i>Fund balances</i>				
Nonspendable				
Spendable:				
Restricted for:				
Educational purposes	-	18,831	-	1,929
Food service	-	-	7,733	-
Capital acquisitions and improvements	-	-	-	-
Committed for:				
Assigned				
Subsequent years' expenditures	9,216	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	9,216	18,831	7,733	1,929
<i>Total Liabilities and fund balances</i>	\$ 175,616	\$ 18,831	\$ 7,733	\$ 1,929



Special Revenue

Entitlement IDEA-B	IDEA-B Discretionary	IDEA-B Risk Pool	2012 GO Bond Student Library Fund	New Mexico Reads to Lead	Next Generation Assessments Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8,602	-	45	-	11,445	-
-	-	-	-	-	-
<u>\$ 8,602</u>	<u>\$ -</u>	<u>\$ 45</u>	<u>\$ -</u>	<u>\$ 11,445</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6,010	-	-	-	8,938	-
2,592	-	45	-	2,507	-
<u>8,602</u>	<u>-</u>	<u>45</u>	<u>-</u>	<u>11,445</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 8,602</u>	<u>\$ -</u>	<u>\$ 45</u>	<u>\$ -</u>	<u>\$ 11,445</u>	<u>\$ -</u>

(This page intentionally left blank)

**STATE OF NEW MEXICO**  
 Jefferson Montessori Academy Charter School  
 Combining Balance Sheet  
 Governmental Funds  
 June 30, 2015

	Capital Projects		
	Public School Capital Outlay	Capital Improvements SB-9	Total
<b>ASSETS</b>			
<i>Current assets</i>			
Cash and cash equivalents	\$ 28,069	\$ -	\$ 226,502
Receivables:			
Due from other governments	-	-	20,624
Due from other funds	-	-	5,144
<i>Total assets</i>	\$ 28,069	\$ -	\$ 252,270
<b>LIABILITIES AND FUND BALANCES</b>			
<i>Current liabilities</i>			
Accounts payable	\$ -	\$ -	\$ 4,459
Accrued payroll	-	-	176,889
Due to other funds	-	-	5,144
<i>Total liabilities</i>	-	-	186,492
<i>Fund balances</i>			
Nonspendable			
Spendable:			
Restricted for:			
Educational purposes	-	-	20,760
Food service	-	-	7,733
Capital acquisitions and improvements	28,069	-	28,069
Committed for:			
Assigned			
Subsequent years' expenditures	-	-	9,216
Unassigned	-	-	-
<i>Total fund balances</i>	28,069	-	65,778
<i>Total Liabilities and fund balances</i>	\$ 28,069	\$ -	\$ 252,270

(This page intentionally left blank)

STATE OF NEW MEXICO

Jefferson Montessori Academy Charter School

Governmental Funds

Reconciliation of the Combining Balance Sheet to the Statement of Net Position  
June 30, 2015

Statement D-1

Page 3 of 3

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

Fund balances - total governmental funds	\$	65,778
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds		6,295
Deferred outflows of resources related to employer contributions subsequent to the measurement date		164,554
Deferred inflows of resources related to changes in proportion		(108,566)
Deferred inflows of resources related to actuarial experience		(33,369)
Deferred inflows of resources related to investment experience		(203,631)
Some liabilities, including net pension liability, are not due and payable in the current period and, therefore, are not reported in the funds:		
Net Pension liability		<u>(2,240,061)</u>
Total net position - governmental activities	\$	<u><u>(2,349,000)</u></u>

**STATE OF NEW MEXICO**  
 Jefferson Montessori Academy Charter School  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Governmental Funds  
 For the Year Ended June 30, 2015

	General		Special Revenue	
	Operational	Instructional Materials	Food Services	Non- Instructional Support
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flow through	-	-	34,780	-
State flow through	1,854,175	12,456	-	-
Charges for services	1,320	-	27,393	8,134
Miscellaneous revenues	205	-	-	-
<i>Total revenues</i>	1,855,700	12,456	62,173	8,134
<i>Expenditures:</i>				
Current:				
Instruction	1,247,985	15,203	-	7,991
Support services	432,505	-	-	-
Central services	149,866	-	-	-
Operation and maintenance of plant	164,016	-	-	-
Food services operations	29,062	-	52,199	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	2,023,434	15,203	52,199	7,991
<i>Net change in fund balances</i>	(167,734)	(2,747)	9,974	143
<i>Fund balances - beginning of year</i>	176,950	21,578	(2,241)	1,786
<i>Fund balances - ending of year</i>	\$ 9,216	\$ 18,831	\$ 7,733	\$ 1,929

The accompanying notes are an integral part of these financial statements

Special Revenue

Entitlement IDEA-B	IDEA-B Discretionary	IDEA-B Risk Pool	2012 GO Bond Student Library Fund	New Mexico Reads to Lead	Next Generation Assessments Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
44,005	-	45	-	-	-
-	-	-	-	48,712	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>44,005</u>	<u>-</u>	<u>45</u>	<u>-</u>	<u>48,712</u>	<u>-</u>
44,005	-	45	-	-	-
-	-	-	-	48,712	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>44,005</u>	<u>-</u>	<u>45</u>	<u>-</u>	<u>48,712</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(This page intentionally left blank)



**STATE OF NEW MEXICO**  
 Jefferson Montessori Academy Charter School  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Governmental Funds  
 For the Year Ended June 30, 2015

	Capital Projects		
	Public School Capital Outlay	Capital Improvements SB-9	Total
<i>Revenues:</i>			
Property taxes	\$ -	\$ -	\$ -
Intergovernmental revenue			
Federal flow through	-	-	78,830
State flow through	165,913	-	2,081,256
Charges for services	-	-	36,847
Miscellaneous revenues	-	-	205
	165,913	-	2,197,138
<i>Total revenues</i>			
<i>Expenditures:</i>			
Current:			
Instruction	-	-	1,315,229
Support services	-	-	481,217
Central services	-	-	149,866
Operation and maintenance of plant	137,844	41,411	343,271
Food services operations	-	-	81,261
Capital outlay	-	6,995	6,995
	137,844	48,406	2,377,839
<i>Total expenditures</i>			
<i>Net change in fund balances</i>	28,069	(48,406)	(180,701)
<i>Fund balances - beginning of year</i>	-	48,406	246,479
<i>Fund balances - ending of year</i>	\$ 28,069	\$ -	\$ 65,778

(This page intentionally left blank)

**STATE OF NEW MEXICO**  
Jefferson Montessori Academy Charter School  
Governmental Funds

Statement D-2  
Page 3 of 3

Reconciliation of the Combining Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the year ended June 30, 2015

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

Net change in fund balances - total governmental funds	\$ (180,701)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:	(700)
Governmental funds report district pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense	
District pension contribution	164,554
Pension expense	<u>(117,385)</u>
Change in net position of governmental activities	<u><u>\$ (134,232)</u></u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement D-3

Jefferson Montessori Academy Charter School

Operational Fund

Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flow through	-	-	-	-
Federal direct	-	-	-	-
Miscellaneous revenues	-	205	205	-
Local grants	-	-	-	-
State flow through	1,853,249	1,854,174	1,854,175	1
Charges for services	-	1,321	1,320	(1)
<i>Total revenues</i>	<u>1,853,249</u>	<u>1,855,700</u>	<u>1,855,700</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	1,138,570	1,166,364	1,152,946	13,418
Support services	92,600	476,629	432,992	43,637
Central services	163,655	164,834	149,866	14,968
Operation and maintenance of plant	151,749	178,618	164,142	14,476
Food services operations	31,700	32,475	29,062	3,413
<i>Total expenditures</i>	<u>1,578,274</u>	<u>2,018,920</u>	<u>1,929,008</u>	<u>89,912</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>274,975</u>	<u>(163,220)</u>	<u>(73,308)</u>	<u>89,912</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	(274,975)	163,220	-	(163,220)
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(274,975)</u>	<u>163,220</u>	<u>-</u>	<u>(163,220)</u>
<i>Net change in fund balances</i>	-	-	(73,308)	(73,308)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>248,924</u>	<u>248,924</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 175,616</u>	<u>\$ 175,616</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (73,308)
No adjustments to revenues				-
Adjustments to expenditures for salaries and supplies				(94,426)
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (167,734)</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement D-4

Jefferson Montessori Academy Charter School  
Instructional Materials Fund  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flow through	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flow through	9,783	13,376	15,681	2,305
Charges for services	-	-	-	-
<i>Total revenues</i>	<u>9,783</u>	<u>13,376</u>	<u>15,681</u>	<u>2,305</u>
<i>Expenditures:</i>				
Current:				
Instruction	9,783	34,954	16,524	18,430
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>9,783</u>	<u>34,954</u>	<u>16,524</u>	<u>18,430</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(21,578)</u>	<u>(843)</u>	<u>20,735</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	21,578	-	(21,578)
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>21,578</u>	<u>-</u>	<u>(21,578)</u>
<i>Net change in fund balances</i>	-	-	(843)	(843)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>19,674</u>	<u>19,674</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,831</u>	<u>\$ 18,831</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (843)
Adjustments to revenues for state flow through grants				(3,225)
Adjustments to expenditures for salaries				1,321
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (2,747)</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Jefferson Montessori Academy Charter School  
 Food Services Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

Statement D-5

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flow through	70,000	70,000	34,668	(35,332)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flow through	-	-	-	-
Charges for services	-	-	27,805	27,805
<i>Total revenues</i>	70,000	70,000	62,473	(7,527)
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	70,000	70,000	52,199	17,801
Capital outlay	-	-	-	-
<i>Total expenditures</i>	70,000	70,000	52,199	17,801
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	10,274	10,274
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	10,274	10,274
<i>Fund balance - beginning of year</i>	-	-	(3,073)	(3,073)
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ 7,201	\$ 7,201
<i>Net change in fund balances (Budget Basis)</i>				\$ 10,274
Adjustments to revenues for state flow through grants				(300)
No adjustments to expenditures				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ 9,974

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement D-6

Jefferson Montessori Academy Charter School  
 Non-Instructional Support Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flow through	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flow through	-	-	-	-
Charges for services	10,000	10,000	8,859	(1,141)
<i>Total revenues</i>	<u>10,000</u>	<u>10,000</u>	<u>8,859</u>	<u>(1,141)</u>
<i>Expenditures:</i>				
Current:				
Instruction	12,107	12,107	7,991	4,116
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>12,107</u>	<u>12,107</u>	<u>7,991</u>	<u>4,116</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,107)</u>	<u>(2,107)</u>	<u>868</u>	<u>2,975</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	2,107	2,107	-	(2,107)
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,107</u>	<u>2,107</u>	<u>-</u>	<u>(2,107)</u>
<i>Net change in fund balances</i>	-	-	868	868
<i>Fund balance - beginning of year</i>	-	-	1,061	1,061
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,929</u>	<u>\$ 1,929</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 868
Adjustments to revenues for charges for services				(725)
No adjustments to expenditures				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 143</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement D-7

Jefferson Montessori Academy Charter School  
 Entitlement IDEA-B Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flow through	44,631	49,474	35,423	(14,051)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flow through	-	-	-	-
Charges for services	-	-	-	-
<i>Total revenues</i>	<u>44,631</u>	<u>49,474</u>	<u>35,423</u>	<u>(14,051)</u>
<i>Expenditures:</i>				
Current:				
Instruction	44,631	49,474	44,005	5,469
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>44,631</u>	<u>49,474</u>	<u>44,005</u>	<u>5,469</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(8,582)</u>	<u>(8,582)</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(8,582)	(8,582)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(20)</u>	<u>(20)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,602)</u>	<u>\$ (8,602)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (8,582)
Adjustments to revenues for federal flow through grants				8,582
No adjustments to expenditures				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements



STATE OF NEW MEXICO

Statement D-8

Jefferson Montessori Academy Charter School  
 IDEA-B Discretionary Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flow through	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flow through	-	-	-	-
Charges for services	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Jefferson Montessori Academy Charter School  
 IDEA-B Risk Pool Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

Statement D-9

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flow through	-	45	-	(45)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flow through	-	-	-	-
Charges for services	-	-	-	-
<i>Total revenues</i>	-	45	-	(45)
<i>Expenditures:</i>				
Current:				
Instruction	-	45	45	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	45	45	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(45)	(45)
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(45)	(45)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ (45)	\$ (45)
<i>Net change in fund balances (Budget Basis)</i>				\$ (45)
Adjustments to revenues for federal flow through grants				45
No adjustments to expenditures				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ -

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement D-10

Jefferson Montessori Academy Charter School  
 2012 GO Bond Student Library Fund Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flow through	-	-	-	-
Local grants	-	-	-	-
State flow through	-	-	2,277	2,277
Charges for services	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>2,277</u>	<u>2,277</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>2,277</u>	<u>2,277</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	2,277	2,277
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(2,277)</u>	<u>(2,277)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 2,277
Adjustments to revenues for state flow through grants				(2,277)
No adjustments to expenditures				<u>-</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Jefferson Montessori Academy Charter School  
 New Mexico Reads to Lead Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

Statement D-11

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flow through	-	-	-	-
Local grants	-	-	-	-
State flow through	50,000	50,000	37,267	(12,733)
Charges for services	-	-	-	-
<i>Total revenues</i>	50,000	50,000	37,267	(12,733)
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services	50,000	50,000	48,712	1,288
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	50,000	50,000	48,712	1,288
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(11,445)	(11,445)
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(11,445)	(11,445)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ (11,445)	\$ (11,445)
<i>Net change in fund balances (Budget Basis)</i>				\$ (11,445)
Adjustments to revenues for state flow through grants				11,445
No adjustments to expenditures				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ -

STATE OF NEW MEXICO

Statement D-12

Jefferson Montessori Academy Charter School  
 Next Generation Assessments Fund Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flow through	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flow through	-	-	1,643	1,643
Charges for services	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>1,643</u>	<u>1,643</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>1,643</u>	<u>1,643</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	1,643	1,643
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(1,643)</u>	<u>(1,643)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 1,643
Adjustments to revenues for state flow through grants				(1,643)
No adjustments to expenditures				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement D-13

Jefferson Montessori Academy Charter School  
Public School Capital Outlay Capital Projects Fund  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flow through	137,843	137,844	172,180	34,336
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flow through	-	-	-	-
Charges for services	-	-	-	-
<i>Total revenues</i>	<u>137,843</u>	<u>137,844</u>	<u>172,180</u>	<u>34,336</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	137,843	137,844	137,844	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>137,843</u>	<u>137,844</u>	<u>137,844</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>34,336</u>	<u>34,336</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	34,336	34,336
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(6,267)</u>	<u>(6,267)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,069</u>	<u>\$ 28,069</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 34,336
Adjustments to revenues for federal flow through grants				(6,267)
No adjustments to expenditures				<u>-</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 28,069</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement D-14

Jefferson Montessori Academy Charter School  
 Capital Improvements SB-9 Capital Projects Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Property taxes	\$ 226,582	\$ 226,582	\$ -	\$ (226,582)
Intergovernmental revenue				
Federal flow through	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flow through	-	4,693	-	(4,693)
Charges for services	-	-	-	-
<i>Total revenues</i>	<u>226,582</u>	<u>231,275</u>	<u>-</u>	<u>(231,275)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	226,582	231,275	48,390	182,885
<i>Total expenditures</i>	<u>226,582</u>	<u>231,275</u>	<u>48,390</u>	<u>182,885</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(48,390)</u>	<u>(48,390)</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(48,390)	(48,390)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>48,390</u>	<u>48,390</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (48,390)
No adjustments to revenues				-
Adjustments to expenditures for due to				(16)
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (48,406)</u>

The accompanying notes are an integral part of these financial statements

(This page intentionally left blank)



**SUPPORTING SCHEDULES**

(This page intentionally left blank)

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Schedule of Deposits  
 June 30, 2015

Schedule III

Deposit Account Type	Western Commerce Bank	Wells Fargo Bank	Carlsbad National Bank	Totals
<b>Primary Government</b>				
Operational - checking	\$ 11,025,722	\$ -	\$ -	\$ 11,025,722
Operational - sweep		736,175		736,175
Capital improvements - checking	15,086,468	-	-	15,086,468
Activity fund - checking	520,373	-	-	520,373
Debt service - checking	-	4,000,000	-	4,000,000
Debt service - sweep		6,919,175		6,919,175
Accounts payable clearing - checking	-	2,349,675	-	2,349,675
Payroll clearing - checking	-	879,712	-	879,712
Cafeteria - checking	-	-	1,467,094	1,467,094
Bond building - checking	-	-	3,125,043	3,125,043
Certificates of deposit	-	-	13,501,395	13,501,395
Certificates of deposit	10,514,495	-	-	10,514,495
Total on deposit	<u>37,147,058</u>	<u>14,884,737</u>	<u>18,093,532</u>	<u>70,125,327</u>
Reconciling items:				
Add deposits in transit	203,514	-	397,637	601,151
Add petty cash	1,000	-	-	1,000
Less outstanding checks	(1,156,258)	(1,009,810)	(12,144)	(2,178,212)
Plus other adjustments	12,637	(494)	12,144	24,287
Reconciled balance at June 30, 2015	<u>\$ 36,207,951</u>	<u>\$ 13,874,433</u>	<u>\$ 18,491,169</u>	<u>\$ 68,573,553</u>

Reconciliation to financial statements:

Cash and cash equivalents:

Government-wide statement of net position - Exhibit A-1	\$ 37,356,342
Unspent bond proceeds-Exhibit A-1	27,538,570
Restricted cash and cash equivalents Exhibit A-1	3,615,341
Statement of fiduciary assets and liabilities - Exhibit D-1	63,300
	<u>\$ 68,573,553</u>

**Component Unit**

Deposit Account Type	Wells Fargo Bank
Operational - checking	\$ 216,755
Federal account - checking	20,887
Total on deposit	237,642
Less outstanding checks	(11,340)
Reconciled balance at June 30, 2015	226,302
Plus petty cash	200
Component Unit cash and cash equivalents - Exhibit A-1	<u>\$ 226,502</u>

Note: All bank accounts are interest bearing

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Cash Reconciliation  
 For the Year Ended June 30, 2015

**Primary Government**

	<u>Operational</u>	<u>Transportation</u>	<u>Instructional Materials</u>	<u>Food Service</u>
Beginning cash balance June 30, 2014	\$ 11,780,418	\$ 50,055	\$ 209,397	\$ 1,192,811
Add:				
Current year receipts	<u>52,907,947</u>	<u>1,610,713</u>	<u>447,224</u>	<u>3,859,608</u>
Total cash available	64,688,365	1,660,768	656,621	5,052,419
Less:				
Current year expenditures	50,450,958	1,660,767	319,761	3,611,923
Loans from (to) other funds	<u>(1,457,737)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending cash balance June 30, 2015	<u>12,779,670</u>	<u>1</u>	<u>336,860</u>	<u>1,440,496</u>
Audited cash June 30, 2015	<u><u>\$ 12,779,670</u></u>	<u><u>\$ 1</u></u>	<u><u>\$ 336,860</u></u>	<u><u>\$ 1,440,496</u></u>

**Component Unit**

	<u>Operational</u>	<u>Transportation</u>	<u>Instructional Materials</u>	<u>Food Services</u>
Beginning cash balance June 30, 2014	\$ 235,644	\$ -	\$ 19,674	\$ -
Add:				
Current year receipts	<u>1,855,700</u>	<u>-</u>	<u>15,680</u>	<u>62,474</u>
Total cash available	<u>2,091,344</u>	<u>-</u>	<u>35,354</u>	<u>62,474</u>
Less:				
Current year expenditures	1,915,728	-	16,523	55,273
Loans from (to) other funds	<u>(5,144)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Audited cash June 30, 2015	<u><u>\$ 170,472</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 18,831</u></u>	<u><u>\$ 7,201</u></u>

<u>Athletics</u>	<u>Non-Instructional</u>	<u>Federal Flowthrough</u>	<u>Federal Direct</u>	<u>Local Grants</u>
\$ 82,102	\$ 393,419	\$ -	\$ 371,963	\$ 79,833
157,745	521,869	2,943,433	390,792	-
239,847	915,288	2,943,433	762,755	79,833
237,912	437,671	3,966,725	224,363	51,543
	-	1,023,292	-	-
1,935	477,617	-	538,392	28,290
<u>\$ 1,935</u>	<u>\$ 477,617</u>	<u>\$ -</u>	<u>\$ 538,392</u>	<u>\$ 28,290</u>

<u>Athletics</u>	<u>Non-Instructional</u>	<u>Federal Flowthrough</u>	<u>Federal Direct</u>	<u>Local Grants</u>
\$ -	\$ 1,061	\$ -	\$ -	\$ -
-	8,859	35,423	-	-
-	9,920	35,423	-	-
-	7,991	40,567	-	-
-	-	5,144	-	-
<u>\$ -</u>	<u>\$ 1,929</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Cash Reconciliation  
 For the Year Ended June 30, 2015

**Primary Government**

	State Flowthrough	Bond Building	Public School Capital Outlay	Special Capital Outlay State
Beginning cash balance June 30, 2014	\$ 20,523	\$ 29,974,835	\$ -	\$ -
Add:				
Current year receipts	776,311	7,867	-	259,426
Total cash available	796,834	29,982,702	-	259,426
Less:				
Current year expenditures	833,639	2,444,132	-	657,062
Loans from (to) other funds	36,809	-	-	397,636
Ending cash balance June 30, 2015	4	27,538,570	-	-
Audited cash June 30, 2015	<u>\$ 4</u>	<u>\$ 27,538,570</u>	<u>\$ -</u>	<u>\$ -</u>

**Component Unit**

	State Flowthrough	Bond Building	Public School Capital Outlay	Special Capital Outlay-State
Beginning cash balance June 30, 2014	\$ -	\$ -	\$ -	\$ -
Add:				
Current year receipts	41,186	-	172,180	-
Total cash available	41,186	-	172,180	-
Less:				
Current year expenditures	43,693	-	144,111	-
Loans from (to) other funds	2,507	-	-	-
Audited cash June 30, 2015	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,069</u>	<u>\$ -</u>

Special Capital HB 33	Capital Improvements SB-9	Ed Tech Equip. Act	Debt Service	Total
\$ 6,748,955	\$ 2,824,057	\$ -	\$ 7,111,339	\$ 60,839,707
5,128,133	5,131,894	2,100,000	4,301,640	80,544,602
11,877,088	7,955,951	2,100,000	11,412,979	141,384,309
2,511,442	3,568,366	1,019,329	878,463	72,874,056
-	-	-	-	-
9,365,646	4,387,585	1,080,671	10,534,516	68,510,253
<u>\$ 9,365,646</u>	<u>\$ 4,387,585</u>	<u>\$ 1,080,671</u>	<u>\$ 10,534,516</u>	<u>\$ 68,510,253</u>

Special Capital Outlay-Federal	Capital Improvements SB9	Ed Tech Equip. Act	Debt Service	Total
\$ -	\$ 48,406	\$ -	\$ -	\$ 304,785
-	-	-	-	2,191,502
-	48,406	-	-	2,496,287
-	48,406	-	-	2,272,292
-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 226,502</u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Schedule of Collateral Pledged by Depository for Public Funds  
 June 30, 2015

Schedule V

Name of Depository	Description of Pledged Collateral	Maturity	CUSIP Number	Fair Market Value June 30, 2015	Name and Location of Safekeeper
<b>Primary Government:</b>					
<b>Western Commerce Bank</b>					
	GNMA #8306	01/20/2018	36202KGP4	\$ 4,310	Federal Home Loan Bank, Irvine, TX
	GNMA #8457	07/20/2024	36202KME2	14,767	Federal Home Loan Bank, Irvine, TX
	FNMA #52597	07/01/2027	313617NN8	7,070	Federal Home Loan Bank, Irvine, TX
	FNMA #62942 "B"	07/01/2027	31362J5B7	8,001	Federal Home Loan Bank, Irvine, TX
	FNMA #70864	09/01/2027	31362TWZ2	5,558	Federal Home Loan Bank, Irvine, TX
	FNMA #77037	03/01/2019	313623S27	3,631	Federal Home Loan Bank, Irvine, TX
	FNMA #128776	02/01/2031	31365H6M3	6,752	Federal Home Loan Bank, Irvine, TX
	FNMA #254589	01/01/2023	31371KXS5	166,389	Federal Home Loan Bank, Irvine, TX
	FNMA #254501	09/01/2022	31371KU25	57,288	Federal Home Loan Bank, Irvine, TX
	FNMA #758904	12/01/2033	31403VDH9	99,413	Federal Home Loan Bank, Irvine, TX
	FNMA #256714	04/01/2027	31371NDT9	150,390	Federal Home Loan Bank, Irvine, TX
	FNMA #256852	08/01/2027	31371NH57	183,273	Federal Home Loan Bank, Irvine, TX
	FNMA #826080	07/01/2035	31407BXH7	695,639	Federal Home Loan Bank, Irvine, TX
	FNMA #745740	07/01/2036	31403DPZ6	397,704	Federal Home Loan Bank, Irvine, TX
	FNMA #776565	04/01/2034	31404RW29	802,206	Federal Home Loan Bank, Irvine, TX
	FNMA #MA0121	07/01/2029	31417YD38	420,146	Federal Home Loan Bank, Irvine, TX
	GNMAII #5265	12/20/2041	36202FZ66	1,357,054	Federal Home Loan Bank, Irvine, TX
	FNMA #AE0937	02/01/2041	31419BBF1	842,015	Federal Home Loan Bank, Irvine, TX
	GNMA #5302	02/20/2042	36202F3K0	872,175	Federal Home Loan Bank, Irvine, TX
	FNMA #AJ7680	12/01/2041	3138E0RA9	1,132,708	Federal Home Loan Bank, Irvine, TX
	FNMA #AB2318	01/01/2041	31416XSG6	1,427,294	Federal Home Loan Bank, Irvine, TX
	FNMA #255631	03/01/2025	31371L4Q9	367,725	Federal Home Loan Bank, Irvine, TX
	GNMA #MA1149	07/20/2043	36179H27	1,597,096	Federal Home Loan Bank, Irvine, TX
	FHLMC #G14660	01/01/2028	3128MDMH3	813,616	Federal Home Loan Bank, Irvine, TX
	FHLMC #G06540	08/01/2043	3128MJS68	922,933	Federal Home Loan Bank, Irvine, TX
	FHLMC #G07601	07/01/2043	312M9X64	1,821,409	Federal Home Loan Bank, Irvine, TX
	FHLMC #G15143	01/01/2029	3128MDSC3	1,795,934	Federal Home Loan Bank, Irvine, TX
	Total Western Commerce Bank			<u>15,972,496</u>	
<b>Wells Fargo Bank</b>					
	FG ED2746	11/01/2025	31294MP5	13,233	Bank of New York Mellon
	FG Q17240	04/01/2043	3132J6P20	213,926	Bank of New York Mellon
	FN AH0921	12/01/2040	3136A2AX7	260,120	Bank of New York Mellon
	FN AK2674	02/01/2042	3138E66L5	766,749	Bank of New York Mellon
	FN AK3545	02/01/2042	3138E75F7	632,921	Bank of New York Mellon
	FN AK4943	03/01/2042	3138E9P53	429,344	Bank of New York Mellon
	FN AK9742	04/01/2042	3138EEZG7	2,482,727	Bank of New York Mellon
	FN AP7948	09/01/2042	31338MBZN9	563,102	Bank of New York Mellon
	FN AT2015	04/01/2042	3138WPGZ1	132,544	Bank of New York Mellon
	FN AU0924	07/01/2042	313X0A24	1,200,082	Bank of New York Mellon
	FN-30 AR3387	01/01/2013	3138WOXR5	1,550,018	Bank of New York Mellon
	FN-30 AQ7696	1/1/2043	3138MPRS6	6,258,440	Bank of New York Mellon
	Total Wells Fargo Bank			<u>14,503,206</u>	



**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Schedule of Collateral Pledged by Depository for Public Funds  
 June 30, 2015

Schedule V

<u>Name of Depository</u>	<u>Description of Pledged Collateral</u>	<u>Maturity</u>	<u>CUSIP Number</u>	<u>Fair Market Value June 30, 2015</u>	<u>Name and Location of Safekeeper</u>
<b>Primary Government:</b>					
<b>Carlsbad National Bank</b>					
	FNCT MA1290	12/01/2032		1,557,189	Federal Home Loan Bank, Irvine, TX
	FNCJ AJ77212 3.0	12/02/2026		854,469	Federal Home Loan Bank, Irvine, TX
	FHLB 1.625	12/09/2016		2,028,808	Federal Home Loan Bank, Irvine, TX
	FHLMC 1.0	06/10/2020		995,791	Federal Home Loan Bank, Irvine, TX
	FGCI J13884 3.5	12/01/2025		1,037,003	Federal Home Loan Bank, Irvine, TX
	FHCI G18450 3.0	07/30/2019		945,983	Federal Home Loan Bank, Irvine, TX
	FFCB 2.20	08/27/2021		<u>1,968,404</u>	Federal Home Loan Bank, Irvine, TX
	Total Carlsbad National Bank			<u>9,387,647</u>	
	Total Primary Government Pledged Collateral			<u>\$ 39,863,349</u>	

See independent auditors' report

(This page intentionally left blank)

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Schedule of Changes in Fiduciary Assets and Liabilities-Agency Funds  
 For the Year Ended June 30, 2015

Schedule VI

Clubs:	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015
Art Club	\$ 370	\$ -	\$ -	\$ 370
Athletics/Activity	-	2,372	2,300	72
Baseball Booster Club	40	-	-	40
Biology Club	1,950	-	-	1,950
BPA Club	5,712	21,264	17,706	9,270
Central Office Employee Fund	1,600	-	-	1,600
Chemistry Club	3,996	-	-	3,996
CHS Spirit Committee	750	4,946	3,338	2,358
Computer Club	323	-	-	323
DECA Club	570	-	-	570
Elementary PTA	3,404	-	-	3,404
FCCLA Club	1,600	785	-	2,385
Fellowship of High School Students	256	-	-	256
FFA Club	5,236	50,550	50,686	5,100
Football Booster Club	427	-	-	427
French Club	495	205	20	680
Golf Booster Club	194	-	-	194
Honor Society	2,845	3,082	3,426	2,501
HOSA Club	1,565	-	-	1,565
JAG-Phoenix (Wellman)	434	-	-	434
Key Club	4,454	3,484	3,962	3,976
Rodeo Booster Club	489	-	-	489
Softball Booster Club	140	-	-	140
Spanish Club	-	55	94	(39)
Spirit Team-Cheerleading Booster Club	3,589	15,943	15,943	3,589
Tennis Booster Club	164	-	-	164
Theatre Club	2,991	8,648	7,954	3,685
Track-Boys Booster Club	1,779	-	-	1,779
Track-Girls Booster Club	518	-	-	518
VICA Club	15,790	14,608	19,019	11,379
Wrestling Booster Club	126	-	-	126
<b>TOTAL</b>	<u>\$ 61,806</u>	<u>\$ 125,942</u>	<u>\$ 124,448</u>	<u>\$ 63,300</u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Schedule of Memorandums of Understanding  
 For the Year Ended June 30, 2015

<b>Participants</b>	<b>Responsible Party</b>	<b>Description</b>
Public Educational Institutions within the State of NM and CMS Department of Finance and Administration	DFA	The purpose of this agreement is to pool efforts and resources in order to bring additional, necessary educational services and items of tangible personal property to the respective institutions at an affordable cost
Project Lead the Way Inc. Carlsbad Municipal School (CMS)	CMS	The purpose of this agreement is to provide a high school and middle school engineering and technology curriculum
Region 4 Educated Solutions Carlsbad Municipal Schools	Region 4 TCPN	The purpose of this agreement is to provide procurement services to local school districts
Carlsbad AWARE Program Carlsbad Municipal Schools	CMS	To provide childcare services for children of students enrolled in CMS district

<b>Term</b>	<b>Total Estimated Amount of Project</b>	<b>Portion Applicable to Agency</b>	<b>Amount Agency Contributed</b>	<b>Audit Responsibility</b>	<b>Reporting Responsibility</b>
4/10/12-Indefinite	Undetermined	-	-	None	N/A
12/19/08-Indefinite	Undetermined	-	-	None	N/A
7/15/08-Indefinite	\$ 550,000	\$ 550,000	\$ 550,000	None	CMS
7/15/08-Indefinite	Undetermined	-	-	None	N/A

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Schedule of Vendor Information for Purchases Exceeding \$60,000 (Excluding GRT)  
 For the Year Ended June 30, 2015

Prepared by: Carlsbad Municipal School District No. 20 Staff  
 Title: Procurement Officer  
 Date: July 29, 2015

<u>RFB/ RFP #</u>	<u>Type of Procurement</u>	<u>Awarded Vendor</u>	<u>\$ Amount of Awarded Contract</u>	<u>\$ Amount of Amended Contract</u>	<u>Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded</u>
40314	NJPA	Yes	\$ 117,507.35		Linehan Communications, Inc 4425 Juan Tabo Blvd NE Suite 100 Albuquerque, NM 87111
000-00-00014AU	Statewide	Yes	372,184		Apple, Inc. 1 Infinite Loop
100312-SEC	NJPA	Yes	390,590		Sparks Office Supply 301 N Canal
13-6308000-0107	GSA	Yes	85,066		NM Human Services Santa Fe, NM
2006-2007-05	RFP	Yes	109,820		Windstream 4001 Rodney Parham
2010-2011-09	RFP	Yes	82,607		NPSR Architects, Inc 606 W.
2011-2012-01	RFP	Yes	1,182,875		Honeywell International, Inc 3509
2012-029 425-106	Cooperative	Yes	82,944		AK Sales and Consulting, Inc 115
2012-029 608-013	Cooperative	Yes	62,041		Lakeshore Learning Materials 2695
2012-2013-01	RFP	Yes	84,904		B&G Transportation 6401 N
2013-012 208-	Cooperative	Yes	85,544		Tyler Technologies Inc Dallas, TX
2013-2014-02A	RFP	Yes	2,160,788		NCA Architects 1306 Rio Grande
2013-2014-03	Bid	Yes	16,869		Labatt New Mexico LLC 221
2013-2014-03	Bid	Yes	1,219		Sysco Food Services 601
2013-2014-03	Bid	Yes	9,289		Wallace Packaging 3690 S Park
2013-2014-03	Bid	Yes	62,474		US Foods 915 E 50th Lubbock, TX
2013-2014-03	Bid	Yes	3,275		Central Poly Corp. 2400 Bedle
2013-2014-03	Bid	Yes	12,321		Shamrock Food Company 2540
2013-2014-06	Bid	Yes	128,427		Ben E. Keith Company 2300 N
2013-2014-06	Bid	Yes	64,962		Shamrock Food Company 2540
2013-2014-06	Bid	Yes	683		El Charro Mexican Food Industries
2013-2014-06	Bid	Yes	317,299		Labatt New Mexico LLC 221
2013-2014-06	Bid	Yes	343,768		Sysco Food Services 601
2013-2014-06	Bid	Yes	-		Global Foods Inc 5435 South
2014-004 204-125	Cooperative	Yes	470,193		CDW Government 300 N
2014-2015-01	RFP	Yes	-		CompHealth 2900 Charlevoix Dr.
2014-2015-01	RFP	Yes	35,658		JSG Therapy Services 708
2014-2015-01	RFP	Yes	14,146		Winton, Janice 1508 Mission Ave.
2014-2015-01	RFP	Yes	39,581		Ardor Health Solutions 5830 Coral
2014-2015-01	RFP	Yes	-		CompHealth 2900 Charlevoix Dr.
2014-2015-01	RFP	Yes	35,658		JSG Therapy Services 708
2014-2015-01	RFP	Yes	14,146		Winton, Janice 1508 Mission Ave.
2014-2015-02	Bid	Yes	320,419		Dean Dairy Holdings, LLC DBA:
2014-2015-02	Bid	No	-		GH Dairy 9747 Pan American El
2014-2015-02	RFQ/RFP	Yes	41,421,142	41,654,484	Bradbury Stamm Construction
2014-2015-02	RFQ/RFP	No	-		McCarthy NM 1717 Louisiana Blvd NE Suite 204 Albuquerque,

See independent auditors' report

<b>In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)</b>	<b>Was the vendor in-state and chose Veteran's preference (Y or N). For federal funds answer N/A</b>	<b>Brief Description of the Scope of Work</b>
In-State	N	Technology Support
Out of State	N	Technology Supplies and
In-State	N	Office Supplies and Equipment
In-State	N	Medicaid School Based Services
Out of State	N	Internet Service
In-State	N	Architectural Services
Out of State	N	HVAC Services
In-State	N	Furniture
Out of State	N	Calsroom Learning Materials
In-State	N	Charter Bus Services
Out of State	N	Software and Support
In-State	N	Architectural Services
In-State	N	Food Services Non-Food
In-State	N	Food Services Non-Food
Out of State	N	Food Services Non-Food
Out of State	N	Food Services Non-Food
Out of State	N	Food Services Non-Food
Out of State	N	Food Services Non-Food
Out of State	N	Food Services Food
Out of State	N	Food Services Food
In-State	N	Food Services Food
In-State	N	Food Services Food
In-State	N	Food Services Food
Out of State	N	Food Services Food
Out of State	N	Technology Supplies and
Out of State	N	Contract Related Services
In-State	N	Contract Related Services
In-State	N	Contract Related Services
Out of State	N	Contract Related Services
Out of State	N	Contract Related Services
In-State	N	Contract Related Services
In-State	N	Contract Related Services
Out of State	N	Milk for Cafeterias
Out of State	N	Milk for Cafeterias
In-State	N	Construction Manager at Risk
In-State	N	Construction Manager at Risk

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Schedule of Vendor Information for Purchases Exceeding \$60,000 (Excluding GRT)  
 For the Year Ended June 30, 2015

Prepared by: Carlsbad Municipal School District No. 20 Staff  
 Title: Procurement Officer  
 Date: July 29, 2015

<b>RFB/ RFP #</b>	<b>Type of Procurement</b>	<b>Awarded Vendor</b>	<b>\$ Amount of Awarded Contract</b>	<b>\$ Amount of Amended Contract</b>	<b>Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded</b>
2014-2015-02	RFQ/RFP	No	-		Flintco 6020 Indian School Rd, NE Albuquerque, NM 87110
2014-2015-02	RFQ/RFP	No	-		Jaynes Corporation 2906 Broadway NE
2014-2015-02	RFQ/RFP	No	-		HB Construction 5301 Beverly Hills NE
2014-2015-03	RFP	Yes	9,688		Jostens 7365 Remcon Dr C302 El Paso, TX
2014-2015-04	RFP	Yes	-		Baja Broadband 1092 N Canal St Carlsbad,
2014-2015-04	RFP	No	-		WanRack PO Box 860082 Shawnee, KS
2014-2015-05	Bid	Yes	23,985		Supreme Trailer Sales AKA Cimarron
2014-2015-05	RFP	Yes	46,000		Accounting & Consulting Group 201 S.
2014-2015-05	RFP	No	-		Beasley, Mitchell & Co. 509 S. Main Suite
2014-2015-05	RFP	No	-		Harswhal & Company 6739 Academy Road
2014-2015-05	RFP	No	-		Accounting & Financial Solutions 4801 N
2014-2015-06	Bid	Yes	-		Labatt New Mexico LLC 221 Airport Drive
2014-2015-07	Bid	Yes	-		Interboro Packaging Corporation 114
2014-2015-07	Bid	Yes	-		Labatt New Mexico LLC 221 Airport Drive
2014-2015-07	Bid	Yes	-		Central Poly Corp. 2400 Bedle Place
2014-2015-07	Bid	Yes	-		Ben E. Keith Company 2300 N Lakeside
2014-2015-07	Bid	Yes	-		Shamrock Food Company 2540 North 29th
2014-2015-07	RFP	Yes	-		PVT Networks, Inc 401 W Main Artesia,
2014-2015-08	Bid	Yes	-		Ben E. Keith Company 2300 N Lakeside
2014-2015-08	Bid	Yes	-		Sysco Food Services 601 Comanche Rd NE
2014-2015-08	Bid	Yes	-		US Foods 915 E 50th Lubbock, TX 79408
40-000-13-	Statewide Price	Yes	166,933		Valcom Salt Lake City 3520 S 300 W Salt
40-S0011-14-	Sole Source	Yes	117,507		Cenergistic, Inc 5950 Sherry Lane Suite
40-S0011-14-	Sole Source	Yes	347,220		Creative Learning Systems, Inc 1140
50-S0076-15-	Sole Source	Yes	256,434		Renaissance Learning Inc Albuquerque,
NMSA 13-1-	Exemption:		308,196		Wells Fargo Bank 200 Lomas Blvd NW
NMSA 13-1-	Exemption:		1,673,863		Valley Transportation LLC 3238 S
STATE	State	Yes	303,137		Archway SCM, LLC 1600 1st St. NW
Small			63,094		PVT Networks, Inc 401 W Main Artesia,
Small			151,703		Smith Engineering Company 401 N
Small			105,108		New Mexico Public Education Department
Small			85,400		RBC Capital Markets 6501 Uptown Blvd
Small			72,611		Pecos Valley Regional Education Coop.
Small			72,150		Create 3109 Megan Way Berthound, CO
Small			70,939		Restockit, Inc 4350 Oakes Road #512
Small			70,099		Perryco Electric 2408 Holland Lane
purchases					Carlsbad, NM 88220

See independent auditors' report



<b>In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)</b>	<b>Was the vendor in-state and chose Veteran's preference (Y or N). For federal funds answer N/A</b>	<b>Brief Description of the Scope of Work</b>
In-State	N	Construction Manager at Risk
In-State	N	Construction Manager at Risk
In-State	N	Construction Manager at Risk
Out of State	N	Graduation Related Items
In-State	N	Telecommunication Services for 2015-2016
Out of State	N	Telecommunication Services for 2015-2016
Out of State	N	Aluminum Livestock Trailer
In-State	N	Annual Audit Services
In-State	N	Annual Audit Services
In-State	N	Annual Audit Services
In-State	N	Annual Audit Services
In-State	N	Food Services Food 2015-2016
Out of State	N	Food Services Non-Food 2015-2016
In-State	N	Food Services Non-Food 2015-2016
Out of State	N	Food Services Non-Food 2015-2016
Out of State	N	Food Services Non-Food 2015-2016
Out of State	N	Food Services Non-Food 2015-2016
Out of State	N	Food Services Non-Food 2015-2016
In-State	N	Secondary 100 Megabit Ethernet Connection
Out of State	N	Food Services Fresh Produce 2015-2016
In-State	N	Food Services Fresh Produce 2015-2016
Out of State	N	Food Services Fresh Produce 2015-2016
Out of State	N	Technology Supplies and Equipment
Out of State	N	Energy Saving
Out of State	N	Smart Labs
In-State	N	Accelerated Program Software
In-State	N	P-Card for Travel Related Expenses
In-State	N	School Bus Transportation
In-State	N	Textbooks
In-State	N	Technology Services, Maintenance & Repairs
In-State	N	Multiple Separate Projects
In-State	N	PARCC Assessments
In-State	N	Financial Advisory Services on Separate
In-State	N	Regional Educational Cooperative
Out of State	N	Various Professional Development
Out of State	N	Multiple Small Purchases for
In-State	N	Multiple Purchases for Electric Supplies

(This page intentionally left blank)

**COMPLIANCE SECTION**



**Accounting & Consulting Group, LLP**  
Certified Public Accountants

**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**

Timothy Keller  
New Mexico State Auditor  
The Office of Management and Budget  
The Board of Education  
Carlsbad Municipal School District No. 20  
Carlsbad, New Mexico

We have audited, 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, the financial statements of the governmental activities, the discretely presented component unit, each major fund, the aggregate remaining fund information and, the budgetary comparisons of the General Fund and Major Special Revenue Fund of Carlsbad Municipal School District No. 20 (the "District"), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and the combining and individual funds and related budgetary comparisons of the District presented as supplementary information, and have issued our report thereon dated October 16, 2015.

**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 District'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.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items FS 2014-001 and FS 2015-001.

## District's Responses to the Findings

The District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

## 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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP  
Albuquerque, NM  
October 16, 2015

(This page intentionally left blank)

**FEDERAL FINANCIAL ASSISTANCE**



**Accounting & Consulting Group, LLP**  
Certified Public Accountants

## **REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

### **INDEPENDENT AUDITORS' REPORT**

Timothy Keller  
New Mexico State Auditor  
The Board of Education  
Office of Management and Budget  
Carlsbad Municipal School District No. 20  
Carlsbad, New Mexico

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

We have audited Carlsbad Municipal School District No. 20's (the "District") compliance with the types of compliance requirements described in the *OMB Circular A-133 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, 2015. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

#### **Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

#### **Auditor's 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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, 2015.



## 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 OMB Circular A-133, 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 the 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Accounting & Consulting Group, LLP*

Accounting & Consulting Group, LLP  
Albuquerque, NM  
October 16, 2015

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Schedule of Expenditures of Federal Awards  
 For the Year Ended June 30, 2015

Federal Grantor/Pass Through Grantor/Program Title	Pass Thru Number	Federal C.F.D.A. Number		Expenditures
<b>U.S. Department of Education</b>				
<i>Passthrough - State of NM Public Education Department</i>				
Title I Grants to Local Educational Agencies	24101	84.010	(1)	\$ 1,019,045
Title I - IASA - School Improvement	24162	84.010	(1)	23,350
Private School Share -IDEA B	24115	84.027	(2)	1,785
Entitlement-IDEA-B	24106	84.027	(2)	1,449,766
Preschool IDEA-B	24109	84.027	(2)	42,454
"Risk Pool" IDEA-B	24120	84.027	(2)	1,275
Carl D Perkins Prior Year Unliquidated Obligations	24174	84.048	(4)	38,504
Carl D Perkins Secondary-PY Unliquidated Obligations	24175	84.048	(4)	780
Carl D Perkins Secondary -Redistribution	24176	84.367	(4)	4,256
Carl D Perkins HSTW Current	24180	84.048	(4)	57,100
Carl D Perkins HSTW- PY Unliquidated Obligations	24181	84.048	(4)	2,553
Improving Teacher Quality	24154	84.367	(5)	283,635
Total Pass Through State of NM Public Education Department				<u>2,924,503</u>
<b>U.S. Department of Agriculture</b>				
<i>Federal Direct Grants</i>				
National School Lunch	21000	10.555	(3)	2,355,193 M
National School Breakfast	21000	10.553	(3)	899,307 M
Food Distribution Commodities	21000	10.553	(3)	224,457 M
Total USDA Direct				<u>3,478,957</u>
Total Federal Awards				<u>\$ 6,403,460</u>

M=Denotes major Federal financial assistance program  
 () = Denotes cluster

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2015

Basis of Presentation

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

Subrecipients

The District did not provide any federal awards to subrecipients 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, 2015 was \$224,457 and is reported in the Schedule of Expenditures of Federal Award under the Department of Agriculture Program, CFDA number 10.553

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

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 6,403,460
Total expenditures funded by other sources	<u>70,387,632</u>
Total expenditures per statement of revenues, expenditures and changes in fund balances	<u><u>\$ 76,791,092</u></u>

(This page intentionally left blank)

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2015

Schedule X

**A. SUMMARY OF AUDITOR'S RESULTS**

*Financial Statements:*

- |  |            |
|--|------------|
| 1. Type of auditors' report issued   | Unmodified |
| 2. Internal control over financial reporting:                                    |            |
| a. Material weaknesses identified?   | None noted |
| b. Significant deficiencies identified not considered to be material weaknesses? | None noted |
| c. Noncompliance material to the financial statements noted?                     | None noted |

*Federal Awards:*

- |   |            |
|---|------------|
| 1. Internal control over major programs:  |            |
| a. Material weaknesses identified?  | None noted |
| b. Significant deficiencies identified not considered to be material weaknesses?                                    | None noted |
| 2. Type of auditors' report issued on compliance for major programs   | Unmodified |
| 3. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-13 | None noted |
| 4. Identification of major programs:  |            |

CFDA Number

Federal Program

10.553, 10.555

Child Nutrition Cluster

- |   |           |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$300,000 |
| 6. Auditee qualified as low-risk auditee?                                   | Yes       |

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2015

Schedule X

**B. FINDINGS-FINANCIAL STATEMENT AUDIT**

**Primary Government:**

**FS 2014-001 Uncollateralized Bank Deposits – (Finding that does not rise to the level of a significant deficiency)-Repeated and Modified**

*Condition:* During our review of pledged collateral we noted the District was not monitoring its collateral position monthly for its repurchase agreement at Wells Fargo Bank during fiscal year ending June 30, 2015. The collateral statement for the repurchase agreement was obtained from the bank during the course of audit fieldwork upon inquiry of the auditors. In the prior year Carlsbad National Bank was uncollateralized by \$271,490, however in the current year Carlsbad National Bank balance is fully collateralized in accordance with state statutes. The District appears to be monitoring their collateral for bank deposits in the current year with the exception of its repurchase agreements.

*Criteria:*

New Mexico State Statute 6-10-10 (H) NMSA 1978 states

“ A local public body, with the advice and consent of the body charged with the supervision and control of the local public body's respective funds, may invest all sinking funds or money remaining unexpended from the proceeds of any issue of bonds or other negotiable securities of the investor that is entrusted to the local public body's care and custody and all money not immediately necessary for the public uses of the investor and not otherwise invested or deposited in banks, savings and loan associations or credit unions in contracts with banks, savings and loan associations or credit unions for the present purchase and resale at a specified time in the future of specific securities at specified prices at a price differential representing the interest income to be earned by the investor. The contract shall be fully secured by obligations of the United States or other securities backed by the United States having a market value of at least one hundred two percent of the contract. The collateral required for investment in the contracts provided for in this subsection shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with the investment. As used in this subsection, "local public body" includes all political subdivisions of the state and agencies, instrumentalities and institutions thereof; provided that home rule municipalities that prior to July 1, 1994 had enacted ordinances authorizing the investment of repurchase agreements may continue investment in repurchase agreements pursuant to those ordinances.”

*Effect:* Lack of proper monitoring of pledged collateral could result in excessive loss of District's funds if the financial institutions encounter financial difficulties.

*Cause:* The district was unaware that the repurchase agreement was required to be collateralized.

*Auditors' Recommendation:* As part of a formal policy implemented by the District, an individual should be assigned the responsibilities of reviewing the monthly collateral reports, investigating differences, and resolving discrepancies.

*Views of responsible officials and management's planned corrective actions:* The District maintains a bank account at Wells Fargo Bank for Debt Service Funds. In lieu of interest earnings, cash balances in this bank account support peg balances used to offset bank analysis fees for all transactions processed through Wells Fargo Bank. Account balances in excess of the peg requirement are invested in an overnight investment account through a repurchase agreement. Both the bank account and the investment through the repurchase agreement are properly collateralized, as required by statute.

The District has already implemented a change to internal procedure to secure a monthly statement of collateralization for any funds swept into the overnight investment account. This statement of collateralization will be obtained by the Banking Specialist through the Wells Fargo Bank web-portal on a monthly basis. This process will follow the same protocols currently in place for all obtaining bank statements for all other accounts at Wells Fargo Bank. The banking specialist is responsible for monitoring collateral for bank deposits including repurchase agreements and the corrective action plan is implemented as of the date of this report.

## B. FINDINGS-FINANCIAL STATEMENT AUDIT

### **FS 2015-001 Untimely Finalization and Posting of Internal Subsidy Allocations Budget Requests– (Finding that does not rise to the level of a significant deficiency)**

*Condition:* During the course of audit fieldwork an external concern was brought to our attention regarding the untimely submission and input of internal budget adjustments into the accounting system. Subsidy budget requests were received with the initial budget submissions in April and May of 2014; however, testwork revealed the internal budget adjustment for the subsidy allocations were not input into the accounting system until January 21, 2015. Schools within the District are given the opportunity to request subsidy funding for program needs beyond their base allocation through an applications request process.

*Criteria:* As this was an internal budget allocation adjustment request there is no specific criteria that requires approval and posting within the accounting system by a specific date. As a benchmark consideration New Mexico state statute 6.20.2.10 NMAC Budget Maintenance Standard (item B) issued by the New Mexico Public Education Department states as follows:

“School Districts shall submit budget adjustment requests for the operating budget to the department for budget increases, budget decreases, transfers between functional categories, and transfers from the emergency reserve account. The Department must take action on budget adjustment requests within 30 calendar days from the date of receipt by the Department.”

Given the budget submissions were submitted in May of 2014, we expected approval and posting within the District’s accounting system by June 30, 2014 for the upcoming FY2014-15 fiscal year.

*Effect:* Schools did not have timely and accurate budget reports during the first half of the fiscal year regarding their subsidy funding for program needs.

*Cause:* The method for allocation of subsidy funds was changed for the 2014-15 budget cycle. Instead of allocating a lump sum amount for distributions at the discretion of the principal, subsidy budget requests were collected, reviewed and approved at the Director and Superintendent levels. This required additional time to approve. Additional time was needed to collect missing requests, obtain additional justification for incomplete or unsigned requests before final funding allocations could be determined. Also, the requirement for state-mandated training, turnover within the District’s payroll office and reassignment of staff duties within the office impaired the finance department’s ability to input the approved internal subsidy allocations impaired the Finance Department ability to input the approved internal subsidy allocations into the accounting system timely.

*Auditors’ Recommendation:* We recommend the District seek alternative means of inputting the internal subsidy allocations budget adjustment requests into the accounting system. We further recommend the District establish an internal deadline for submission, approval, and input of the internal subsidy allocations budget requests.

*Views of responsible officials and management’s planned corrective actions:*

In January of each year the District develops a budget development calendar and establishes a District Budget Advisory Committee (BAC) to develop budget recommendations for the coming year. The BAC consists of representatives from every stakeholder group, including parents and community partners, all unions, board members and administrators. The BAC solicits budget input from their respective groups.

During the budget development process, all Control Agents (CA) are provided with instructions for submission of their budget requests for the upcoming year. Schools receive a base allocation for Operational and SB9-Capital Improvement funds based on AVG student enrollment on the 80 and 120 day counts. Schools are also given the opportunity to request Subsidy funding for program needs beyond their base allocation. The Subsidy budget requests are done through an application process. The method for allocation of Subsidy funds was changed for the 2014-15 budget cycle. Instead of allocating a lump sum amount for distribution at the discretion of the Principal, Subsidy budget requests were collected, reviewed and approved at the Director and Superintendent levels.

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2015

Schedule X

**FS 2015-001 Untimely Finalization and Posting of Internal Subsidy Allocations Budget Requests– (Finding that do not rise to the level of a significant deficiency)- (Continued)**

Subsidy budget requests were received with the initial budget submissions in April and May. Upon completion of initial review of all requests and analysis of prior year program funding, it was determined that additional information was needed before budget allocations could be finalized. The timeline to submit Subsidy budget requests was extended and meetings were held with Principals to gather additional information in support of the budget requests submitted. The Subsidy budget allocations were finalized and budget adjustments to the CA accounts were finalized in January.

Budget adjustments for the Subsidy allocations were included with the District's mid-year funding adjustment.

The District maintains the budget at the Fund, Function and Object code level as mandated, but allows expenditure down to the Program, Location and Control Agent level. This additional level of detail is designed to support program reporting requirements such as Web-EPSS, Title IX, specific Activity Groups and federal fund set-asides. For financial reporting and budget maintenance through PED, all additional levels of detail maintained at the District level are rolled up (summarized) into the PED required components.

In 2014-15, concerns were raised regarding the timeliness of finalizing Subsidy budget requests and the posting of budget adjustments for Subsidy allocations. Although the budget journal entry was posted at mid-year, expenditure for program related needs were not interrupted during the year. The detailed program expenditures were monitored on a District-wide level (Fund, Function, and Object), as required by Statute.

The Subsidy Budget Allocation process is currently under review for 2015-16 and may cause a repeat finding in the audit of this fiscal year. The issues being considered include sufficiency in program funding, equity in distribution, levels of student participation and other resources available to support the various programs. The current resources available in the Finance Department to support an optional system designed for detailed expenditure data collection will also need to be evaluated to determine if maintaining such a system is feasible and necessary. The Finance Director is responsible for ensuring all internal budget adjustment requests are inputted timely. It is estimated that corrective action can be achieved by August 31, 2016.

**Component Unit:**

None

**C. FEDERAL FINDINGS**

None

**D. PRIOR YEAR AUDIT FINDINGS**

**Primary Government:**

FS 2014-001 Uncollateralized Bank Deposits-Repeated and Modified

**Component Unit:**

CU FS 2014-001 Uncollateralized Bank Deposits-Resolved



**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Other Disclosures  
For the Year Ended June 30, 2015

**A. AUDITOR PREPARED FINANCIAL STATEMENTS**

Accounting and Consulting, Group, LLP prepared the GAAP-basis financial statements and footnotes from the original books and records provided to them by the management of the District. The responsibility for the financial statements remains with the District.

**B. EXIT CONFERENCE**

The contents of this report were discussed on September 25, 2015. The following individuals were in attendance.

Carlsbad Schools Personnel

Gary Perkowski– Superintendent  
Kelli Barta– Assistant Superintendent  
Tammi Dutton – JMA Office Manager  
Stacy Franks – JMA Chief Executive Officer  
Ron Singleton – Board Member  
Cathy Lacefield – Board Member Secretary  
Don Owen – Director of Operations  
Kim Arrington – Director of Elementary Education  
Lavern Shan – Director of Federal Programs  
Becky McMullan – Community Representative  
Trisha Gonzales – Banking Specialist

Accounting & Consulting Group, LLP

Morgan Browning, CPA, CGFM Audit Manager