



State of
New Mexico
Carlsbad
Municipal School
District No. 20

Annual Financial Report
For the Year Ended June 30, 2016



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INTRODUCTORY SECTION

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 Carlsbad Municipal School District No. 20
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STATE OF NEW MEXICO
Carlsbad Municipal School District No. 20
Official Roster
June 30, 2016

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

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FINANCIAL SECTION

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 of Carlsbad Municipal School District No. 20 (the "District"), as of and for the year ended June 30, 2016, 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, 2016, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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, 2016, and the respective changes in financial position thereof, and the respective budgetary comparisons for the general 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, 2016, 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 13 through 18 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 Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

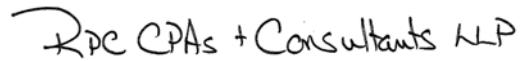
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The introductory section, the Schedule of Expenditures of Federal Awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) 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 2, 2016 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.



RPC CPAs + Consultants, LLP
Albuquerque, NM
October 2, 2016

STATE OF NEW MEXICO
Carlsbad Municipal School District No. 20
Management's Discussion and Analysis
June 30, 2016

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, 2016. 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 2015-16 are as follows:

- Capital assets increased from \$125,639,470 in the year ending June 30, 2015 to \$ 160,720,778 in the year ending June 30, 2016. This increase is attributed to an increase in construction in progress which increased from \$3,060,988 in the year ending June 30, 2015 to \$35,832,927 in the year ending June 30, 2016.
- Accumulated depreciation as of June 30, 2016 totaled \$58,487,896. This includes current year depreciation of \$3,743,897 for assets currently in service.
- The overall fund balance increased from \$67,674,888 for the year ending June 30, 2015 to \$71,074,343 for the year ending June 30, 2016. The increase is primarily attributed to the \$30 million General Obligation Bond sale for the construction of up to four (4) new elementary schools. The District has \$24,336,414 of unspent bond proceeds.
- The net position of the District increased by \$4,817,539 in FY16. Total assets from governmental activities were \$143,702,741 for the year ended June 30, 2015, increasing to \$182,911,753 for the year ended June 30, 2016. Current assets increased by \$10,448,625, while non-current assets increased by \$28,760,657.
- Total liabilities from governmental activities increased by \$45,370,942. The increase can be primarily attributed to the issuance of \$32.8 million in bonds for the construction of new elementary schools and information technology. In addition an increase was noted in the net pension liability. Current liabilities increased by approximately \$5,687,759.
- In the Statement of Net Position the District reports deferred outflows of resources of \$773,246 related to the net difference between projected and actual investments earnings on pension plan investments, \$3,432,653 related to changes in proportion, \$2,910,120 related to changes of assumptions, and \$5,316,325 related to employer contributions subsequent to the measurement date. In addition, the Statement of Net Position reports deferred inflows of resources of \$(1,379,434) related to differences between expected and actuarial experience. These are related to the pension plan that is reported in the Statement of Net Position at June 30, 2016, 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 \$81 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 \$73 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, 2016

Condensed Statement of Net position:

	June 30, 2016	June 30, 2015
	Governmental	Governmental
	Activities	Activities
Current assets	\$ 52,587,387	\$ 42,138,762
Noncurrent assets	130,324,366	101,563,709
Total assets	<u>182,911,753</u>	<u>143,702,471</u>
Deferred outflow of resources	<u>12,432,344</u>	<u>7,696,785</u>
Total deferred outflow of resources	<u>12,432,344</u>	<u>7,696,785</u>
Current liabilities	16,388,722	10,700,963
LT- liabilities	<u>148,570,748</u>	<u>108,887,565</u>
Total liabilities	<u>164,959,470</u>	<u>119,588,528</u>
Deferred inflow of resources	<u>1,379,434</u>	<u>7,623,074</u>
Total deferred inflows of resources	<u>1,379,434</u>	<u>7,623,074</u>
Net investment in capital assets	56,293,849	58,093,368
Restricted	59,957,322	59,707,839
Unrestricted	<u>(87,245,978)</u>	<u>(93,613,553)</u>
Total net position	<u>\$ 29,005,193</u>	<u>\$ 24,187,654</u>

STATE OF NEW MEXICO
 Carlsbad Municipal School District No. 20
 Management's Discussion and Analysis
 June 30, 2016

Condensed Statement of Activities:

	June 30, 2016	June 30, 2015
	Governmental	Governmental
	Activities	Activities
	<hr/>	<hr/>
Revenue:		
Charges for services	\$ 2,418,979	\$ 2,963,142
Operating Grant	10,408,491	9,272,373
Capital Grant	135,037	840,446
General Revenues		
Taxes	22,131,959	20,473,531
State Aid	51,078,083	49,675,067
Other	159,626	86,330
Total Revenue	<hr/> 86,332,175	<hr/> 83,310,889
Expenses:		
Instruction	42,083,256	39,543,227
Support Services:		
Students	18,731,893	14,900,217
Central Services	2,218,818	2,092,385
Operation and maintenance of plant	10,906,678	8,686,701
Student transportation	1,829,870	1,672,694
Operation of non-support services:		
Food Services	4,109,685	3,629,363
Community Services	145,567	97,074
Interest on long term debt	1,488,869	1,386,721
Total expense	<hr/> 81,514,636	<hr/> 72,008,382
Increase in net position	<hr/> \$ 4,817,539	<hr/> \$ 11,302,507

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 2016?" 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.

STATE OF NEW MEXICO
Carlsbad Municipal School District No. 20
Management's Discussion and Analysis
June 30, 2016

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 FY16 are the General Fund, Bond Building, Capital Improvements HB-33, and Debt Service 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.

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 90% percent of total primary government expenses are supported through general revenues. This is a decrease from the prior year, primary due to an increase in program expenditures for Governmental Activities 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 \$4,208,624 and expenses of \$3,967,525 for fiscal year 2016. This year the food service operation experienced excess of revenues over expenditures of \$241,099 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 \$86.6 million and expenditures of \$120.1 million. Total other financing sources were \$36.8 million. The net change in fund balance for the year was an increase of approximately \$3.4million.

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.

STATE OF NEW MEXICO
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 Management's Discussion and Analysis
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During the course of fiscal year 2016, the School District amended its budget as needed.

The following table examines the summary budget performance of the general fund for the fiscal year ending June 30, 2016.

	Original Budget- Expenditures	Final Budget- Expenditures
General Fund	\$ 61,720,006	\$ 68,461,127
Total	<u>\$ 61,720,006</u>	<u>\$ 68,461,127</u>

	Original Budget- Revenues	Final Budget- Revenues
General Fund	\$ 54,185,203	\$ 55,344,641
Total	<u>\$ 54,185,203</u>	<u>\$ 55,344,641</u>

General Fund Budgeting Highlights-continued

For the General Fund, final budgeted revenues were approximately \$55.3 million while actual revenues were approximately \$55.4 million. Total revenues from state sources amounted to \$51.5 million or 93% of the total. The excess of expenditures over revenues was (\$849,013) for fiscal year 2016.

Final General Fund expenditures were budgeted at \$68.4 million while actual expenditures were \$56.3 million. The favorable variance between final budget and actual expenditures was approximately \$12.1 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 2016, the District had approximately \$160.7 million invested in capitalized assets with associated accumulated depreciation of \$58.4 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, 2016 was \$8,600,000; an increase from the \$3,435,000 principal paid for outstanding debt for the year ending June 30, 2015.

The District had outstanding bonds payable in the amount of \$64,055,000 for the year ending June 30, 2016. In addition, the District accrues compensated absences for employee vacation and other compensatory time. At year end, the compensated absences were valued at \$702,716

STATE OF NEW MEXICO
Carlsbad Municipal School District No. 20
Management's Discussion and Analysis
June 30, 2016

Economic Factors and Next Year's Budget

Carlsbad Municipal School is located in Eddy County. Eddy County has an economy highly dependent on the mining, oil and gas industries. With the decline of the oil and gas industry in Southeastern New Mexico, employment opportunities in the area have declined causing a down turn in the District's student enrollment. The recruitment and retention of District employees has continued to be a challenge primarily due to a decline in college graduates pursuing a career in education. In addition, the lack of adequate and affordable housing continues to be a challenge for new employees moving to the area.

Eddy County's population is declining due to the lack of employment opportunities in the private sector and the District's student enrollment is following suit. From 2006 to 2009, the District's enrollment trended downward but began to stabilize in 2009-10. Beginning in the 2010-11 school year, the District experienced an unexpected increase in enrollment and the student population continued to grow until 2015-16. Future student enrollment is difficult to project and is expected to fall in line with the employment opportunity trends in the community. The decline in student enrollment will negatively impact funding levels generated through the State Equalization Formula. The final student enrollment count for 2015-16 was 6,385. This was an increase of 161 students over the final enrollment count of 6,224 in 2014-15. Projected enrollment for 2016-17 is 6,567 but the actual enrollment on the 40-day membership count was 6,393.

Carlsbad Municipal Schools received approximately 43% of the 2015-16 approved annual operating budget from the State of New Mexico through the State Equalization Guaranteed Funding. This percentage of the total budget increased slightly 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. The District has plans to begin construction of a new Early College High School in 2016-17, using a Certificates of Participation funding method. In addition, funding options to subsidize GO Bond fund balances for the construction of the third new elementary school are underway. The District plans to fully fund the project and begin construction in the upcoming school year.

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, U. S. Forest Service, community service organizations including United Way of Carlsbad, the Carlsbad Boys and Girls Club, and parent organizations, area potash mining companies. Devon Energy, Chevron and other individuals and businesses continue. Community partners, through their service on various District Advisory Committees, assisted in guiding program decisions through their recommendations. 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
(575) 234-3300, Ext. 1016

**BASIC
FINANCIAL STATEMENTS**

STATE OF NEW MEXICO
 Carlsbad Municipal School District No. 20
 Statement of Net Position
 June 30, 2016

	Governmental Activities	Component Unit
Assets		
Current assets		
Cash and cash equivalents	\$ 47,700,455	\$ 233,091
Receivables:		
Taxes	1,975,628	-
Due from other governments	2,587,355	129,225
Other	8,080	-
Inventory	315,869	-
Total current assets	52,587,387	362,316
Noncurrent assets		
Unspent bond proceeds	24,336,414	-
Restricted cash and cash equivalents	3,755,070	-
Capital assets	160,720,778	124,614
Less: accumulated depreciation	(58,487,896)	(119,019)
Total noncurrent assets	130,324,366	5,595
<i>Total assets</i>	182,911,753	367,911
Deferred outflows of resources		
Net difference between projected and actual investments earnings on pension plan investments	773,246	52,014
Changes in proportion	3,432,653	26,503
Changes of assumptions	2,910,120	92,769
Employer contributions subsequent to the measurement date	5,316,325	151,242
<i>Total deferred outflows of resources</i>	12,432,344	322,528
<i>Total assets and deferred outflows of resources</i>	\$ 195,344,097	\$ 690,439

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

	Governmental Activities	Component Unit
Liabilities		
Current liabilities		
Accounts payable	\$ 4,996,534	\$ 2,849
Accrued payroll	3,333,337	155,264
Accrued interest	1,043,440	-
Current portion of accrued compensated absences	255,411	-
Current portion of bonds payable	6,760,000	-
Total current liabilities	<u>16,388,722</u>	<u>158,113</u>
Noncurrent liabilities		
Accrued compensated absences	447,305	-
Bonds payable	63,515,447	-
Net pension liability	84,607,996	2,697,134
Total noncurrent liabilities	<u>148,570,748</u>	<u>2,697,134</u>
<i>Total liabilities</i>	<u>164,959,470</u>	<u>2,855,247</u>
Deferred inflows of resources		
Differences between expected and actuarial experience	<u>1,379,434</u>	<u>39,489</u>
<i>Total deferred inflows of resources</i>	<u>1,379,434</u>	<u>39,489</u>
Net position		
Net investment in capital assets	56,293,849	5,595
Restricted for:		
Special revenue	2,638,348	28,797
Debt service	17,567,178	-
Capital projects	39,751,796	46,139
Unrestricted	<u>(87,245,978)</u>	<u>(2,284,828)</u>
<i>Total net position</i>	<u>29,005,193</u>	<u>(2,204,297)</u>
<i>Total liabilities, deferred inflows of resources and net position</i>	<u>\$ 195,344,097</u>	<u>\$ 690,439</u>

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

STATE OF NEW MEXICO
 Carlsbad Municipal School District No. 20
 Statement of Activities
 For the Year Ended June 30, 2016

<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>
Primary Government:				
Governmental Activities:				
Instruction	\$ 42,083,256	\$ 1,206,125	\$ 4,965,097	\$ -
Support services	18,731,893	212,475	499,255	135,037
Central services	2,218,818	-	-	-
Operation and maintenance of plant	10,906,678	-	-	-
Student transportation	1,829,870	-	1,736,025	-
Food services operations	4,109,685	1,000,379	3,208,114	-
Community services operations	145,567	-	-	-
Interest on long-term debt	1,488,869	-	-	-
<i>Total governmental activities</i>	<u>\$ 81,514,636</u>	<u>\$ 2,418,979</u>	<u>\$ 10,408,491</u>	<u>\$ 135,037</u>
Component Unit Activities:				
Jefferson Montessori Academy	<u>\$ 2,054,270</u>	<u>\$ 30,429</u>	<u>\$ 169,130</u>	<u>\$ 134,196</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
- Miscellaneous
- Capital contribution

Subtotal, general revenues

Change in net position

Net position, beginning

Net position, ending

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

Net (Expense) Revenue and Changes in Net Position	
Primary Government	Component Unit
Governmental Activities	Charter School
\$ (35,912,034)	\$ -
(17,885,126)	-
(2,218,818)	-
(10,906,678)	-
(93,845)	-
98,808	-
(145,567)	-
(1,488,869)	-
(68,552,129)	-
	(1,720,515)
458,118	18,070
8,381,413	-
3,873,689	-
9,418,739	-
51,078,083	1,846,322
88,675	-
64,950	826
6,001	-
<u>73,369,668</u>	<u>1,865,218</u>
4,817,539	144,703
<u>24,187,654</u>	<u>(2,349,000)</u>
<u>\$ 29,005,193</u>	<u>\$ (2,204,297)</u>

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

STATE OF NEW MEXICO
 Carlsbad Municipal School District No. 20
 Balance Sheet
 Governmental Funds
 June 30, 2016

	<u>General Fund</u>	<u>Bond Building</u>	<u>Capital Improvements HB-33</u>	<u>Debt Service</u>
<i>Assets</i>				
Cash and cash equivalents	\$ 11,658,951	\$ 24,336,414	\$ 12,408,607	\$ 17,159,727
Receivables:				
Taxes	105,383	-	429,013	1,053,366
Due from other governments	23,356	-	-	-
Other	-	-	-	-
Inventory	242,384	-	-	-
Due from other funds	2,177,204	-	-	-
<i>Total assets</i>	<u>\$ 14,207,278</u>	<u>\$ 24,336,414</u>	<u>\$ 12,837,620</u>	<u>\$ 18,213,093</u>
<i>Liabilities, deferred inflows and fund balances</i>				
<i>Liabilities</i>				
Accounts payable	\$ 117,772	\$ 4,112,328	\$ 63,102	\$ -
Accrued payroll	2,987,714	-	-	-
Due to other funds	-	-	-	-
<i>Total liabilities</i>	<u>3,105,486</u>	<u>4,112,328</u>	<u>63,102</u>	<u>-</u>
<i>Deferred inflows</i>				
Unavailable revenue	73,359	-	298,459	645,615
<i>Total deferred inflows</i>	<u>73,359</u>	<u>-</u>	<u>298,459</u>	<u>645,615</u>
<i>Fund balances</i>				
Nonspendable:				
Inventory	242,384	-	-	-
Spendable:				
Restricted for:				
Educational purposes	-	-	-	-
Food services	-	-	-	-
Capital acquisitions and improvements	-	20,224,086	12,476,059	-
Debt service	-	-	-	17,567,478
Extracurricular activities	-	-	-	-
Committed for:				
Subsequent years' expenditures	10,786,049	-	-	-
<i>Total fund balances</i>	<u>11,028,433</u>	<u>20,224,086</u>	<u>12,476,059</u>	<u>17,567,478</u>
<i>Total liabilities, deferred inflows and fund balances</i>	<u>\$ 14,207,278</u>	<u>\$ 24,336,414</u>	<u>\$ 12,837,620</u>	<u>\$ 18,213,093</u>

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

Other Governmental Funds	Total
\$ 10,228,240	\$ 75,791,939
387,866	1,975,628
2,563,999	2,587,355
8,080	8,080
73,485	315,869
-	2,177,204
<u>\$ 13,261,670</u>	<u>\$ 82,856,075</u>
\$ 703,332	\$ 4,996,534
345,623	3,333,337
<u>2,177,204</u>	<u>2,177,204</u>
<u>3,226,159</u>	<u>10,507,075</u>
<u>257,224</u>	<u>1,274,657</u>
<u>257,224</u>	<u>1,274,657</u>
73,485	315,869
1,066,036	1,066,036
1,572,312	1,572,312
7,051,651	39,751,796
-	17,567,478
14,803	14,803
<u>-</u>	<u>10,786,049</u>
<u>9,778,287</u>	<u>71,074,343</u>
<u>\$ 13,261,670</u>	<u>\$ 82,856,075</u>

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

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

Reconciliation of the Balance Sheet to the Statement of Net Position
 June 30, 2016

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

Fund balances - total governmental funds	\$	71,074,343
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds		102,232,882
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		1,274,657
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		5,316,325
Deferred outflows of resources related to net difference between projected and actual investments earnings on pension plan investments		773,246
Deferred outflows of resources related to changes in proportion		3,432,653
Deferred outflows of resources related to changes of assumptions		2,910,120
Deferred inflows of resources related to expected and actuarial experience		(1,379,434)
Interest on long-term debt is not accrued in the fund financial statements unless it is due and payable:		
Accrued interest		(1,043,440)
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		(702,716)
Bonds payable		(70,275,447)
Net pension liability		(84,607,996)
<u>Net pension liability</u>		<u>(84,607,996)</u>
<i>Total net position - governmental activities</i>	<u>\$</u>	<u>29,005,193</u>

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

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, 2016

	<u>General Fund</u>	<u>Bond Building</u>	<u>Capital Improvements HB-33</u>	<u>Debt Service</u>
<i>Revenues</i>				
Taxes	\$ 1,040,508	\$ -	\$ 4,262,020	\$ 12,894,510
Intergovernmental revenue				
Federal flowthrough	97,129	-	-	-
Federal direct	17,064	-	-	-
Local	-	-	-	-
State flowthrough	51,592,182	-	-	-
State direct	227,304	-	-	-
Transportation distribution	1,736,025	-	-	-
Charges for services	748,152	-	-	-
Investment income	17,586	47,257	22,799	461
Miscellaneous	6,205	-	1,141	-
<i>Total revenues</i>	<u>55,482,155</u>	<u>47,257</u>	<u>4,285,960</u>	<u>12,894,971</u>
<i>Expenditures</i>				
Current				
Instruction	33,600,487	-	-	-
Support services	12,276,838	4,148,427	-	68,449
Central services	2,090,839	-	-	-
Operation and maintenance of plant	6,375,401	-	-	-
Student transportation	1,738,608	-	-	-
Food services operations	147	-	-	-
Community services operations	135,525	-	-	-
Capital outlay	92,767	33,324,142	1,212,938	-
Debt service:				
Principal	-	-	-	8,600,000
Interest	-	-	-	1,458,929
<i>Total expenditures</i>	<u>56,310,612</u>	<u>37,472,569</u>	<u>1,212,938</u>	<u>10,127,378</u>
<i>Excess (deficiency) of revenues over</i>	<u>(828,457)</u>	<u>(37,425,312)</u>	<u>3,073,022</u>	<u>2,767,593</u>
<i>Other financing sources (uses)</i>				
Bond proceeds	-	30,000,000	-	-
Bond premium	-	115,329	-	3,927,382
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>30,115,329</u>	<u>-</u>	<u>3,927,382</u>
<i>Net change in fund balances</i>	(828,457)	(7,309,983)	3,073,022	6,694,975
<i>Fund balances - beginning</i>	<u>11,856,890</u>	<u>27,534,069</u>	<u>9,403,037</u>	<u>10,872,503</u>
<i>Fund balances - ending</i>	<u>\$ 11,028,433</u>	<u>\$ 20,224,086</u>	<u>\$ 12,476,059</u>	<u>\$ 17,567,478</u>

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

Other Governmental Funds	Total
\$ 4,271,478	\$ 22,468,516
6,249,895	6,347,024
653,023	670,087
25,107	25,107
442,503	52,034,685
581,379	808,683
-	1,736,025
1,670,827	2,418,979
572	88,675
57,604	64,950
<u>13,952,388</u>	<u>86,662,731</u>
3,860,100	37,460,587
1,427,036	17,920,750
62,790	2,153,629
4,322,041	10,697,442
53,823	1,792,431
3,999,672	3,999,819
-	135,525
1,256,828	35,886,675
-	8,600,000
-	1,458,929
<u>14,982,290</u>	<u>120,105,787</u>
<u>(1,029,902)</u>	<u>(33,443,056)</u>
2,800,000	32,800,000
-	4,042,711
<u>2,800,000</u>	<u>36,842,711</u>
1,770,098	3,399,655
<u>8,008,189</u>	<u>67,674,688</u>
<u>\$ 9,778,287</u>	<u>\$ 71,074,343</u>

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

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

Exhibit B-2
 Page 2 of 2

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, 2016

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

Net change in fund balances - total governmental funds	\$	3,399,655
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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		35,886,675
Depreciation expense		(3,743,897)
Loss on disposal of capital assets		(325,695)
Capital contribution		6,001

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

Decrease in deferred inflows related to unavailable property taxes		(336,557)
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Expenses in the Statement of Activities that do not consume current financial
 resources are not reported as expenditures in the funds:

Increase in accrued compensated absences		(218,014)
Increase in accrued interest		(378,488)

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		5,316,325
Pension expense		(6,894,303)

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		348,548
Bond premium on issuance on long-term debt		(4,042,711)
Bond proceeds		(32,800,000)
Principal payments on bonds		8,600,000

<i>Change in net position of governmental activities</i>	\$	<u>4,817,539</u>
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The accompanying notes are an integral part of these financial statements.

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

Exhibit C-1

Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variations
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ 1,249,170	\$ 1,249,170	\$ 1,051,382	\$ (197,788)
Intergovernmental revenue				
Federal flowthrough	60,000	60,000	97,129	37,129
State flowthrough	50,823,617	51,421,249	51,592,061	170,812
State direct	100,087	145,983	207,889	61,906
Transportation distribution	1,517,079	1,736,027	1,736,025	(2)
Charges for services	415,250	689,040	746,683	57,643
Investment income	20,000	20,000	17,586	(2,414)
Miscellaneous	-	6,108	6,205	97
<i>Total revenues</i>	<u>54,185,203</u>	<u>55,344,641</u>	<u>55,472,024</u>	<u>127,383</u>
<i>Expenditures</i>				
Current				
Instruction	35,469,335	37,330,266	33,605,397	3,724,869
Support services	13,609,839	16,970,799	12,338,102	4,632,697
Central services	3,408,711	3,889,903	2,109,810	1,780,093
Operation and maintenance of plant	7,335,372	8,103,258	6,300,681	1,802,577
Student transportation	1,517,079	1,746,027	1,738,608	7,419
Food services operations	6,000	6,000	147	5,853
Community services operations	98,670	139,874	135,525	4,349
<i>Total expenditures</i>	<u>61,720,006</u>	<u>68,461,127</u>	<u>56,321,037</u>	<u>12,140,090</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(7,534,803)</u>	<u>(13,116,486)</u>	<u>(849,013)</u>	<u>12,267,473</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	7,534,803	13,116,486	-	(13,116,486)
Transfers in (out)	-	-	-	-
Proceeds from the sale of capital assets	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>7,534,803</u>	<u>13,116,486</u>	<u>-</u>	<u>(13,116,486)</u>
<i>Net change in fund balances</i>	-	-	(849,013)	(849,013)
<i>Fund balances - beginning</i>	-	-	11,697,454	11,697,454
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,848,441</u>	<u>\$ 10,848,441</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (849,013)
Adjustments to revenues for property taxes, oil and gas taxes and state flowthrough grants				10,131
Adjustments to expenditures for salaries, general supplies and materials, and other contract services				<u>10,425</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (828,457)</u>

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

STATE OF NEW MEXICO
Carlsbad Municipal School District No. 20
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2016

Exhibit D-1

Assets

Cash and cash equivalents	<u>\$ 76,745</u>
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<i>Total assets</i>	<u><u>\$ 76,745</u></u>
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Liabilities

Deposits held in trust for others	<u>\$ 76,745</u>
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<i>Total liabilities</i>	<u><u>\$ 76,745</u></u>
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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, 2016

NOTE 1. Summary of Significant Accounting Policies

Carlsbad Municipal School District No. 20 (the “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, 2016, the District adopted GASB Statements No. 72, *Fair Value Measurement and Application*, No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, No. 79, *Certain External Investment Pools and Pool Participants*, and a portion of 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*. GASB Statements Nos. 72, 76, and 79, as well as the implemented portion of Statement No. 73, are required to be implemented for the fiscal year ending June 30, 2016. These new statements did not significantly impact the District’s financial statements for fiscal year ending June 30, 2016.

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.

STATE OF NEW MEXICO
Carlsbad Municipal School District No. 20
Notes to Financial Statements
June 30, 2016

NOTE 1. Summary of Significant Accounting Policies

B. Government-wide and Fund Financial Statements

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.

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.

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.

STATE OF NEW MEXICO
Carlsbad Municipal School District No. 20
Notes to Financial Statements
June 30, 2016

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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 *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 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.

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.

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, 2016, the District does not have any investments with Local Governmental Investment Pool.

STATE OF NEW MEXICO
Carlsbad Municipal School District No. 20
Notes to Financial Statements
June 30, 2016

NOTE 1. Summary of Significant Accounting Policies (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position

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 \$24,336,414 in unspent bond proceeds as of June 30, 2016. Also the statement of net position reports \$3,755,070 in restricted cash for debt service 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 2016 is considered 'measurable and available' and, accordingly, is recorded as revenue in the governmental fund statements during the year ended June 30, 2016. 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.

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.

STATE OF NEW MEXICO
 Carlsbad Municipal School District No. 20
 Notes to Financial Statements
 June 30, 2016

NOTE 1. Summary of Significant Accounting Policies (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

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 periods 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 \$1,274,657 related to property taxes considered “unavailable.” In addition, the District has one type of item presented on the Statement of Net Position accordingly, the item, differences between expected and actuarial experience of \$1,379,434 is reported on the Statement of Net Position. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

The Academy reports one type of deferred inflows accordingly, the item, differences between expected and actuarial experience, of \$39,489 is reported in the Statement of Net Position.

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 periods and so will not be recognized as an outflow of resources (expenditure) until that time. The District has four types of items that qualify for reporting in this category. Accordingly, the items, net difference between projected and actual investments earnings on pension plan investments of \$773,246, changes in proportion of \$3,432,653, changes of assumptions of \$2,910,120 and employer contributions subsequent to measurement date in the amount of \$5,316,325 are reported in the Statement of Net Position and are deferred and recognized as outflows of resources of the next period. In addition the component unit has for types of items that qualify for reporting in this category. Accordingly, the items, net difference between projected and actual investments earnings on pension plan investments of \$52,014, changes in proportion of \$26,503, changes of assumptions of \$92,769 and employer contributions subsequent to measurement date in the amount of \$151,242 are also reported in the Statement of Net Position.

STATE OF NEW MEXICO
Carlsbad Municipal School District No. 20
Notes to Financial Statements
June 30, 2016

NOTE 1. Summary of Significant Accounting Policies (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

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 statement of net position. Bond premiums and discounts are included in bonds payable reported in the statement of net position and are amortized into interest expense over the term of the bonds using the straight line method.

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.

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.

STATE OF NEW MEXICO
Carlsbad Municipal School District No. 20
Notes to Financial Statements
June 30, 2016

NOTE 1. Summary of Significant Accounting Policies (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

Nonspendable Fund Balance: At June 30, 2016, the nonspendable fund balances in the general fund and food service fund are made up of inventory in the amount of \$242,384 and \$73,485, respectively, which are not in spendable form.

Restricted and Committed Fund Balance: At June 30, 2016, the restricted fund balance on the governmental funds balance sheet is made up of \$59,972,425 for the purposes described on pages 38-39 and 70-72. The District also has committed funds of \$10,786,049 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. The District had \$24,336,414 in unspent bond proceeds at June 30, 2016.
- 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 70-72.
- 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, net pension liability and related deferred inflows and outflows of resources, and the current portion of compensated absences. Accordingly, actual results could differ from those estimates.

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 \$51,078,083 in state equalization guarantee distributions during the year ended June 30, 2016.

STATE OF NEW MEXICO
Carlsbad Municipal School District No. 20
Notes to Financial Statements
June 30, 2016

NOTE 1. Summary of Significant Accounting Policies (continued)

E. Revenues (continued)

Tax Revenues: The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. 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 \$12,713,220 in property tax revenues during the year ended June 30, 2016. 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 \$9,418,738 in oil and gas tax revenues in fiscal year 2016.

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 \$1,736,025 in transportation distributions during the year ended June 30, 2016.

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 \$456,343 in instructional materials during the year ended June 30, 2016.

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. This District received \$2,063,928 in State SB-9 matching during the year ended June 30, 2016.

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, 2016.

STATE OF NEW MEXICO
Carlsbad Municipal School District No. 20
Notes to Financial Statements
June 30, 2016

NOTE 1. Summary of Significant Accounting Policies (continued)

E. Revenues (continued)

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.
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.

STATE OF NEW MEXICO
Carlsbad Municipal School District No. 20
Notes to Financial Statements
June 30, 2016

NOTE 2. Stewardship, Compliance and Accountability (continued)

Budgetary Information (continued)

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, 2016.

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.

STATE OF NEW MEXICO
 Carlsbad Municipal School District No. 20
 Notes to Financial Statements
 June 30, 2016

NOTE 3. Deposits and Investments (continued)

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, 2016, \$68,386,687 of the District’s bank balance of \$79,362,687 was subject to custodial credit risk. \$56,586,005 was uninsured and collateralized by collateral held by the pledging bank’s trust department, not in the District’s name. \$11,800,682 of the District’s deposits were uninsured and uncollateralized at June 30, 2016.

	<u>Western Commerce</u>	<u>Wells Fargo Bank</u>	<u>Carlsbad National Bank</u>	<u>Total</u>
Amount of deposits	\$ 40,464,691	\$ 8,160,971	\$ 16,458,032	\$ 65,083,694
Repurchase agreement	-	14,278,993	-	14,278,993
FDIC coverage	<u>(10,226,000)</u>	<u>(250,000)</u>	<u>(500,000)</u>	<u>(10,976,000)</u>
Total uninsured public funds	<u>30,238,691</u>	<u>22,189,964</u>	<u>15,958,032</u>	<u>68,386,687</u>
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the District's name	<u>18,961,948</u>	<u>21,666,025</u>	<u>15,958,032</u>	<u>56,586,005</u>
Uninsured and uncollateralized	<u>\$ 11,276,743</u>	<u>\$ 523,939</u>	<u>\$ -</u>	<u>\$ 11,800,682</u>
Collateral requirements (102% of repurchase agreement)	\$ -	\$ 14,564,573	\$ -	\$ 14,564,573
(50% of uninsured funds)	15,119,346	3,955,486	7,979,016	27,053,847
Pledged Collateral	<u>18,961,948</u>	<u>21,666,025</u>	<u>19,105,301</u>	<u>59,733,274</u>
Over (Under) collateralized	<u>\$ 3,842,602</u>	<u>\$ 3,145,966</u>	<u>\$ 11,126,285</u>	<u>\$ 18,114,853</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	\$ 47,700,455
Unspent bond proceeds per Exhibit A-1	24,336,414
Restricted cash and cash equivalents per Exhibit A-1	3,755,070
Agency funds cash per Exhibit D-1	<u>76,745</u>
Total cash and cash equivalents	<u>75,868,684</u>
Less deposits in transit	(463,823)
Less petty cash	(1,000)
Add outstanding checks	<u>3,958,826</u>
Bank balance of deposits	<u>\$ 79,362,687</u>

STATE OF NEW MEXICO
 Carlsbad Municipal School District No. 20
 Notes to Financial Statements
 June 30, 2016

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, 2016, there were no amounts of the component unit’s bank balance of \$250,540 subject to custodial credit risk.

	Wells Fargo Bank
Amount of deposits	\$ 250,540
FDIC Insurance	(250,540)
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	-
Uninsured and uncollateralized	\$ -
Collateral requirement (50% of uninsured funds)	\$ -
Pledged Collateral	-
Over (Under) collateralized	\$ -

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	\$ 233,091
Total cash and cash equivalents	233,091
Add: outstanding checks	17,649
Less: petty cash	(200)
Bank balance of deposits	\$ 250,540

STATE OF NEW MEXICO
 Carlsbad Municipal School District No. 20
 Notes to Financial Statements
 June 30, 2016

NOTE 4. Accounts Receivable

Primary Government:

Accounts receivable as of June 30, 2016, are as follows:

	<u>General</u>	<u>Capital Improvements HB-33</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Taxes receivable:					
Property taxes	\$ 77,894	\$ 319,072	\$ 694,345	\$ 277,955	\$ 1,369,266
Oil and gas taxes	27,489	109,941	359,021	109,911	606,362
Due from other governments:					
State	23,356	-	-	699,671	723,027
Federal	-	-	-	1,864,328	1,864,328
Other receivables:					
Reimbursements	-	-	-	8,080	8,080
Totals by fund	<u>\$ 128,739</u>	<u>\$ 429,013</u>	<u>\$ 1,053,366</u>	<u>\$ 2,959,945</u>	<u>\$ 4,571,063</u>

In accordance with GASB Statement No. 33, property tax revenues in the amount of \$1,274,657, 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.

Accounts receivable as of June 30, 2016, are as follows:

	<u>Operational</u>	<u>Food Services</u>	<u>Entitlement IDEA-B</u>	<u>IDEA-B Risk Pool</u>
Due from other governments:				
State	\$ 3,591	\$ -	\$ -	\$ -
Federal	-	3,969	54,141	45
Totals by fund	<u>\$ 3,591</u>	<u>\$ 3,969</u>	<u>\$ 54,141</u>	<u>\$ 45</u>

	<u>Public School Capital Outlay</u>	<u>New Mexico Reads to Lead</u>	<u>Capital Improvements SB-9</u>	<u>Total</u>
Due from other governments:				
State	\$ 33,549	\$ 33,533	\$ 397	\$ 71,070
Federal	-	-	-	58,155
Totals by fund	<u>\$ 33,549</u>	<u>\$ 33,533</u>	<u>\$ 397</u>	<u>\$ 129,225</u>

STATE OF NEW MEXICO
 Carlsbad Municipal School District No. 20
 Notes to Financial Statements
 June 30, 2016

NOTE 5. Interfund Receivables and 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, 2016 is as follows:

Primary Government:

<u>Due from Other Fund</u>	<u>Due to Other Fund</u>	<u>Amount</u>
General Fund	Title I	\$ 873,980
General Fund	Entitlement IDEA-B	528,159
General Fund	Preschool IDEA-B	16,446
General Fund	IDEA Private School Share	1,404
General Fund	IDEA-B "Risk Pool"	1,080
General Fund	IDEA-B Results Plan	86,736
General Fund	Teacher/Principal Training & Recruiting	96,577
General Fund	Title I 1300A School Improvement	5,289
General Fund	Carl D Perkins Secondary - Current	25,311
General Fund	Carl D Perkins HSTW - Redistribution	930
General Fund	Dual Credit Instructional Materials	8,177
General Fund	New Mexico Reads to Lead	59,791
General Fund	Breakfast for Elementary Students	86,606
General Fund	Kindergarten - Three Plus	79,701
General Fund	Workforce Readiness	92,359
General Fund	NM Grown FFV	401
General Fund	College Counselor Initiative	19,618
General Fund	Special Capital Outlay-State & Local	194,639
Total Interfund Balances		<u>\$ 2,177,204</u>

Component Unit:

<u>Due from Other Fund</u>	<u>Due to Other Fund</u>	<u>Amount</u>
General Fund-operational	Entitlement IDEA-B	\$ 54,139
General Fund-operational	IDEA-B Risk Pool	45
General Fund-operational	New Mexico Reads to Lead	25,372
General Fund-operational	Public School Capital Outlay	5,480
Total Interfund Balances		<u>\$ 85,036</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.

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NOTE 7. Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2016 is as follows:

Primary Government:

	<u>Balance June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2016</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,346,923	\$ -	\$ -	\$ 1,346,923
Construction in progress	3,060,988	33,378,868	(606,929)	35,832,927
	<u>4,407,911</u>	<u>33,378,868</u>	<u>(606,929)</u>	<u>37,179,850</u>
Total capital assets not being depreciated				
Capital assets being depreciated:				
Land improvements	14,323,882	622,568	-	14,946,450
Buildings and improvements	100,300,398	1,418,837	-	101,719,235
Equipment	6,607,279	1,079,332	(811,368)	6,875,243
	<u>121,231,559</u>	<u>3,120,737</u>	<u>(811,368)</u>	<u>123,540,928</u>
Total capital assets being depreciated				
Less accumulated depreciation:				
Land Improvements	4,975,376	619,694	-	5,595,070
Buildings and improvements	46,279,521	2,954,073	-	49,233,594
Equipment	3,974,775	170,130	(485,673)	3,659,232
	<u>55,229,672</u>	<u>3,743,897</u>	<u>(485,673)</u>	<u>58,487,896</u>
Total accumulated depreciation				
Total capital assets, net of depreciation	<u>\$ 70,409,798</u>	<u>\$ 32,755,708</u>	<u>\$ (932,624)</u>	<u>\$ 102,232,882</u>

The District received donated assets with a fair market value of \$6,001 during the year ending June 30, 2016.

Depreciation expense for the year ended June 30, 2016 was charged to the following functions:

Direct Instruction	\$ 3,279,653
Support Services-Students	239,610
Central Services	11,231
Operation and maintenance of plant	104,829
Student Transportation	37,439
Food service operations	63,647
Community service operations	7,488
Total	<u>\$ 3,743,897</u>

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NOTE 7. Capital Assets (continued)

Component Unit:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
Capital assets being depreciated:				
Furniture, fixtures and equipment	\$ 124,614	\$ -	\$ -	\$ 124,614
Less accumulated depreciation:				
Furniture, fixtures and equipment	<u>(118,319)</u>	<u>(700)</u>	<u>-</u>	<u>(119,019)</u>
Total capital assets, net of depreciation	<u>\$ 6,295</u>	<u>\$ (700)</u>	<u>\$ -</u>	<u>\$ 5,595</u>

Depreciation expense in the amount of \$700 was charged to District Instruction in the statement of activities.

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.

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NOTE 8. Long-term Debt (continued)

On August 31, 2015 the District issued Educational Technology Note Series 2016 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 \$2,800,000. The bonds are issued with interest rate of .24% and principal due and paid on September 1, 2015.

On January 19, 2016 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 rate of 1.97% and varying amounts of principal maturing each year through August 1, 2029.

The following is a summary of the long-term debt and the activity for the year ending June 30, 2016.

	Balance			Balance	Due Within
	June 30, 2015	Additions	Retirements	June 30, 2016	One Year
Bonds	\$ 39,855,000	\$ 32,800,000	\$ 8,600,000	\$ 64,055,000	\$ 6,760,000
Plus issuance premium	2,526,284	4,042,711	348,548	6,220,447	-
Compensated Absences	484,702	473,425	255,411	702,716	255,411
Total long-term debt	\$ 7,248,287	\$ 37,316,136	\$ 9,203,959	\$ 70,978,163	\$ 7,015,411

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, 2016, including interest payments are as follows:

Fiscal Year			Total Debt
Ending June 30,	Principal	Interest	Service
2017	\$ 6,760,000	\$ 2,435,928	\$ 9,195,928
2018	6,225,000	2,220,794	8,445,794
2019	6,790,000	1,916,475	8,706,475
2020	5,050,000	1,642,094	6,692,094
2021	4,250,000	1,425,250	5,675,250
2022-2026	21,420,000	4,237,850	25,657,850
2027-2030	13,560,000	782,800	14,342,800
	\$ 64,055,000	\$ 14,661,191	\$ 78,716,191

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, 2016, compensated absences increased by \$218,014 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.

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NOTE 9. Risk Management (continued)

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 2016.

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, 2016:

Primary Government:

None

Component Unit:

None

- B. Excess of expenditures over appropriations. The following funds exceeded approved budgetary authority for the year ended June 30, 2016:

Primary Government:

Workforce Readiness Special Revenue Fund - Instruction	\$ 14
	<u> </u>

Component Unit:

Food Services Special Revenue Fund - Food Services Operation	\$ 4,212
Non-Instructional Support Special Revenue Fund - Instruction	2,331
IDEA-B Risk Pool Special Revenue Fund - Instruction	45
	<u> </u>
	<u>\$ 6,588</u>

- C. The following funds exceeded budgeted designated cash appropriations for the year ended June 30, 2016:

Primary Government:

None

Component Unit:

None

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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.

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 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%.

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NOTE 11. Pension Plan – Educational Retirement Board (continued)

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, 2015 employers contributed 13.90% 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 10.70% of their gross annual salary. For fiscal year ended June 30, 2016 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 \$5,316,325 and \$151,242, respectively, for the year ended June 30, 2016.

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, 2014. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, the District and the component unit reported a liability of \$84,607,996 and \$2,697,134 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, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, the District's proportion was 1.30623 percent, which was an increase of 0.03784 from its proportion measured as of June 30, 2014. At June 30, 2015, the component unit's proportion was 0.04164 percent, which was an increase of 0.00238 from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the District and component unit recognized pension expense of \$6,894,303 and \$144,264, respectively. At the June 30, 2016, the District and component unit reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

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NOTE 11. Pension Plan – Educational Retirement Board (continued)

Primary Government:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ -	\$ 1,379,434
Net difference between projected and actual earnings on pension plan investments	773,246	-
Changes of assumptions	2,910,120	-
Changes in proportion	3,432,653	-
District's contributions subsequent to the measurement date	5,316,325	-
Total	\$ 12,432,344	\$ 1,379,434

Component Unit:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ -	\$ 39,489
Net difference between projected and actual earnings on pension plan investments	52,014	-
Changes of assumptions	92,769	-
Changes in proportion	26,503	-
Component Unit's contributions subsequent to the measurement date	151,242	-
Total	\$ 322,528	\$ 39,489

\$5,316,325 reported as deferred outflows of resources related to pensions resulting from District contributions and \$151,242 reported as deferred outflows of resources related to pensions resulting from the component unit's contributions subsequent to the measurement date of June 30, 2015, will be recognized as a reduction of the net pension liability in the year ended June 30, 2017.

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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:

2017	\$	1,999,001
2018		1,856,602
2019		705,865
2020		1,175,117
2021		-
Thereafter		-

Component Unit:

2017	\$	28,544
2018		29,964
2019		35,826
2020		37,463
2021		-
Thereafter		-

Actuarial assumptions. The total pension liability, net pension liability, and certain sensitivity information shown in this report are based on actuarial valuation and performed as of June 30, 2015. The liabilities reflect the impact of Senate Bill 115, signed into law March 29, 2013 and new assumptions adopted by the Board of Trustees on June 12, 2015. Specifically, the liabilities measured as of June 30, 2015 incorporate the following assumptions:

1. All members with an annual salary of more than \$20,000 will contribute 10.70% during the fiscal year ending June 30, 2015 and 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 the Board on June 12, 2015 in conjunction with the six year experience study period ending June 30, 2014.
5. For purposes of projecting future benefits, it is assumed that the full COLA is paid in all future years.

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NOTE 11. Pension Plan – Educational Retirement Board (continued)

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)
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. ERB’s investment allocation policy was reviewed and amended by the Board of Trustees on June 14, 2014. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension plan. The following schedule shows the current asset allocation policy adopted June 14, 2014 as well as the prior allocation policy targets.

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NOTE 11. Pension Plan – Educational Retirement Board (continued)

Comparative Schedule of Target Investment Allocation

<u>Asset Class</u>	<u>Target Allocation</u>	
	<u>After 6/14/2014</u>	<u>Prior to 6/14/2014</u>
Equities		
<i>Domestic Equities</i>		
Large cap equities	18%	20%
Small- mid cap equities	2%	2%
<i>International Equities</i>		
Developed	5%	5%
Emerging markets	10%	10%
Total equities	35%	37%
Fixed Income		
Opportunistic credit	20%	20%
Core bonds	6%	7%
Emerging market debt	2%	2%
Total fixed income	28%	29%
Alternatives		
Real estate - REITS	7%	5%
Real assets	8%	7%
Private equity	11%	8%
Absolute return	0%	3%
Global asset allocation	5%	5%
Risk parity	5%	5%
Total alternatives	36%	33%
Cash	1%	1%
Total	100%	100%

For the years ended June 30, 2015 and 2014, the annual money-weighted rates of return on pension plan investments were for each asset class above 4.06% and 14.71%, respectively.

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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, 2015 and June 30, 2014. 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 2015. 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	\$ 113,845,710	\$ 84,607,996	\$ 60,045,271

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	\$ 3,629,174	\$ 2,697,134	\$ 1,914,123

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, 2015 and June 30, 2014 which are publicly available at 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, 2016 there were no contributions due and payable for the District or the component unit.

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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.

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, 2015, 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, 2016, 2015, and 2014 were \$764,642, \$739,418, and \$691,606, respectively, which equal the required contributions for each year. The Academy's contributions for fiscal year ending June 30, 2016, 2015 and 2014 were \$21,720, \$21,788, and \$21,642.

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.

STATE OF NEW MEXICO
 Carlsbad Municipal School District No. 20
 Notes to Financial Statements
 June 30, 2016

NOTE 13. Contingent Liabilities

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. Commitments

The District's construction commitments as of June 30, 2016 are as follows:

<u>Construction Projects</u>	<u>Projected Completion Date</u>	<u>Contract Amount</u>
CHS Electrical Upgrade	2016-2017	\$ 251,505
CHS HVAC	2016-2017	985,294
CHS PAD Lighting & Ceiling	2016-2017	31,045
Desert Willow Elementary	2016-2017	21,415,512
Hillcrest DOT Project	2016-2017	96,326
Octotillo Elementary	2016-2017	23,266,142
		<u>\$ 46,045,824</u>

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 2016 was \$134,196.

NOTE 15. Restricted Net Position

The government-wide statement of net position reports \$59,957,322 of restricted amounts, all of which is restricted by enabling legislation. For the Academy restricted net position is \$74,936. For descriptions of the related restrictions for net position amounts restricted for special revenue, debt service and capital projects, see pages 38-39 and 70-71.

NOTE 16. Subsequent Pronouncements

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: A portion of this provision 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 financial statements.

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 affect the District's financial statements.

STATE OF NEW MEXICO
Carlsbad Municipal School District No. 20
Notes to Financial Statements
June 30, 2016

NOTE 16. Subsequent Pronouncements (continued)

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 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 affect the financial statements.

In December 2015, GASB Statement No. 78 *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*, was issued. Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2015. Earlier application is encouraged. The District is still evaluating how this pronouncement will affect the financial statements.

In January 2016, GASB Statement No. 80 *Blending Requirements for Certain Component Units-an amendment of GASB Statement No. 14*, was issued. Effective Date: The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. Earlier application is encouraged. The District is still evaluating how this pronouncement will affect the financial statements.

In March 2016, GASB Statement No. 81 *Irrevocable Split-Interest Agreements*, was issued. Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2016. Earlier application is encouraged. The District is still evaluating how this pronouncement will affect the financial statements.

In March 2016, GASB Statement No. 82 *Pension Issues-an amendment of GASB Statement No. 67, No. 68, and No. 73*, was issued. Effective Date: The requirements of this Statement are effective for reporting periods beginning after June 15, 2016, except for the requirements of paragraph 7 in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements of paragraph 7 are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. Earlier application is encouraged. The District is still evaluating how this pronouncement will affect the financial statements.

NOTE 17. Approval of New Charter School – Pecos Connections Academy

On October 20, 2015 the District approved the charter contract for Pecos Connections Academy (Academy). The Academy is an on-line charter school with a separate governing council that will operate within the geographical boundaries of Carlsbad. Operations will commence during the fiscal year 2016-2017 school year and the Academy will be funded through annual appropriations by the New Mexico State Legislature. The District will be responsible for approving the Academy's budget and renewing the Academy charter every 5 years. The term of the Charter Contract shall run until June 30, 2021.

NOTE 18. Subsequent Events

The date to which events occurring after June 30, 2016, have been evaluated for possible adjustment to the financial statements or disclosures is October 2, 2016. No other events occurring after June 30, 2016 necessitate adjustment to the financial statements or disclosure in the notes.

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REQUIRED SUPPLEMENTARY INFORMATION

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

Schedule I

	2016	2015
	Measurement Date	Measurement Date
	(As of and for the	(As of and for the
	Year Ended June	Year Ended June
Primary Government	30, 2015)	30, 2014)
Carlsbad Municipal School District No. 20's proportion of the net pension liability (asset)	1.30623%	1.2628%
Carlsbad Municipal School District No. 20's proportionate share of the net pension liability (asset)	\$ 84,607,996	\$ 72,050,819
Carlsbad Municipal School District No. 20's covered-employee payroll	35,664,263	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	237%	207%
Plan fiduciary net position as a percentage of the total pension liability	63.97%	66.54%
	2016	2015
	Measurement Date	Measurement Date
	(As of and for the	(As of and for the
	Year Ended June	Year Ended June
Component Unit	30, 2015)	30, 2014)
Jefferson Montessori Academy Charter School's proportion of the net pension liability (asset)	0.04164%	0.03926%
Jefferson Montessori Academy Charter School's proportionate share of the net liability pension (asset)	\$ 2,697,134	\$ 2,240,061
Jefferson Montessori Academy Charter School's covered-employee payroll	1,136,905	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	237%	207%
Plan fiduciary net position as a percentage of the total pension liability	63.97%	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 Auditors' 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*

Schedule II

	As of and for the Year Ended June 30, 2016	As of and for the Year Ended June 30, 2015
Primary Government		
Contractually required contribution	\$ 5,316,325	\$ 5,161,306
Contributions in relation to the contractually required contribution	<u>5,316,325</u>	<u>5,161,306</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Carlsbad Municipal School District No. 20 covered-employee payroll	38,298,188	35,664,263
Contribution as a percentage of covered-employee payroll	13.88%	14.47%
Component Unit		
Contractually required contribution	\$ 151,242	\$ 164,554
Contributions in relation to the contractually required contribution	<u>151,242</u>	<u>164,554</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Jefferson Montessori Academy Charter School covered-employee payroll	1,082,295	1,136,905
Contribution as a percentage of covered-employee payroll	13.97%	14.47%

* 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 Auditors' Report.
 See notes to required supplementary information.

STATE OF NEW MEXICO
Carlsbad Municipal School District No. 20
Notes to Required Supplementary Information
June 30, 2016

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.

The Board of Trustees approved the following economic and demographic assumptions used in the fiscal year 2015 actuarial calculation of the total pension liability on June 12, 2015:

- 1) Lower wage inflation from 4.25% to 3.75%
- 2) Update the mortality tables to incorporate generational improvements
- 3) Update demographic assumptions to use currently published tables, which may result in minor calculation changes
- 4) Maintain in current 3.00% inflation assumption
- 5) Retain net 4.75% real return assumption
- 6) Retain 7.75% nominal return assumption
- 7) No change to COLA assumption of 2.00% per year
- 8) Maintain current payroll growth assumption of 3.50%
- 9) Maintain experience-based rates for members who joined NMERB by June 30, 2010
- 10) Remove population growth assumption for projections
- 11) Lower population growth from .50% to zero (no impact on valuation results)

Assumption changes increased the Education Retirement Board's total pension liability by \$299,084,856 for fiscal year ending June 30, 2015 as a result of the changes of assumptions described above.

See Independent Auditors' Report.

SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

STATE OF NEW MEXICO
Carlsbad Municipal School District No. 20
Nonmajor Fund Descriptions
June 30, 2016

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.

Entitlement IDEA-B (24106) – To account for federal sources to assist in providing a free appropriate public education to all children with disabilities. The program is funded by the United States government, under the Individuals with Disabilities Education Act, Part B, Sections 611-617, and part D, Section 674 as amended, 20 U.S.C. 1711-1417 and 1420 .

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 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, 2016

SPECIAL REVENUE FUNDS (continued)

IDEA-B Results Plan (24132) – This account is to support the individual school site's Educational Plan for Student Success, or areas of need of improvement as identified through an instructional audit. This is a pilot program for the New Mexico Real Results program required by US Dept. of Education of Special Education Programs. Authority for creation of this fund is New Mexico Public Education Department.

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.

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).

Workforce Readiness (27179) – This fund is used to help students discover the wide range of career options available to them, chart the most efficient path for students to achieve those goals and work directly with business and industry partners to ensure that their experience results in the most necessary skills, credentials, and technical knowledge to be successful in the students' next step as they enter postsecondary or workforce engagement. House Bill 2 of the regular 2013 Legislative Session provides funding for this fund.

STATE OF NEW MEXICO
Carlsbad Municipal School District No. 20
Nonmajor Fund Descriptions
June 30, 2016

SPECIAL REVENUE FUNDS (continued)

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.

College Counselor Initiative (27189) – The purpose of the NM College Counselor Initiative is to establish a cohort of high school counselors placed across the state whose role is solely dedicated to college attendance through education about college admission and financial aid. With a school counselor committed exclusively to college preparation and guidance, students will have greater access to information, as well as increased support throughout the application, admission and acceptance processes to colleges in New Mexico and across the country. New Mexico Public Education Department's Policy Division is issuing this RFA to all New Mexico high schools interested in hosting a college counselor to provide these services.

NM Highway Dept (Road) (28120) – To account for road funds, provided by the New Mexico Department of Transportation for parking lot and bus area improvements. Authority for creation of this fund is the Board of Education pursuant to grant agreement requirements.

Private Direct Grants (29102) – To provide additional classroom time for seniors to meet graduation requirements. Funding authority is the New Mexico Public Education Department.

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.

Capital Improvements SB-9 (31700) – To account for erecting, remodeling, making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof as identified by the local school board. Financing is provided by the State of New Mexico's State Equalization Matching and a special tax levy as authorized by the Public School District Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978).

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.

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STATE OF NEW MEXICO
 Carlsbad Municipal School District No. 20
 Nonmajor Governmental Funds
 Combining Balance Sheet
 June 30, 2016

	Special Revenue			
	Food Services	Athletics	Non- Instructional Support	Title I
<i>Assets</i>				
Cash and cash equivalents	\$ 1,595,477	\$ 14,779	\$ 513,715	\$ -
Receivables:				
Taxes	-	-	-	-
Due from other governments	94,443	-	-	919,480
Other	6,093	24	1,963	-
Inventory	73,485	-	-	-
	<u>\$ 1,769,498</u>	<u>\$ 14,803</u>	<u>\$ 515,678</u>	<u>\$ 919,480</u>
<i>Liabilities</i>				
Accounts payable	\$ 2,325	\$ -	\$ 16,039	\$ 5,007
Accrued payroll	121,376	-	11,059	40,493
Due to other funds	-	-	-	873,980
	<u>123,701</u>	<u>-</u>	<u>27,098</u>	<u>919,480</u>
<i>Deferred inflows</i>				
Unavailable revenue	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Nonspendable:				
Inventory	73,485	-	-	-
Spendable:				
Restricted for:				
Educational purposes	-	-	488,580	-
Food service	1,572,312	-	-	-
Capital acquisitions and improvements	-	-	-	-
Extracurricular activities	-	14,803	-	-
	<u>1,645,797</u>	<u>14,803</u>	<u>488,580</u>	<u>-</u>
<i>Total liabilities, deferred inflows, and fund balances</i>	<u>\$ 1,769,498</u>	<u>\$ 14,803</u>	<u>\$ 515,678</u>	<u>\$ 919,480</u>

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

Special Revenue

Entitlement IDEA-B	Preschool IDEA-B	IDEA Private School Share	IDEA-B "Risk Pool"	IDEA-B Results Plan
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
696,815	18,443	1,541	1,125	86,757
-	-	-	-	-
-	-	-	-	-
<u>\$ 696,815</u>	<u>\$ 18,443</u>	<u>\$ 1,541</u>	<u>\$ 1,125</u>	<u>\$ 86,757</u>
\$ 54,218	\$ -	\$ -	\$ 45	\$ 21
114,438	1,997	137	-	-
528,159	16,446	1,404	1,080	86,736
<u>696,815</u>	<u>18,443</u>	<u>1,541</u>	<u>1,125</u>	<u>86,757</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 696,815</u>	<u>\$ 18,443</u>	<u>\$ 1,541</u>	<u>\$ 1,125</u>	<u>\$ 86,757</u>

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

STATE OF NEW MEXICO
 Carlsbad Municipal School District No. 20
 Nonmajor Governmental Funds
 Combining Balance Sheet
 June 30, 2016

	Special Revenue			
	Teacher/ Principal Training & Recruiting	Title I 1300A School Improvement	Carl D Perkins Secondary - Current	Carl D Perkins HSTW - Current
<i>Assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables:				
Taxes	-	-	-	-
Due from other governments	107,568	5,289	25,311	-
Other	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>\$ 107,568</u>	<u>\$ 5,289</u>	<u>\$ 25,311</u>	<u>\$ -</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	10,991	-	-	-
Due to other funds	96,577	5,289	25,311	-
<i>Total liabilities</i>	<u>107,568</u>	<u>5,289</u>	<u>25,311</u>	<u>-</u>
<i>Deferred inflows</i>				
Unavailable revenue	-	-	-	-
<i>Total deferred inflows</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Nonspendable:				
Inventory	-	-	-	-
Spendable:				
Restricted for:				
Educational purposes	-	-	-	-
Food service	-	-	-	-
Capital acquisitions and improvements	-	-	-	-
Extracurricular activities	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities, deferred inflows, and fund balances</i>	<u>\$ 107,568</u>	<u>\$ 5,289</u>	<u>\$ 25,311</u>	<u>\$ -</u>

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

Special Revenue				
Carl D Perkins HSTW- PY Unliquidated Obligations	Carl D Perkins HSTW - Redistribution	Title XIX Medicaid 3/21 Years	Bridge Early College High School	Dual Credit Instructional Materials
\$ -	\$ -	\$ 568,461	\$ 1,608	\$ -
-	-	-	-	-
-	930	1,069	-	8,177
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ 930</u>	<u>\$ 569,530</u>	<u>\$ 1,608</u>	<u>\$ 8,177</u>
\$ -	\$ -	\$ 28	\$ -	\$ -
-	-	18,658	-	-
-	930	-	-	8,177
-	930	18,686	-	8,177
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	550,844	1,608	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	550,844	1,608	-
<u>\$ -</u>	<u>\$ 930</u>	<u>\$ 569,530</u>	<u>\$ 1,608</u>	<u>\$ 8,177</u>

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

STATE OF NEW MEXICO
 Carlsbad Municipal School District No. 20
 Nonmajor Governmental Funds
 Combining Balance Sheet
 June 30, 2016

	Special Revenue			
	2008 GO Bond Student Library Fund	New Mexico Reads to Lead	Breakfast for Elementary Students	K3 Plus
<i>Assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables:				
Taxes	-	-	-	-
Due from other governments	-	59,975	86,606	100,263
Other	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>\$ -</u>	<u>\$ 59,975</u>	<u>\$ 86,606</u>	<u>\$ 100,263</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	184	-	20,558
Due to other funds	-	59,791	86,606	79,701
<i>Total liabilities</i>	-	59,975	86,606	100,259
<i>Deferred inflows</i>				
Unavailable revenue	-	-	-	-
<i>Total deferred inflows</i>	-	-	-	-
<i>Fund balances</i>				
Nonspendable:				
Inventory	-	-	-	-
Spendable:				
Restricted for:				
Educational purposes	-	-	-	4
Food service	-	-	-	-
Capital acquisitions and improvements	-	-	-	-
Extracurricular activities	-	-	-	-
<i>Total fund balances</i>	-	-	-	4
<i>Total liabilities, deferred inflows, and fund balances</i>	<u>\$ -</u>	<u>\$ 59,975</u>	<u>\$ 86,606</u>	<u>\$ 100,263</u>

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

Special Revenue

Workforce Readiness	New Mexico Grown Fruits and Vegetables	College Counselor Initiative	NM Highway Dept (Road)	Private Direct Grants
\$ -	\$ -	\$ -	\$ -	\$ 25,000
-	-	-	-	-
92,359	401	25,350	37,458	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 92,359</u>	<u>\$ 401</u>	<u>\$ 25,350</u>	<u>\$ 37,458</u>	<u>\$ 25,000</u>
\$ -	\$ -	\$ -	\$ 37,458	\$ -
-	-	5,732	-	-
92,359	401	19,618	-	-
<u>92,359</u>	<u>401</u>	<u>25,350</u>	<u>37,458</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	25,000
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	25,000
<u>\$ 92,359</u>	<u>\$ 401</u>	<u>\$ 25,350</u>	<u>\$ 37,458</u>	<u>\$ 25,000</u>

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

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STATE OF NEW MEXICO
 Carlsbad Municipal School District No. 20
 Nonmajor Governmental Funds
 Combining Balance Sheet
 June 30, 2016

	Capital Projects			Total Nonmajor Governmental Funds
	Special Capital Outlay- State & Local	Capital Improvements SB-9	Education Technology Notes	
<i>Assets</i>				
Cash and cash equivalents	\$ -	\$ 5,837,838	\$ 1,671,362	\$ 10,228,240
Receivables:				
Taxes	-	387,866	-	387,866
Due from other governments	194,639	-	-	2,563,999
Other	-	-	-	8,080
Inventory	-	-	-	73,485
<i>Total assets</i>	<u>\$ 194,639</u>	<u>\$ 6,225,704</u>	<u>\$ 1,671,362</u>	<u>\$ 13,261,670</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ 527,325	\$ 60,866	\$ 703,332
Accrued payroll	-	-	-	345,623
Due to other funds	194,639	-	-	2,177,204
<i>Total liabilities</i>	<u>194,639</u>	<u>527,325</u>	<u>60,866</u>	<u>3,226,159</u>
<i>Deferred inflows</i>				
Unavailable revenue	-	257,224	-	257,224
<i>Total deferred inflows</i>	<u>-</u>	<u>257,224</u>	<u>-</u>	<u>257,224</u>
<i>Fund balances</i>				
Nonspendable:				
Inventory	-	-	-	73,485
Spendable:				
Restricted for:				
Educational purposes	-	-	-	1,066,036
Food service	-	-	-	1,572,312
Capital acquisitions and improvements	-	5,441,155	1,610,496	7,051,651
Extracurricular activities	-	-	-	14,803
<i>Total fund balances</i>	<u>-</u>	<u>5,441,155</u>	<u>1,610,496</u>	<u>9,778,287</u>
<i>Total liabilities, deferred inflows, and fund balances</i>	<u>\$ 194,639</u>	<u>\$ 6,225,704</u>	<u>\$ 1,671,362</u>	<u>\$ 13,261,670</u>

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

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, 2016

	Special Revenue			
	Food Services	Athletics	Non- Instructional Support	Title I
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	2,967,731	-	-	1,267,512
Federal direct	240,383	-	-	-
Local grants	-	-	-	107
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	1,000,379	156,074	514,374	-
Investment income	131	-	441	-
Miscellaneous	-	8,550	43,558	-
<i>Total revenues</i>	4,208,624	164,624	558,373	1,267,619
<i>Expenditures</i>				
Current				
Instruction	-	149,738	492,885	1,098,808
Support services	-	-	-	99,553
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	3,893,281	-	-	-
Capital outlay	74,244	-	-	69,258
<i>Total expenditures</i>	3,967,525	149,738	492,885	1,267,619
<i>Excess (deficiency) of revenues over expenditures</i>	241,099	14,886	65,488	-
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	241,099	14,886	65,488	-
<i>Fund balances - beginning</i>	1,404,698	(83)	423,092	-
<i>Fund balances - ending</i>	\$ 1,645,797	\$ 14,803	\$ 488,580	\$ -

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

Special Revenue

Entitlement IDEA-B	Preschool IDEA-B	IDEA Private School Share	IDEA-B "Risk Pool"	IDEA-B Results Plan
\$ -	\$ -	\$ -	\$ -	\$ -
1,531,304	45,202	2,746	1,125	92,805
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>1,531,304</u>	<u>45,202</u>	<u>2,746</u>	<u>1,125</u>	<u>92,805</u>
1,150,849	21,761	882	1,000	92,805
312,195	23,441	1,864	35	-
62,700	-	-	90	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
5,560	-	-	-	-
<u>1,531,304</u>	<u>45,202</u>	<u>2,746</u>	<u>1,125</u>	<u>92,805</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

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, 2016

	Special Revenue			
	Teacher/Principal Training & Recruiting	Title I 1300A School Improvement	Carl D Perkins Secondary - Current	Carl D Perkins HSTW - Current
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	237,004	24,402	63,794	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>237,004</u>	<u>24,402</u>	<u>63,794</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	193,636	24,402	55,901	-
Support services	43,368	-	7,893	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>237,004</u>	<u>24,402</u>	<u>63,794</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>				
Bond proceeds	-	-	-	-
<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>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

Special Revenue				
Carl D Perkins HSTW- PY Unliquidated Obligations	Carl D Perkins HSTW - Redistribution	Title XIX Medicaid 3/21 Years	Bridge Early College High School	Dual Credit Instructional Materials
\$ -	\$ -	\$ -	\$ -	\$ -
-	16,270	-	-	-
-	-	412,640	-	-
-	-	-	-	30,813
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	16,270	412,640	-	30,813
-	12,561	20,674	7,922	30,813
-	3,709	366,096	15,580	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	16,270	386,770	23,502	30,813
-	-	25,870	(23,502)	-
-	-	-	-	-
-	-	-	-	-
-	-	25,870	(23,502)	-
-	-	524,974	25,110	-
\$ -	\$ -	\$ 550,844	\$ 1,608	\$ -

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

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, 2016

	Special Revenue			
	2008 GO Bond Student Library Fund	New Mexico Reads to Lead	Breakfast for Elementary Students	K3 Plus
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	99,472	-
State direct	-	159,296	-	332,125
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	159,296	99,472	332,125
<i>Expenditures</i>				
Current				
Instruction	-	157,671	-	253,968
Support services	-	1,625	-	24,334
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	53,823
Food services operations	-	-	99,472	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	159,296	99,472	332,125
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning</i>	-	-	-	4
<i>Fund balances - ending</i>	\$ -	\$ -	\$ -	\$ 4

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

Special Revenue

Workforce Readiness	New Mexico Grown Fruits and Vegetables	College Counselor Initiative	NM Highway Dept (Road)	Private Direct Grants
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	25,000
105,263	6,919	64,999	-	-
-	-	-	89,958	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>105,263</u>	<u>6,919</u>	<u>64,999</u>	<u>89,958</u>	<u>25,000</u>
93,824	-	-	-	-
11,439	-	64,999	-	-
-	-	-	-	-
-	-	-	89,958	-
-	-	-	-	-
-	6,919	-	-	-
-	-	-	-	-
<u>105,263</u>	<u>6,919</u>	<u>64,999</u>	<u>89,958</u>	<u>-</u>
-	-	-	-	25,000
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	25,000
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,000</u>

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

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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, 2016

Schedule A-2
 Page 4 of 4

	Capital Projects			Total Nonmajor Governmental Funds
	Special Capital Outlay-State & Local	Capital Improvements SB-9	Education Technology Notes	
<i>Revenues</i>				
Taxes	\$ -	\$ 4,271,478	\$ -	\$ 4,271,478
Intergovernmental revenue				
Federal flowthrough	-	-	-	6,249,895
Federal direct	-	-	-	653,023
Local grants	-	-	-	25,107
State flowthrough	135,001	36	-	442,503
State direct	-	-	-	581,379
Charges for services	-	-	-	1,670,827
Investment income	-	-	-	572
Miscellaneous	-	5,496	-	57,604
<i>Total revenues</i>	<u>135,001</u>	<u>4,277,010</u>	<u>-</u>	<u>13,952,388</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	3,860,100
Support services	-	450,905	-	1,427,036
Central services	-	-	-	62,790
Operation and maintenance of plant	-	2,755,688	1,476,395	4,322,041
Student transportation	-	-	-	53,823
Food services operations	-	-	-	3,999,672
Capital outlay	135,001	258,357	714,408	1,256,828
<i>Total expenditures</i>	<u>135,001</u>	<u>3,464,950</u>	<u>2,190,803</u>	<u>14,982,290</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>812,060</u>	<u>(2,190,803)</u>	<u>(1,029,902)</u>
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	2,800,000	2,800,000
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>2,800,000</u>	<u>2,800,000</u>
<i>Net change in fund balances</i>	-	812,060	609,197	1,770,098
<i>Fund balances - beginning</i>	<u>-</u>	<u>4,629,095</u>	<u>1,001,299</u>	<u>8,008,189</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ 5,441,155</u>	<u>\$ 1,610,496</u>	<u>\$ 9,778,287</u>

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

STATE OF NEW MEXICO
 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, 2016

Statement B-1

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	2,487,080	2,487,080	2,876,353	389,273
Federal direct	208,000	208,000	240,383	32,383
Local grants	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	1,037,000	1,037,000	998,063	(38,937)
Investment income	100	100	131	31
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>3,732,180</u>	<u>3,732,180</u>	<u>4,114,930</u>	<u>382,750</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Food services operations	4,147,180	4,893,180	3,890,823	1,002,357
Community services operations	-	-	-	-
Capital outlay	185,000	279,496	74,244	205,252
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>4,332,180</u>	<u>5,172,676</u>	<u>3,965,067</u>	<u>1,207,609</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(600,000)</u>	<u>(1,440,496)</u>	<u>149,863</u>	<u>1,590,359</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	600,000	1,440,496	-	(1,440,496)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>600,000</u>	<u>1,440,496</u>	<u>-</u>	<u>(1,440,496)</u>
<i>Net change in fund balances</i>	-	-	149,863	149,863
<i>Fund balances - beginning</i>	-	-	1,324,238	1,324,238
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,474,101</u>	<u>\$ 1,474,101</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 149,863
Adjustments to revenues for federal flowthrough grants and charges for services				93,694
Adjustments to expenditures for food costs				(2,458)
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 241,099</u>

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

STATE OF NEW MEXICO
 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, 2016

Statement B-2

	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	150,000	150,001	156,074	6,073
Investment income	-	-	-	-
Miscellaneous	-	-	8,550	8,550
<i>Total revenues</i>	<u>150,000</u>	<u>150,001</u>	<u>164,624</u>	<u>14,623</u>
<i>Expenditures</i>				
Current				
Instruction	150,000	151,936	151,141	795
Support services	-	-	-	-
Central services	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>150,000</u>	<u>151,936</u>	<u>151,141</u>	<u>795</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(1,935)</u>	<u>13,483</u>	<u>15,418</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	1,935	-	(1,935)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>1,935</u>	<u>-</u>	<u>(1,935)</u>
<i>Net change in fund balances</i>	-	-	13,483	13,483
<i>Fund balances - beginning</i>	-	-	1,296	1,296
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,779</u>	<u>\$ 14,779</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 13,483
No adjustments to revenues				-
Adjustments to expenditures for student travel				1,403
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 14,886</u>

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

STATE OF NEW MEXICO
 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, 2016

Statement B-3

	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	400,000	400,000	514,832	114,832
Investment income	350	350	441	91
Miscellaneous	48,000	48,000	43,198	(4,802)
<i>Total revenues</i>	<u>448,350</u>	<u>448,350</u>	<u>558,471</u>	<u>110,121</u>
<i>Expenditures</i>				
Current				
Instruction	688,088	925,967	522,441	403,526
Support services	-	-	-	-
Central services	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>688,088</u>	<u>925,967</u>	<u>522,441</u>	<u>403,526</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(239,738)</u>	<u>(477,617)</u>	<u>36,030</u>	<u>513,647</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	239,738	477,617	-	(477,617)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>239,738</u>	<u>477,617</u>	<u>-</u>	<u>(477,617)</u>
<i>Net change in fund balances</i>	-	-	36,030	36,030
<i>Fund balances - beginning</i>	-	-	466,626	466,626
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 502,656</u>	<u>\$ 502,656</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 36,030
Adjustments to revenues for miscellaneous income				(98)
Adjustments to expenditures for supplies				29,556
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 65,488</u>

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

STATE OF NEW MEXICO
 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, 2016

Statement B-4

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	999,019	1,398,268	782,172	(616,096)
Federal direct	-	-	-	-
Local grants	-	-	107	107
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>999,019</u>	<u>1,398,268</u>	<u>782,279</u>	<u>(615,989)</u>
<i>Expenditures</i>				
Current				
Instruction	852,678	1,210,113	1,093,801	116,312
Support services	86,341	118,895	99,553	19,342
Central services	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	60,000	69,260	69,258	2
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>999,019</u>	<u>1,398,268</u>	<u>1,262,612</u>	<u>135,656</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(480,333)</u>	<u>(480,333)</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>	-	-	(480,333)	(480,333)
<i>Fund balances - beginning</i>	-	-	(434,140)	(434,140)
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (914,473)</u>	<u>\$ (914,473)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (480,333)
Adjustments to revenues for federal flowthrough grants				485,340
Adjustments to expenditures for general supplies and materials				(5,007)
<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
 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, 2016

Statement B-5

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	1,305,994	1,680,147	1,438,088	(242,059)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,305,994</u>	<u>1,680,147</u>	<u>1,438,088</u>	<u>(242,059)</u>
<i>Expenditures</i>				
Current				
Instruction	1,102,154	1,246,816	1,150,782	96,034
Support services	150,462	359,560	312,348	47,212
Central services	48,378	68,171	8,580	59,591
Operation and maintenance of plant	-	-	-	-
Capital outlay	5,000	5,600	5,560	40
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,305,994</u>	<u>1,680,147</u>	<u>1,477,270</u>	<u>202,877</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(39,182)</u>	<u>(39,182)</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>	-	-	(39,182)	(39,182)
<i>Fund balances - beginning</i>	-	-	(603,415)	(603,415)
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (642,597)</u>	<u>\$ (642,597)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (39,182)
Adjustments to revenues for federal flowthrough grants				93,216
Adjustments to expenditures for JMA share				(54,034)
<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
 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, 2016

Statement B-6

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	44,295	50,312	38,326	(11,986)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>44,295</u>	<u>50,312</u>	<u>38,326</u>	<u>(11,986)</u>
<i>Expenditures</i>				
Current				
Instruction	16,000	23,230	21,761	1,469
Support services	28,295	27,082	23,441	3,641
Central services	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>44,295</u>	<u>50,312</u>	<u>45,202</u>	<u>5,110</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(6,876)</u>	<u>(6,876)</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>	-	-	(6,876)	(6,876)
<i>Fund balances - beginning</i>	-	-	(11,567)	(11,567)
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (18,443)</u>	<u>\$ (18,443)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (6,876)
Adjustments to revenues for federal flowthrough grants				6,876
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
 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, 2016

Statement B-7

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	4,398	7,617	1,682	(5,935)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>4,398</u>	<u>7,617</u>	<u>1,682</u>	<u>(5,935)</u>
<i>Expenditures</i>				
Current				
Instruction	989	1,989	882	1,107
Support services	3,409	4,628	1,864	2,764
Central services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>4,398</u>	<u>6,617</u>	<u>2,746</u>	<u>3,871</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>1,000</u>	<u>(1,064)</u>	<u>(2,064)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	(1,000)	-	1,000
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(1,000)</u>	<u>-</u>	<u>1,000</u>
<i>Net change in fund balances</i>	-	-	(1,064)	(1,064)
<i>Fund balances - beginning</i>	-	-	(477)	(477)
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,541)</u>	<u>\$ (1,541)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (1,064)
Adjustments to revenues for federal flowthrough grants				1,064
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
 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, 2016

Statement B-8

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	1,224	1,275	51
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>1,224</u>	<u>1,275</u>	<u>51</u>
<i>Expenditures</i>				
Current				
Instruction	-	1,138	1,000	138
Support services	-	41	35	6
Central services	-	45	45	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>1,224</u>	<u>1,080</u>	<u>144</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>195</u>	<u>195</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>	-	-	195	195
<i>Fund balances - beginning</i>	<u>-</u>	<u>-</u>	<u>(1,275)</u>	<u>(1,275)</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,080)</u>	<u>\$ (1,080)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 195
Adjustments to revenues for federal flowthrough grants				(150)
Adjustments to expenditures for flowthrough grants to charters				(45)
<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
 Carlsbad Municipal School District No. 20
 IDEA-B Results Plan 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, 2016

Statement B-9

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	100,000	100,000	6,048	(93,952)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>100,000</u>	<u>100,000</u>	<u>6,048</u>	<u>(93,952)</u>
<i>Expenditures</i>				
Current				
Instruction	100,000	100,000	92,784	7,216
Support services	-	-	-	-
Central services	-	-	-	-
Community services operations	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>100,000</u>	<u>100,000</u>	<u>92,784</u>	<u>7,216</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(86,736)</u>	<u>(86,736)</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>	-	-	(86,736)	(86,736)
<i>Fund balances - beginning</i>	-	-	-	-
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (86,736)</u>	<u>\$ (86,736)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (86,736)
Adjustments to revenues for inter-govern accounts receivable				86,757
Adjustments to expenditures for accounts payable				(21)
<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
 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, 2016

Statement B-10

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	196,725	427,352	222,296	(205,056)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>196,725</u>	<u>427,352</u>	<u>222,296</u>	<u>(205,056)</u>
<i>Expenditures</i>				
Current				
Instruction	152,907	365,005	193,636	171,369
Support services	43,818	63,347	43,326	20,021
Central services	-	-	-	-
Student transportation	-	-	-	-
Community services operations	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>196,725</u>	<u>428,352</u>	<u>236,962</u>	<u>191,390</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(1,000)</u>	<u>(14,666)</u>	<u>(13,666)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	1,000	-	(1,000)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
<i>Net change in fund balances</i>	-	-	(14,666)	(14,666)
<i>Fund balances - beginning</i>	<u>-</u>	<u>-</u>	<u>(92,902)</u>	<u>(92,902)</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (107,568)</u>	<u>\$ (107,568)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (14,666)
Adjustments to revenues for federal flowthrough grants				14,708
Adjustments to expenditures for professional development				(42)
<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
 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, 2016

Statement B-11

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	25,000	25,000	20,652	(4,348)
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>25,000</u>	<u>25,000</u>	<u>20,652</u>	<u>(4,348)</u>
<i>Expenditures</i>				
Current				
Instruction	25,000	25,000	24,402	598
Support services	-	-	-	-
Central services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>25,000</u>	<u>25,000</u>	<u>24,402</u>	<u>598</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,750)</u>	<u>(3,750)</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>	-	-	(3,750)	(3,750)
<i>Fund balances - beginning</i>	<u>-</u>	<u>-</u>	<u>(1,539)</u>	<u>(1,539)</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,289)</u>	<u>\$ (5,289)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (3,750)
Adjustments to revenues for federal flowthrough grants				3,750
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
 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, 2016

Statement B-12

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	56,249	71,949	62,056	(9,893)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>56,249</u>	<u>71,949</u>	<u>62,056</u>	<u>(9,893)</u>
<i>Expenditures</i>				
Current				
Instruction	50,666	58,373	55,901	2,472
Support services	5,583	8,624	7,893	731
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>56,249</u>	<u>71,949</u>	<u>63,794</u>	<u>8,155</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,738)</u>	<u>(1,738)</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>	-	-	(1,738)	(1,738)
<i>Fund balances - beginning</i>	<u>-</u>	<u>-</u>	<u>(23,573)</u>	<u>(23,573)</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (25,311)</u>	<u>\$ (25,311)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (1,738)
Adjustments to revenues for federal flowthrough grants				1,738
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
 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, 2016

Statement B-13

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	28,218	28,218
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>28,218</u>	<u>28,218</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>28,218</u>	<u>28,218</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>	-	-	28,218	28,218
<i>Fund balances - beginning</i>	<u>-</u>	<u>-</u>	<u>(28,218)</u>	<u>(28,218)</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 28,218
Adjustments to revenues for federal flowthrough grants				(28,218)
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

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, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	66	66
Federal direct	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>66</u>	<u>66</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over 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>	<u>-</u>	<u>-</u>	<u>(66)</u>	<u>(66)</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 66
Adjustments to revenues for federal flowthrough grants				(66)
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-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, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	17,103	24,432	15,340	(9,092)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>17,103</u>	<u>24,432</u>	<u>15,340</u>	<u>(9,092)</u>
<i>Expenditures</i>				
Current				
Instruction	11,660	16,546	12,561	3,985
Support services	5,443	7,886	3,709	4,177
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>17,103</u>	<u>24,432</u>	<u>16,270</u>	<u>8,162</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(930)</u>	<u>(930)</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>	-	-	(930)	(930)
<i>Fund balances - beginning</i>	-	-	-	-
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (930)</u>	<u>\$ (930)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (930)
Adjustments to revenues for federal flowthrough grants				930
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
 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, 2016

Statement B-16

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	310,000	310,000	411,572	101,572
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>310,000</u>	<u>310,000</u>	<u>411,572</u>	<u>101,572</u>
<i>Expenditures</i>				
Current				
Instruction	23,605	29,705	20,675	9,030
Support services	705,384	818,688	366,709	451,979
Central services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>728,989</u>	<u>848,393</u>	<u>387,384</u>	<u>461,009</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(418,989)</u>	<u>(538,393)</u>	<u>24,188</u>	<u>562,581</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	418,989	538,393	-	(538,393)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>418,989</u>	<u>538,393</u>	<u>-</u>	<u>(538,393)</u>
<i>Net change in fund balances</i>	-	-	24,188	24,188
<i>Fund balances - beginning</i>	-	-	525,615	525,615
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 549,803</u>	<u>\$ 549,803</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 24,188
Adjustments to revenues for federal direct grants				1,068
Adjustments to expenditures for other services				614
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 25,870</u>

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

STATE OF NEW MEXICO
 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, 2016

Statement B-17

	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	5,770	8,415	7,970	445
Support services	17,729	19,875	15,580	4,295
Central services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>23,499</u>	<u>28,290</u>	<u>23,550</u>	<u>4,740</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(23,499)</u>	<u>(28,290)</u>	<u>(23,550)</u>	<u>4,740</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	23,499	28,290	-	(28,290)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>23,499</u>	<u>28,290</u>	<u>-</u>	<u>(28,290)</u>
<i>Net change in fund balances</i>	-	-	(23,550)	(23,550)
<i>Fund balances - beginning</i>	-	-	25,158	25,158
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,608</u>	<u>\$ 1,608</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (23,550)
No adjustments to revenues				-
Adjustments to expenditures for professional development and general supplies and materials				48
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (23,502)</u>

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

STATE OF NEW MEXICO
 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, 2016

Statement B-18

	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	-	30,813	29,154	(1,659)
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>30,813</u>	<u>29,154</u>	<u>(1,659)</u>
<i>Expenditures</i>				
Current				
Instruction	-	30,813	30,813	-
Support services	-	-	-	-
Central services	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>30,813</u>	<u>30,813</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,659)</u>	<u>(1,659)</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>	-	-	(1,659)	(1,659)
<i>Fund balances - beginning</i>	<u>-</u>	<u>-</u>	<u>(6,518)</u>	<u>(6,518)</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,177)</u>	<u>\$ (8,177)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (1,659)
Adjustments to revenues for state flowthrough grants				1,659
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
 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, 2016

Statement B-19

	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	59,128	59,128	1,455	(57,673)
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>59,128</u>	<u>59,128</u>	<u>1,455</u>	<u>(57,673)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	59,128	59,128	-	59,128
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>59,128</u>	<u>59,128</u>	<u>-</u>	<u>59,128</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>1,455</u>	<u>1,455</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>	-	-	1,455	1,455
<i>Fund balances - beginning</i>	<u>-</u>	<u>-</u>	<u>(1,455)</u>	<u>(1,455)</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 1,455
Adjustments to revenues for state flowthrough grants				(1,455)
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
 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, 2016

Statement B-20

	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	128,158	(34,342)
Combined state/local	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>162,500</u>	<u>162,500</u>	<u>128,158</u>	<u>(34,342)</u>
<i>Expenditures</i>				
Current				
Instruction	159,875	160,875	157,671	3,204
Support services	2,625	1,625	1,625	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>162,500</u>	<u>162,500</u>	<u>159,296</u>	<u>3,204</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(31,138)</u>	<u>(31,138)</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>	-	-	(31,138)	(31,138)
<i>Fund balances - beginning</i>	-	-	(28,837)	(28,837)
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (59,975)</u>	<u>\$ (59,975)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (31,138)
Adjustments to revenues for state direct grants				31,138
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
 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, 2016

Statement B-21

	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	-	113,123	12,866	(100,257)
State direct	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>113,123</u>	<u>12,866</u>	<u>(100,257)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	113,123	99,472	13,651
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>113,123</u>	<u>99,472</u>	<u>13,651</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(86,606)</u>	<u>(86,606)</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>	-	-	(86,606)	(86,606)
<i>Fund balances - beginning</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (86,606)</u>	<u>\$ (86,606)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (86,606)
Adjustments to revenues for state flowthrough grants				86,606
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
 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, 2016

Statement B-22

	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	314,804	356,078	237,449	(118,629)
Combined state/local	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>314,804</u>	<u>356,078</u>	<u>237,449</u>	<u>(118,629)</u>
<i>Expenditures</i>				
Current				
Instruction	249,228	272,173	259,555	12,618
Support services	27,241	24,761	24,334	427
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	38,335	59,144	53,823	5,321
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>314,804</u>	<u>356,078</u>	<u>337,712</u>	<u>18,366</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(100,263)</u>	<u>(100,263)</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>	-	-	(100,263)	(100,263)
<i>Fund balances - beginning</i>	-	-	4	4
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (100,259)</u>	<u>\$ (100,259)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (100,263)
Adjustments to revenues for state flowthrough grants				94,676
Adjustments to expenditures for professional development				5,587
<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
 Carlsbad Municipal School District No. 20
 Workforce Readiness 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, 2016

Statement B-23

	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	-	105,998	12,904	(93,094)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>105,998</u>	<u>12,904</u>	<u>(93,094)</u>
<i>Expenditures</i>				
Current				
Instruction	-	93,810	93,824	(14)
Support services	-	12,188	11,439	749
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>105,998</u>	<u>105,263</u>	<u>735</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(92,359)</u>	<u>(92,359)</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>	-	-	(92,359)	(92,359)
<i>Fund balances - beginning</i>	-	-	-	-
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (92,359)</u>	<u>\$ (92,359)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (92,359)
Adjustments to revenues for state flowthrough grants				92,359
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-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, 2016

	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	-	6,924	6,518	(406)
State direct	-	-	-	-
Combined state/local	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>6,924</u>	<u>6,518</u>	<u>(406)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>6,924</u>	<u>6,919</u>	<u>5</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(401)</u>	<u>(401)</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>	-	-	(401)	(401)
<i>Fund balances - beginning</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (401)</u>	<u>\$ (401)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (401)
Adjustments to revenues for state flowthrough grants				401
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
 Carlsbad Municipal School District No. 20
 College Counselor Initiative 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, 2016

Statement B-25

	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	-	65,000	39,649	(25,351)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>65,000</u>	<u>39,649</u>	<u>(25,351)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	65,000	64,999	1
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>65,000</u>	<u>64,999</u>	<u>1</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(25,350)</u>	<u>(25,350)</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>	-	-	(25,350)	(25,350)
<i>Fund balances - beginning</i>	-	-	-	-
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (25,350)</u>	<u>\$ (25,350)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (25,350)
Adjustments to revenues for state flowthrough grants				25,350
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
 Carlsbad Municipal School District No. 20
 NM Highway Dept (Road) 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, 2016

Statement B-26

	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	-	52,500	52,500	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>52,500</u>	<u>52,500</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	52,500	52,500	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>52,500</u>	<u>52,500</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>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ -
Adjustments to revenues for state direct grants				37,458
Adjustments to expenditures for land improvements				<u>(37,458)</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
 Carlsbad Municipal School District No. 20
 Private Direct Grants 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, 2016

Statement B-27

	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	-	25,000	25,000	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	25,000	-	25,000
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>25,000</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>	-	-	25,000	25,000
<i>Fund balances - beginning</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,000</u>	<u>\$ 25,000</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 25,000
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 25,000</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
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, 2016

	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	-	34,824	469,161	434,337
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>34,824</u>	<u>469,161</u>	<u>434,337</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	59,639	144,463	85,700	58,763
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	131,172	216,172	180,464	35,708
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>190,811</u>	<u>360,635</u>	<u>266,164</u>	<u>94,471</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(190,811)</u>	<u>(325,811)</u>	<u>202,997</u>	<u>528,808</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	190,811	325,811	-	(325,811)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>190,811</u>	<u>325,811</u>	<u>-</u>	<u>(325,811)</u>
<i>Net change in fund balances</i>	-	-	202,997	202,997
<i>Fund balances - beginning</i>	-	-	(397,636)	(397,636)
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (194,639)</u>	<u>\$ (194,639)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 202,997
Adjustments to revenues for special capital outlay				(334,160)
Adjustments to expenditures for construction services				131,163
<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
 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, 2016

Statement B-29

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ 5,121,808	\$ 5,121,808	\$ 4,311,737	\$ (810,071)
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	166,890	311,228	144,338
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	5,496	5,496
<i>Total revenues</i>	<u>5,121,808</u>	<u>5,288,698</u>	<u>4,628,461</u>	<u>(660,237)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	800,000	802,148	454,629	347,519
Central services	-	-	-	-
Operation and maintenance of plant	2,371,832	3,271,832	2,334,170	937,662
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	3,433,490	5,602,303	389,409	5,212,894
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>6,605,322</u>	<u>9,676,283</u>	<u>3,178,208</u>	<u>6,498,075</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,483,514)</u>	<u>(4,387,585)</u>	<u>1,450,253</u>	<u>5,837,838</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	1,483,514	4,387,585	-	(4,387,585)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,483,514</u>	<u>4,387,585</u>	<u>-</u>	<u>(4,387,585)</u>
<i>Net change in fund balances</i>	-	-	1,450,253	1,450,253
<i>Fund balances - beginning</i>	-	-	4,387,585	4,387,585
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,837,838</u>	<u>\$ 5,837,838</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 1,450,253
Adjustments to revenues for taxes and refund of prior year's expenditures				(351,451)
Adjustments to expenditures for capital outlay				(286,742)
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 812,060</u>

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

STATE OF NEW MEXICO
 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, 2016

Statement B-30

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variances</u>
	<u>Original</u>	<u>Final</u>		<u>(Unfavorable)</u>
				<u>Final to Actual</u>
<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	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	601,358	3,033,658	1,608,873	1,424,785
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	847,013	600,436	246,577
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>601,358</u>	<u>3,880,671</u>	<u>2,209,309</u>	<u>1,671,362</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(601,358)</u>	<u>(3,880,671)</u>	<u>(2,209,309)</u>	<u>1,671,362</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	601,358	1,080,671	-	(1,080,671)
Bond proceeds	-	2,800,000	2,800,000	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>601,358</u>	<u>3,880,671</u>	<u>2,800,000</u>	<u>(1,080,671)</u>
<i>Net change in fund balances</i>	-	-	590,691	590,691
<i>Fund balances - beginning</i>	<u>-</u>	<u>-</u>	<u>1,080,671</u>	<u>1,080,671</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,671,362</u>	<u>\$ 1,671,362</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 590,691
No adjustments to revenues				-
Adjustments to expenditures for fixed assets, supply assets, and theft sensitive assets				<u>18,506</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 609,197</u>

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

STATE OF NEW MEXICO
 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, 2016

Statement B-31

	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	1,000	1,000	47,257	46,257
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,000</u>	<u>1,000</u>	<u>47,257</u>	<u>46,257</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	100,388	213,088	116,489	96,599
Central services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	26,912,227	57,423,332	33,248,253	24,175,079
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>27,012,615</u>	<u>57,636,420</u>	<u>33,364,742</u>	<u>24,271,678</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(27,011,615)</u>	<u>(57,635,420)</u>	<u>(33,317,485)</u>	<u>24,317,935</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	27,011,615	27,522,720	-	(27,522,720)
Bond proceeds	-	30,112,700	30,115,329	2,629
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>27,011,615</u>	<u>57,635,420</u>	<u>30,115,329</u>	<u>(27,520,091)</u>
<i>Net change in fund balances</i>	-	-	(3,202,156)	(3,202,156)
<i>Fund balances - beginning</i>	-	-	27,538,570	27,538,570
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,336,414</u>	<u>\$ 24,336,414</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (3,202,156)
No adjustments to revenues				-
Adjustments to expenditures for other services				<u>(4,107,827)</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (7,309,983)</u>

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

STATE OF NEW MEXICO
 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, 2016

Statement B-32

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ 5,095,100	\$ 5,095,100	\$ 4,305,915	\$ (789,185)
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
Charges for services	-	-	-	-
Investment income	15,000	15,000	22,799	7,799
Miscellaneous	-	-	1,141	1,141
<i>Total revenues</i>	<u>5,110,100</u>	<u>5,110,100</u>	<u>4,329,855</u>	<u>(780,245)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services	2,145,654	2,145,654	95,533	2,050,121
Central services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	8,916,203	12,330,092	1,191,361	11,138,731
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>11,061,857</u>	<u>14,475,746</u>	<u>1,286,894</u>	<u>13,188,852</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(5,951,757)</u>	<u>(9,365,646)</u>	<u>3,042,961</u>	<u>12,408,607</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	5,951,757	9,365,646	-	(9,365,646)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>5,951,757</u>	<u>9,365,646</u>	<u>-</u>	<u>(9,365,646)</u>
<i>Net change in fund balances</i>	-	-	3,042,961	3,042,961
<i>Fund balances - beginning</i>	-	-	9,365,646	9,365,646
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,408,607</u>	<u>\$ 12,408,607</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 3,042,961
Adjustments to revenues for property and oil and gas taxes				(43,895)
Adjustments to expenditures for construction services				<u>73,956</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 3,073,022</u>

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

STATE OF NEW MEXICO

Statement B-33

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, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ 7,258,910	\$ 7,258,910	\$ 12,824,409	\$ 5,565,499
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
Charges for services	-	-	-	-
Investment income	600	600	461	(139)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>7,259,510</u>	<u>7,259,510</u>	<u>12,824,870</u>	<u>5,565,360</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	3,318,252	1,161,512	68,112	1,093,400
Central services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	11,643,490	19,103,596	8,600,000	10,503,596
Interest	1,458,910	1,458,929	1,458,929	-
<i>Total expenditures</i>	<u>16,420,652</u>	<u>21,724,037</u>	<u>10,127,041</u>	<u>11,596,996</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(9,161,142)</u>	<u>(14,464,527)</u>	<u>2,697,829</u>	<u>17,162,356</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	9,161,142	10,534,516	-	(10,534,516)
Bond Premium	-	3,930,011	3,927,382	(2,629)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>9,161,142</u>	<u>14,464,527</u>	<u>3,927,382</u>	<u>(10,537,145)</u>
<i>Net change in fund balances</i>	-	-	6,625,211	6,625,211
<i>Fund balances - beginning</i>	-	-	10,534,516	10,534,516
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,159,727</u>	<u>\$ 17,159,727</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 6,625,211
Adjustments to revenues for property and oil and gas taxes				70,101
Adjustments to expenditures for county tax collection costs				(337)
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 6,694,975</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, 2016

Statement C-1

	<u>Operational Fund</u>	<u>Transportation Fund</u>	<u>Instructional Materials Fund</u>	<u>Total</u>
<i>Assets</i>				
Cash and cash equivalents	\$ 11,406,318	\$ -	\$ 252,633	\$ 11,658,951
Receivables:				
Taxes	105,383	-	-	105,383
Due from other governments	23,356	-	-	23,356
Inventory	242,384	-	-	242,384
Due from other funds	<u>2,177,204</u>	<u>-</u>	<u>-</u>	<u>2,177,204</u>
<i>Total assets</i>	<u>\$ 13,954,645</u>	<u>\$ -</u>	<u>\$ 252,633</u>	<u>\$ 14,207,278</u>
<i>Liabilities, deferred inflows and fund balances</i>				
<i>Liabilities</i>				
Accounts payable	\$ 117,772	\$ -	\$ -	\$ 117,772
Accrued payroll	<u>2,987,714</u>	<u>-</u>	<u>-</u>	<u>2,987,714</u>
<i>Total liabilities</i>	<u>3,105,486</u>	<u>-</u>	<u>-</u>	<u>3,105,486</u>
<i>Deferred inflows</i>				
Unavailable revenue	<u>73,359</u>	<u>-</u>	<u>-</u>	<u>73,359</u>
<i>Total deferred inflows</i>	<u>73,359</u>	<u>-</u>	<u>-</u>	<u>73,359</u>
<i>Fund balances</i>				
Nonspendable				
Inventory	242,384	-	-	242,384
Spendable:				
Committed for:				
Subsequent year's expenditures	<u>10,533,416</u>	<u>-</u>	<u>252,633</u>	<u>10,786,049</u>
<i>Total fund balances</i>	<u>10,775,800</u>	<u>-</u>	<u>252,633</u>	<u>11,028,433</u>
<i>Total liabilities and fund balances</i>	<u>\$ 13,954,645</u>	<u>\$ -</u>	<u>\$ 252,633</u>	<u>\$ 14,207,278</u>

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, 2016

	Operational Fund	Transporation Fund	Instructional Materials Fund	Total
<i>Revenues</i>				
Taxes	\$ 1,040,508	\$ -	\$ -	\$ 1,040,508
Intergovernmental revenues				
Federal flowthrough	97,129	-	-	97,129
Federal direct	17,064	-	-	17,064
State flowthrough	51,135,839	-	456,343	51,592,182
State direct	227,304	-	-	227,304
Transportation distribution	-	1,736,025	-	1,736,025
Charges for services	748,152	-	-	748,152
Investment income	17,586	-	-	17,586
Miscellaneous	6,205	-	-	6,205
<i>Total revenues</i>	<u>53,289,787</u>	<u>1,736,025</u>	<u>456,343</u>	<u>55,482,155</u>
<i>Expenditures</i>				
Current				
Instruction	33,059,917	-	540,570	33,600,487
Support services	12,276,838	-	-	12,276,838
Central services	2,090,839	-	-	2,090,839
Operation and maintenance of plant	6,375,401	-	-	6,375,401
Student transportation	2,582	1,736,026	-	1,738,608
Food services operations	147	-	-	147
Community services operations	135,525	-	-	135,525
Capital outlay	92,767	-	-	92,767
<i>Total expenditures</i>	<u>54,034,016</u>	<u>1,736,026</u>	<u>540,570</u>	<u>56,310,612</u>
<i>Net change in fund balances</i>	(744,229)	(1)	(84,227)	(828,457)
<i>Fund balances - beginning</i>	<u>11,520,029</u>	<u>1</u>	<u>336,860</u>	<u>11,856,890</u>
<i>Fund balances - ending</i>	<u>\$ 10,775,800</u>	<u>\$ -</u>	<u>\$ 252,633</u>	<u>\$ 11,028,433</u>

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

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

Statement C-3

Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes	\$ 1,249,170	\$ 1,249,170	\$ 1,051,382	\$ (197,788)
Intergovernmental revenue				
Federal flowthrough	60,000	60,000	97,129	37,129
Federal direct	-	17,064	17,064	-
State flowthrough	50,474,810	50,965,814	51,135,718	169,904
State direct	100,087	145,983	207,889	61,906
Charges for services	407,750	681,540	741,349	59,809
Investment income	20,000	20,000	17,586	(2,414)
Miscellaneous	7,500	13,608	11,539	(2,069)
<i>Total revenues</i>	<u>52,319,317</u>	<u>53,153,179</u>	<u>53,279,656</u>	<u>126,477</u>
<i>Expenditures</i>				
Current				
Instruction	34,789,955	36,537,971	33,064,827	3,473,144
Support services	13,609,839	16,970,799	12,338,102	4,632,697
Central services	2,278,568	2,769,068	2,109,810	659,258
Operation and maintenance of plant	7,335,372	8,103,258	6,300,681	1,802,577
Student transportation	-	10,000	2,582	7,418
Food services operations	6,000	6,000	147	5,853
Community services operations	98,670	139,874	135,525	4,349
Capital outlay	275,000	275,000	92,767	182,233
<i>Total expenditures</i>	<u>58,393,404</u>	<u>64,811,970</u>	<u>54,044,441</u>	<u>10,767,529</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(6,074,087)</u>	<u>(11,658,791)</u>	<u>(764,785)</u>	<u>10,894,006</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	6,074,087	11,658,791	-	(11,658,791)
Transfers in (out)	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>6,074,087</u>	<u>11,658,791</u>	<u>-</u>	<u>(11,658,791)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(764,785)</u>	<u>(764,785)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>11,360,593</u>	<u>11,360,593</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,595,808</u>	<u>\$ 10,595,808</u>
<i>Net change in fund balance (Budget Basis)</i>				\$ (764,785)
Adjustments to revenues for intergovernmental revenues and tax revenues				10,131
Adjustments to expenditures for salaries, supplies and professional services expenditures				<u>10,425</u>
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ (744,229)</u>

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

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

Statement C-4

Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2016

	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	1,517,079	1,736,027	1,736,025	(2)
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,517,079</u>	<u>1,736,027</u>	<u>1,736,025</u>	<u>(2)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	1,517,079	1,736,027	1,736,026	1
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>1,517,079</u>	<u>1,736,027</u>	<u>1,736,026</u>	<u>1</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(1)	(1)
<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>	-	-	(1)	(1)
<i>Fund balances - beginning of year</i>	-	-	1	1
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balance (Budget Basis)</i>				\$ (1)
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ (1)</u>

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

STATE OF NEW MEXICO
 Carlsbad Municipal School District No. 20
 Instructional Materials Fund

Statement C-5

Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2016

	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	348,807	455,435	456,343	908
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>348,807</u>	<u>455,435</u>	<u>456,343</u>	<u>908</u>
<i>Expenditures</i>				
Current				
Instruction	679,380	792,295	540,570	251,725
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>679,380</u>	<u>792,295</u>	<u>540,570</u>	<u>251,725</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(330,573)</u>	<u>(336,860)</u>	<u>(84,227)</u>	<u>252,633</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	330,573	336,860	-	(336,860)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>330,573</u>	<u>336,860</u>	<u>-</u>	<u>(336,860)</u>
<i>Net change in fund balances</i>	-	-	(84,227)	(84,227)
<i>Fund balances - beginning of year</i>	-	-	336,860	336,860
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 252,633</u>	<u>\$ 252,633</u>
<i>Net change in fund balance (Budget Basis)</i>				\$ (84,227)
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ (84,227)</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, 2016

	<u>General</u>		<u>Special Revenue</u>	
	<u>Operational</u>	<u>Instructional Materials</u>	<u>Food Services</u>	<u>Non- Instructional Support</u>
ASSETS				
<i>Current assets</i>				
Cash and cash equivalents	\$ 190,590	\$ 8,634	\$ 13,979	\$ 2,215
Receivables:				
Due from other governments	3,591	-	3,969	-
Due from other funds	85,036	-	-	-
<i>Total assets</i>	<u>\$ 279,217</u>	<u>\$ 8,634</u>	<u>\$ 17,948</u>	<u>\$ 2,215</u>
LIABILITIES AND FUND BALANCES				
<i>Current liabilities</i>				
Accounts payable	\$ 2,849	\$ -	\$ -	\$ -
Accrued payroll	147,101	-	-	-
Due to other funds	-	-	-	-
<i>Total liabilities</i>	<u>149,950</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Nonspendable				
Spendable:				
Restricted for:				
Educational purposes	-	8,634	-	2,215
Food service	-	-	17,948	-
Capital acquisitions and improvements	-	-	-	-
Committed for:				
Subsequent years' expenditures	129,267	-	-	-
<i>Total fund balances</i>	<u>129,267</u>	<u>8,634</u>	<u>17,948</u>	<u>2,215</u>
<i>Total liabilities and fund balances</i>	<u>\$ 279,217</u>	<u>\$ 8,634</u>	<u>\$ 17,948</u>	<u>\$ 2,215</u>

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

Special Revenue

Entitlement IDEA-B	IDEA-B Risk Pool	United Way	2012 GO Bond Student Library Fund	New Mexico Reads to Lead
\$ -	\$ -	\$ -	\$ -	\$ -
54,141	45	-	-	33,533
-	-	-	-	-
<u>\$ 54,141</u>	<u>\$ 45</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,533</u>
\$ -	\$ -	\$ -	\$ -	\$ -
2	-	-	-	8,161
54,139	45	-	-	25,372
<u>54,141</u>	<u>45</u>	<u>-</u>	<u>-</u>	<u>33,533</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 54,141</u>	<u>\$ 45</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,533</u>

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

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STATE OF NEW MEXICO
 Jefferson Montessori Academy Charter School
 Combining Balance Sheet
 Governmental Funds
 June 30, 2016

	Capital Projects		Total
	Public School Capital Outlay	Capital Improvements SB-9	
ASSETS			
<i>Current assets</i>			
Cash and cash equivalents	\$ -	\$ 17,673	\$ 233,091
Receivables:			
Due from other governments	33,549	397	129,225
Due from other funds	-	-	85,036
<i>Total assets</i>	\$ 33,549	\$ 18,070	\$ 447,352
LIABILITIES AND FUND BALANCES			
<i>Current liabilities</i>			
Accounts payable	\$ -	\$ -	\$ 2,849
Accrued payroll	-	-	155,264
Due to other funds	5,480	-	85,036
<i>Total liabilities</i>	5,480	-	243,149
<i>Fund balances</i>			
Nonspendable			
Spendable:			
Restricted for:			
Educational purposes	-	-	10,849
Food service	-	-	17,948
Capital acquisitions and improvements	28,069	18,070	46,139
Committed for:			
Subsequent years' expenditures	-	-	129,267
<i>Total fund balances</i>	28,069	18,070	204,203
<i>Total liabilities and fund balances</i>	\$ 33,549	\$ 18,070	\$ 447,352

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

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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, 2016

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	\$ 204,203
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds	5,595
Deferred outflows of resources related to employer contributions subsequent to the measurement date	151,242
Deferred outflows of resources related to net difference between projected and actual investments earnings on pension plan investments	52,014
Deferred outflows of resources related to changes in proportion	26,503
Deferred outflows of resources related to changes of assumptions	92,769
Deferred inflows of resources related to expected and actuarial experience	(39,489)
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>(2,697,134)</u>
<i>Total net position - governmental activities</i>	<u><u>\$ (2,204,297)</u></u>

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

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, 2016

	General		Special Revenue	
	Operational	Instructional Materials	Food Services	Non- Instructional Support
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flow through	-	-	43,725	-
State direct	3,589	-	-	-
State flow through	1,846,322	12,653	-	-
Charges for services	110	-	27,702	2,617
Miscellaneous revenues	826	-	-	-
<i>Total revenues</i>	1,850,847	12,653	71,427	2,617
<i>Expenditures:</i>				
Current:				
Instruction	1,062,651	22,850	-	2,331
Support services	355,893	-	-	-
Central services	153,134	-	-	-
Operation and maintenance of plant	130,956	-	-	-
Food services operations	28,162	-	61,212	-
<i>Total expenditures</i>	1,730,796	22,850	61,212	2,331
<i>Net change in fund balances</i>	120,051	(10,197)	10,215	286
<i>Fund balances - beginning of year</i>	9,216	18,831	7,733	1,929
<i>Fund balances - ending of year</i>	\$ 129,267	\$ 8,634	\$ 17,948	\$ 2,215

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

Special Revenue					Capital Projects
Entitlement IDEA-B	IDEA-B Risk Pool	United Way	2012 GO Bond Student Library Fund	New Mexico Reads to Lead	Public School Capital Outlay
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
54,119	45	5,000	-	-	-
-	-	-	-	-	-
-	-	-	-	49,999	134,196
-	-	-	-	-	-
-	-	-	-	-	-
<u>54,119</u>	<u>45</u>	<u>5,000</u>	<u>-</u>	<u>49,999</u>	<u>134,196</u>
54,119	45	5,000	-	-	-
-	-	-	-	49,999	-
-	-	-	-	-	-
-	-	-	-	-	134,196
-	-	-	-	-	-
<u>54,119</u>	<u>45</u>	<u>5,000</u>	<u>-</u>	<u>49,999</u>	<u>134,196</u>
-	-	-	-	-	-
-	-	-	-	-	28,069
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,069</u>

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

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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, 2016

	Capital Projects	
	Capital	
	Improvements	
	SB-9	Total
<i>Revenues:</i>		
Property taxes	\$ 18,070	\$ 18,070
Intergovernmental revenue		
Federal flow through	-	102,889
Local grants	-	3,589
State flow through	-	2,043,170
Charges for services	-	30,429
Miscellaneous revenues	-	826
	<u>18,070</u>	<u>2,198,973</u>
<i>Total revenues</i>		
<i>Expenditures:</i>		
<i>Current:</i>		
Instruction	-	1,146,996
Support services	-	405,892
Central services	-	153,134
Operation and maintenance of plant	-	265,152
Food services operations	-	89,374
	<u>-</u>	<u>2,060,548</u>
<i>Total expenditures</i>		
<i>Net change in fund balances</i>	18,070	138,425
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>65,778</u>
<i>Fund balances - ending of year</i>	<u>\$ 18,070</u>	<u>\$ 204,203</u>

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

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STATE OF NEW MEXICO

Jefferson Montessori Academy Charter School

Governmental Funds

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, 2016

Statement D-2

Page 3 of 3

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

Net change in fund balances - total governmental funds	\$	138,425
--	----	---------

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:

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	151,242
Pension expense	<u>(144,264)</u>

<i>Change in net position of governmental activities</i>	\$	<u><u>144,703</u></u>
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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, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flow through	-	-	-	-
Federal direct	-	-	-	-
Miscellaneous revenues	-	-	825	825
Local grants	-	-	-	-
State flow through	1,841,754	1,841,754	1,846,322	4,568
Charges for services	-	-	110	110
<i>Total revenues</i>	<u>1,841,754</u>	<u>1,841,754</u>	<u>1,847,257</u>	<u>5,503</u>
<i>Expenditures:</i>				
Current:				
Instruction	1,107,839	1,107,839	1,079,952	27,887
Support services	417,770	417,770	355,893	61,877
Central services	162,401	162,401	153,134	9,267
Operation and maintenance of plant	139,371	139,371	130,106	9,265
Food services operations	28,297	28,297	28,162	135
<i>Total expenditures</i>	<u>1,855,678</u>	<u>1,855,678</u>	<u>1,747,247</u>	<u>108,431</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(13,924)</u>	<u>(13,924)</u>	<u>100,010</u>	<u>113,934</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	13,924	13,924	-	(13,924)
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>13,924</u>	<u>13,924</u>	<u>-</u>	<u>(13,924)</u>
<i>Net change in fund balances</i>	-	-	100,010	100,010
<i>Fund balance - beginning of year</i>	-	-	175,616	175,616
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 275,626</u>	<u>\$ 275,626</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 100,010
Adjustments to revenues for state flow through grants				3,590
Adjustments to expenditures for salaries and supplies				<u>16,451</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 120,051</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, 2016

	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	10,362	10,362	12,653	2,291
Charges for services	-	-	-	-
<i>Total revenues</i>	<u>10,362</u>	<u>10,362</u>	<u>12,653</u>	<u>2,291</u>
<i>Expenditures:</i>				
Current:				
Instruction	18,177	31,484	22,850	8,634
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>18,177</u>	<u>31,484</u>	<u>22,850</u>	<u>8,634</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(7,815)</u>	<u>(21,122)</u>	<u>(10,197)</u>	<u>10,925</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	7,815	21,122	-	(21,122)
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>7,815</u>	<u>21,122</u>	<u>-</u>	<u>(21,122)</u>
<i>Net change in fund balances</i>	-	-	(10,197)	(10,197)
<i>Fund balance - beginning of year</i>	-	-	18,831	18,831
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,634</u>	<u>\$ 8,634</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (10,197)
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (10,197)</u>

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

STATE OF NEW MEXICO

Statement D-5

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, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flow through	-	35,000	40,288	5,288
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flow through	-	-	-	-
Charges for services	-	22,000	27,702	5,702
<i>Total revenues</i>	<u>-</u>	<u>57,000</u>	<u>67,990</u>	<u>10,990</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	57,000	61,212	(4,212)
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>57,000</u>	<u>61,212</u>	<u>(4,212)</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>6,778</u>	<u>6,778</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>	-	-	6,778	6,778
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>7,201</u>	<u>7,201</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,979</u>	<u>\$ 13,979</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 6,778
Adjustments to revenues for state flow through grants				3,437
No adjustments to expenditures				<u>-</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 10,215</u>

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, 2016

	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	-	-	2,617	2,617
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>2,617</u>	<u>2,617</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	2,331	(2,331)
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>2,331</u>	<u>(2,331)</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>286</u>	<u>286</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>	-	-	286	286
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,929</u>	<u>1,929</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,215</u>	<u>\$ 2,215</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 286
No adjustments to revenues				-
No adjustments to expenditures				<u>-</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 286</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, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flow through	-	68,171	8,580	(59,591)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flow through	-	-	-	-
Charges for services	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>68,171</u>	<u>8,580</u>	<u>(59,591)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	68,171	54,117	14,054
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>68,171</u>	<u>54,117</u>	<u>14,054</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(45,537)</u>	<u>(45,537)</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>	-	-	(45,537)	(45,537)
<i>Fund balance - beginning of year</i>	-	-	(8,602)	(8,602)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (54,139)</u>	<u>\$ (54,139)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (45,537)
Adjustments to revenues for federal flow through grants				45,539
Adjustments to expenditures for instructional materials				<u>(2)</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 D-8

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, 2016

	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>	<u>-</u>	<u>-</u>	<u>45</u>	<u>45</u>
<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>	<u>-</u>	<u>-</u>	<u>45</u>	<u>(45)</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>45</u>	<u>45</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45</u>	<u>\$ 45</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues				-
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

Statement D-9

Jefferson Montessori Academy Charter School
 United Way 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, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flow through	-	5,000	5,000	-
State direct	-	-	-	-
State flow through	-	-	-	-
Charges for services	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	5,000	5,000	-
Support services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>5,000</u>	<u>5,000</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				<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

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variances</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable</u> <u>(Unfavorable)</u> <u>Final to Actual</u>
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flow through	-	-	-	-
Local grants	-	-	-	-
State flow through	-	4,432	-	(4,432)
Charges for services	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>4,432</u>	<u>-</u>	<u>(4,432)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services	-	4,432	-	4,432
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>4,432</u>	<u>-</u>	<u>4,432</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				<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

Statement D-11

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, 2016

	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	27,911	(22,089)
Charges for services	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>50,000</u>	<u>27,911</u>	<u>(22,089)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services	-	50,000	49,999	1
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>50,000</u>	<u>49,999</u>	<u>1</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(22,088)</u>	<u>(22,088)</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>	-	-	(22,088)	(22,088)
<i>Fund balance - beginning of year</i>	-	-	(11,445)	(11,445)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (33,533)</u>	<u>\$ (33,533)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (22,088)
Adjustments to revenues for state flow through grants				22,088
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

Statement D-12

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, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flow through	-	134,196	100,647	(33,549)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flow through	-	-	-	-
Charges for services	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>134,196</u>	<u>100,647</u>	<u>(33,549)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	134,196	134,196	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>134,196</u>	<u>134,196</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(33,549)</u>	<u>(33,549)</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>	-	-	(33,549)	(33,549)
<i>Fund balance - beginning of year</i>	-	-	28,069	28,069
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,480)</u>	<u>\$ (5,480)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (33,549)
No adjustments to revenues				33,549
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

Statement D-13

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, 2016

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues:</i>				
Property taxes	\$ 146,996	\$ 151,581	\$ 17,673	\$ (133,908)
Intergovernmental revenue				
Federal flow through	-	-	-	-
Federal direct	-	-	-	-
Local grants	154,950	-	-	-
State flow through	9,873	164,823	-	(164,823)
Charges for services	-	-	-	-
<i>Total revenues</i>	<u>311,819</u>	<u>316,404</u>	<u>17,673</u>	<u>(298,731)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	311,819	316,404	-	316,404
<i>Total expenditures</i>	<u>311,819</u>	<u>316,404</u>	<u>-</u>	<u>316,404</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>17,673</u>	<u>17,673</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>	-	-	17,673	17,673
<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>\$ 17,673</u>	<u>\$ 17,673</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 17,673
Adjustments to revenues for taxes				397
No adjustments to expenditures				<u>-</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 18,070</u>

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

SUPPORTING SCHEDULES

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STATE OF NEW MEXICO
 Carlsbad Municipal School District No. 20
 Schedule of Deposits
 June 30, 2016

Schedule III

<u>Deposit Account Type</u>	<u>Western Commerce Bank</u>	<u>Wells Fargo Bank</u>	<u>Carlsbad National Bank</u>	<u>Totals</u>
Primary Government				
Operational - checking	\$ 9,509,028	\$ -	\$ -	\$ 9,509,028
Operational - sweep	-	874,336	-	874,336
Capital improvements - checking	20,385,226	-	-	20,385,226
Activity fund - checking	575,924	-	-	575,924
Debt service - checking	-	4,000,000	-	4,000,000
Debt service - sweep	-	13,404,657	-	13,404,657
Accounts payable clearing - checking	-	3,356,090	-	3,356,090
Payroll clearing - checking	-	804,881	-	804,881
Cafeteria - checking	-	-	1,770,643	1,770,643
Bond building - checking	-	-	4,592,503	4,592,503
Certificates of deposit	-	-	10,094,886	10,094,886
Certificates of deposit	9,994,513	-	-	9,994,513
Total on deposit	<u>40,464,691</u>	<u>22,439,964</u>	<u>16,458,032</u>	<u>79,362,687</u>
Reconciling items:				
Add deposits in transit	458,459	-	5,364	463,823
Add petty cash	1,000	-	-	1,000
Less outstanding checks	<u>(1,514,436)</u>	<u>(1,945,138)</u>	<u>(499,252)</u>	<u>(3,958,826)</u>
<i>Reconciled balance at June 30, 2016</i>	<u><u>\$ 39,409,714</u></u>	<u><u>\$ 20,494,826</u></u>	<u><u>\$ 15,964,144</u></u>	<u><u>\$ 75,868,684</u></u>

Reconciliation to financial statements:

Cash and cash equivalents:

Government-wide statement of net position - Exhibit A-1	\$ 47,700,455
Unspent bond proceeds-Exhibit A-1	24,336,414
Restricted cash and cash equivalents Exhibit A-1	3,755,070
Statement of fiduciary assets and liabilities - Exhibit D-1	76,745
	<u><u>\$ 75,868,684</u></u>

Component Unit

<u>Deposit Account Type</u>	<u>Wells Fargo Bank</u>
Operational - interest bearing checking	\$ 229,653
Federal account - checking	<u>20,887</u>
Total on deposit	250,540
Less outstanding checks	<u>(17,649)</u>
Reconciled balance at June 30, 2016	232,891
Plus petty cash	<u>200</u>
<i>Component Unit cash and cash equivalents - Exhibit A-1</i>	<u><u>\$ 233,091</u></u>

See Independent Auditors' Report.

STATE OF NEW MEXICO
 Carlsbad Municipal School District No. 20
 Cash Reconciliation
 For the Year Ended June 30, 2016

Primary Government

	<u>Operational</u>	<u>Transportation</u>	<u>Instructional Materials</u>	<u>Food Services</u>
Beginning cash balance June 30, 2015	\$ 12,779,670	\$ 1	\$ 336,860	\$ 1,440,496
Add:				
Current year receipts	54,754,896	1,736,025	456,343	4,121,022
Total cash available	67,534,566	1,736,026	793,203	5,561,518
Less:				
Current year expenditures	53,951,043	1,736,026	540,570	3,966,041
Loans from (to) other funds	<u>(2,177,205)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending cash balance June 30, 2016	<u>11,406,318</u>	<u>-</u>	<u>252,633</u>	<u>1,595,477</u>
<i>Audited cash June 30, 2016</i>	<u><u>\$ 11,406,318</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 252,633</u></u>	<u><u>\$ 1,595,477</u></u>

Component Unit

	<u>Operational</u>	<u>Transportation</u>	<u>Instructional Materials</u>	<u>Food Services</u>
Beginning cash balance June 30, 2015	\$ 13,675	\$ -	\$ 18,831	\$ 7,733
Add:				
Current year receipts	<u>1,847,258</u>	<u>-</u>	<u>12,653</u>	<u>67,990</u>
Total cash available	<u>1,860,933</u>	<u>-</u>	<u>31,484</u>	<u>75,723</u>
Less:				
Current year expenditures	1,585,308	-	22,850	61,744
Loans from (to) other funds	<u>(85,035)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Audited cash June 30, 2016</i>	<u><u>\$ 190,590</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 8,634</u></u>	<u><u>\$ 13,979</u></u>

See Independent Auditors' Report.

Athletics	Non-Instructional	Federal Flowthrough	Federal Direct	Local Grants
\$ 1,935	\$ 477,617	\$ -	\$ 538,392	\$ 28,290
164,624	562,137	1,592,759	411,572	25,000
166,559	1,039,754	1,592,759	949,964	53,290
151,780	526,039	3,228,671	381,503	26,682
	-	1,635,912	-	-
14,779	513,715	-	568,461	26,608
<u>\$ 14,779</u>	<u>\$ 513,715</u>	<u>\$ -</u>	<u>\$ 568,461</u>	<u>\$ 26,608</u>

Athletics	Non-Instructional	Federal Flowthrough	Federal Direct	Local Grants
\$ -	\$ 1,929	\$ (8,626)	\$ -	\$ -
-	2,617	8,625	-	-
-	4,546	(1)	-	-
-	2,331	54,182	-	-
-	-	54,183	-	-
<u>\$ -</u>	<u>\$ 2,215</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report.

STATE OF NEW MEXICO
 Carlsbad Municipal School District No. 20
 Cash Reconciliation
 For the Year Ended June 30, 2016

Primary Government

	<u>State Flowthrough</u>	<u>Bond Building</u>	<u>Public School Capital Outlay</u>	<u>Special Capital Outlay State</u>
Beginning cash balance June 30, 2015	\$ 4	\$ 27,538,570	\$ -	\$ -
Add:				
Current year receipts	431,344	30,137,696	-	71,525
Total cash available	431,348	57,676,266	-	71,525
Less:				
Current year expenditures	778,002	33,339,852	-	266,164
Loans from (to) other funds	346,654	-	-	194,639
Ending cash balance June 30, 2016	-	24,336,414	-	-
<i>Audited cash June 30, 2016</i>	<u>\$ -</u>	<u>\$ 24,336,414</u>	<u>\$ -</u>	<u>\$ -</u>

Component Unit

	<u>State Flowthrough</u>	<u>Bond Building</u>	<u>Public School Capital Outlay</u>	<u>Special Capital Outlay State</u>
Beginning cash balance June 30, 2015	\$ (11,444)	\$ -	\$ 28,069	\$ -
Add:				
Current year receipts	27,911	-	100,647	-
Total cash available	16,467	-	128,716	-
Less:				
Current year expenditures	41,839	-	134,196	-
Loans from (to) other funds	25,372	-	5,480	-
<i>Audited cash June 30, 2016</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report.

Capital Improvements HB 33	Capital Improvements SB9	Ed Tech Equip. Act	Debt Service	Total
\$ 9,365,646	\$ 4,387,585	\$ 1,080,671	\$ 10,534,516	\$ 68,510,253
4,329,855	4,628,459	2,800,000	16,752,252	122,975,509
13,695,501	9,016,044	3,880,671	27,286,768	191,485,762
1,286,894	3,178,206	2,209,309	10,127,041	115,693,823
-	-	-	-	-
12,408,607	5,837,838	1,671,362	17,159,727	75,791,939
<u>\$ 12,408,607</u>	<u>\$ 5,837,838</u>	<u>\$ 1,671,362</u>	<u>\$ 17,159,727</u>	<u>\$ 75,791,939</u>

Capital Improvements HB 33	Capital Improvements SB9	Ed Tech Equip. Act	Debt Service	Total
\$ -	\$ -	\$ -	\$ -	\$ 50,167
-	17,673	-	-	2,085,374
-	17,673	-	-	2,135,541
-	-	-	-	1,902,450
-	-	-	-	-
<u>\$ -</u>	<u>\$ 17,673</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 233,091</u>

See Independent Auditors' Report.

STATE OF NEW MEXICO
 Carlsbad Municipal School District No. 20
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Description of Pledged Collateral</u>	<u>Maturity</u>	<u>CUSIP Number</u>	<u>Fair Market Value June 30, 2016</u>	<u>Name and Location of Safekeeper</u>
Primary Government:					
Western Commerce Bank					
	FNMA # 254589	01/01/2023	31371KXS5	\$ 126,527	Federal Home Loan Bank, Irvine, TX
	FNMA # 254501	09/01/2022	31371KU25	37,929	Federal Home Loan Bank, Irvine, TX
	FNMA # 758904	12/01/2033	31403VDH9	80,827	Federal Home Loan Bank, Irvine, TX
	FNMA # 256714	04/01/2027	31371NDT9	116,560	Federal Home Loan Bank, Irvine, TX
	FNMA # 256852	08/01/2027	31371NH57	146,499	Federal Home Loan Bank, Irvine, TX
	FNMA # 826080	07/01/2035	31407BXH7	526,491	Federal Home Loan Bank, Irvine, TX
	FNMA # 745740	07/01/2036	31403DPZ6	301,315	Federal Home Loan Bank, Irvine, TX
	FNMA # 77656	04/01/2034	31404RW29	730,203	Federal Home Loan Bank, Irvine, TX
	FNMA # MA0121	07/01/2029	31417YD38	334,991	Federal Home Loan Bank, Irvine, TX
	GNMAII # 005265	12/20/2041	36202FZ66	1,196,268	Federal Home Loan Bank, Irvine, TX
	FNMA # AE0937	02/01/2041	31419BBF1	750,814	Federal Home Loan Bank, Irvine, TX
	GNMA # 005302	02/20/2042	36202F3K0	712,454	Federal Home Loan Bank, Irvine, TX
	FNMA # AJ7680	12/01/2041	3138E0RA9	1,005,137	Federal Home Loan Bank, Irvine, TX
	FNMA # AB2318	01/01/2041	31416XSG6	1,344,721	Federal Home Loan Bank, Irvine, TX
	FNMA # 255631	03/01/2035	31371L4Q9	279,662	Federal Home Loan Bank, Irvine, TX
	GNMA # MA1149	07/20/2043	36179NH27	1,384,567	Federal Home Loan Bank, Irvine, TX
	FHLMC # G14660	01/01/2028	3128MDMH3	731,437	Federal Home Loan Bank, Irvine, TX
	FHLMC # G08540	08/01/2043	3128MJS68	870,553	Federal Home Loan Bank, Irvine, TX
	FHLMC # G07601	07/01/2043	312M9X64	1,717,234	Federal Home Loan Bank, Irvine, TX
	FHLMC # G15143	01/01/2029	3128MD5C3	1,639,279	Federal Home Loan Bank, Irvine, TX
	FNMA # AL3784	07/01/2028	3138ELF24	933,606	Federal Home Loan Bank, Irvine, TX
	SBAP 2010/20B 1	02/01/2030	83162CTB9	1,180,343	Federal Home Loan Bank, Irvine, TX
	FNMA # AL3956	08/01/2028	3138ELME0	846,906	Federal Home Loan Bank, Irvine, TX
	SBAP 2015-20B	02/01/2030	83162CWV1	1,967,625	Federal Home Loan Bank, Irvine, TX
	Total Western Commerce Bank			<u>18,961,948</u>	
Wells Fargo Bank					
	FNMA FNMS 3.500% 04/01/2042		3138E9RE2	6,109,536	Bank of New York Mellon
	FNMA FNMS 3.00% 06/01/2042		3138LUSQ9	991,916	Bank of New York Mellon
	FHG-3 G08641 3.500% 5/1/2045		3128MJWB2	14,564,573	Bank of New York Mellon
	Total Wells Fargo Bank			<u>21,666,025</u>	

See Independent Auditors' Report.

<u>Name of Depository</u>	<u>Description of Pledged Collateral</u>	<u>Maturity</u>	<u>CUSIP Number</u>	<u>Fair Market Value June 30, 2016</u>	<u>Name and Location of Safekeeper</u>
Primary Government:					
Carlsbad National Bank					
	FNCT MA1290	12/01/2032		\$ 1,396,451	Federal Home Loan Bank, Irvine, TX
	FNCJ AJ77212 3.0	12/02/2026		732,769	Federal Home Loan Bank, Irvine, TX
	FHLB 1.625	12/09/2016		2,009,856	Federal Home Loan Bank, Irvine, TX
	FNMA POOL				
	#MA1543	12/01/2025		1,876,192	Federal Home Loan Bank, Irvine, TX
	FHCI G18450 3.0	08/01/2033		774,635	Federal Home Loan Bank, Irvine, TX
	FNMA POOL				
	#MA2198	03/01/2025		2,114,015	Federal Home Loan Bank, Irvine, TX
	FHLMC # C91404	10/01/2031		1,974,828	Federal Home Loan Bank, Irvine, TX
	FHLMC # C91649	04/01/2033		2,355,538	Federal Home Loan Bank, Irvine, TX
	FNMA # MA1424	10/01/2036		2,106,863	Federal Home Loan Bank, Irvine, TX
	FNMA # 995008	10/01/2036		1,943,448	Federal Home Loan Bank, Irvine, TX
	FNMA # AL5704	04/01/2044		1,820,706	Federal Home Loan Bank, Irvine, TX
	Total Carlsbad National Bank			<u>19,105,301</u>	
	<i>Total Primary Government Pledged Collateral</i>			<u><u>\$ 59,733,274</u></u>	

See Independent Auditors' Report.

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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, 2016

Schedule VI

Clubs	Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016
Art Club	\$ 370	\$ -	\$ -	\$ 370
Athletics/Activity	72	-	-	72
Baseball Booster Club	40	-	-	40
Biology Club	1,950	-	-	1,950
BPA Club	9,270	24,572	25,788	8,054
Central Office Employee Fund	1,600	-	-	1,600
Chemistry Club	3,996	-	-	3,996
CHS Spirit Committee	2,358	7,646	7,164	2,840
Computer Club	323	-	-	323
DECA Club	570	-	-	570
Educator Rising Club	-	2,594	2,410	184
Elementary PTA	3,404	-	-	3,404
FCCLA Club	2,385	7,319	6,925	2,779
Fellowship of High School Students	256	-	-	256
FFA Club	5,100	49,194	44,135	10,159
Football Booster Club	427	-	-	427
French Club	680	179	-	859
Golf Booster Club	194	-	-	194
Honor Society	2,501	1,819	876	3,444
HOSA Club	1,565	-	-	1,565
JAG-Phoenix (Wellman)	434	-	-	434
Key Club	3,976	6,040	4,167	5,849
Rodeo Booster Club	489	-	-	489
Softball Booster Club	140	-	-	140
Spanish Club	(39)	85	-	46
Spirit Team-Cheerleading Booster Club	3,589	9,993	3,188	10,394
Swimming Booster Club	-	150	-	150
Tennis Booster Club	164	-	-	164
Theatre Club	3,685	11,307	6,291	8,701
Track-Boys Booster Club	1,779	-	-	1,779
Track-Girls Booster Club	518	-	-	518
VICA Club	11,378	12,909	19,418	4,869
Wrestling Booster Club	126	-	-	126
<i>Total</i>	<u>\$ 63,300</u>	<u>\$ 133,807</u>	<u>\$ 120,362</u>	<u>\$ 76,745</u>

See Independent Auditors' Report.

STATE OF NEW MEXICO
 Carlsbad Municipal School District No. 20
 Schedule of Memorandums of Understanding
 For the Year Ended June 30, 2016

Participants	Responsible Party	Description
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

See Independent Auditors' Report.

<u>Term</u>	<u>Total Estimated Amount of Project</u>	<u>Portion Applicable to Agency</u>	<u>Amount Agency Contributed</u>	<u>Audit Responsibility</u>	<u>Reporting Responsibility</u>
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

See Independent Auditors' Report.

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, 2016

Prepared by: Carlsbad Municipal School District No. 20 Staff
 Title: Procurement Officer
 Date: July 10, 2016

RFB/ RFP #	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract	\$ Amount of Amended Contract
40314	NJPA	Yes	\$ 113,792.30	
CCN APSC-B0010974	APS	Yes	382,944	
100312-SEC	NJPA	Yes	254,139	
13-6308000-0107	GSA	Yes	26,072	
2006-2007-05	RFP	Yes	90,174	
15-006N-AB01-ALL	Cooperative Procurement	Yes	137,527	
2011-2012-01	RFP	Yes	1,202,953	
2012-2013-01	RFP	Yes	79,334	
2013-012 208-028TT	Cooperative Procurement	Yes	76,847	
2013-2014-02A	RFP	Yes	470,766	
2013-2014-02A	RFP	No	-	
2013-2014-02A	RFP	No	-	
2014-2015-01	RFP	Yes	-	
2014-2015-01	RFP	Yes	137,153	
2014-2015-01	RFP	Yes	24,291	
2014-2015-01	RFP	Yes	137,153	
2014-2015-01	RFP	Yes	-	
2014-2015-01	RFP	Yes	-	
2014-2015-02	RFQ/RFP	Yes	32,133,681	
2014-2015-02	RFQ/RFP	No	-	
2014-2015-02	RFQ/RFP	No	-	
2014-2015-02	RFQ/RFP	No	-	
2014-2015-02	RFQ/RFP	No	-	
2014-2015-03	RFP	Yes	117	
2014-2015-04	RFP	Yes	39,038	
2014-2015-04	RFP	Yes	90,154	
2014-2015-04	RFP	No	-	
2014-2015-05	RFP	Yes	49,421	
2014-2015-05	RFP	No	-	
2014-2015-05	RFP	No	-	
2014-2015-05	RFP	No	-	
2014-2015-08	RFP	Yes	83,582	
2014-2015-08	RFP	No	-	
2014-2015-08	RFP	No	-	
2014-2015-06	Bid	Yes	234,466	
2014-2015-06	Bid	Yes	71,268	
2014-2015-06	Bid	Yes	268,509	
2014-2015-06	Bid	Yes	-	
2014-2015-06	Bid	Yes	295,729	

See Independent Auditors' Report.

Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded	In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)	Was the vendor in-state and chose Veteran's preference (Y or N). For federal funds answer N/A	Brief Description of the Scope of Work
Linehan Communications, Inc 4425 Juan Tabo Blvd NE Suite 100 Albuquerque, NM 87111	In-State	N	Technology Support
Apple, Inc. 1 Infinite Loop Cupertino, CA	Out of State	N	Technology Supplies and Equipment
Sparks Office Supply 301 N Canal St. NM Human Services Santa Fe, NM	In-State	N	Office Supplies and Equipment
Windstream 4001 Rodney Parham Road Little School Specialty, Inc. W6316 Design Dr.	Out of State	N	Medicaid School Based Services
Honeywell International, Inc 3509 Durazno	Out of State	N	Internet Service
B&G Transportation 6401 N Lovington	Out of State	N	Classroom and Instructional Supplies
Tyler Technologies Inc Dallas, TX 75257	In-State	N	HVAC Services
NCA Architects 1306 Rio Grande Blvd. NW	In-State	N	Charter Bus Services
Dekker/Perich/Sabatini 7601 Jefferson NE,	Out of State	N	Software and Support
Hartman + Majewski Design Group 120 Vassar	In-State	N	Architectural Services
Accountable Healthcare Staffing 999 Yamato	In-State	N	Architectural Services
Ardor Health Solutions 5830 Coral Ridge Drive	Out of State	N	Contract Related Services
CompHealth 2900 Charlevoix Dr. SE, Suite	Out of State	N	Contract Related Services
JSG Therapy Services 708 Chestnut St.	Out of State	N	Contract Related Services
Winton, Janice 1508 Mission Ave. Carlsbad,	In-State	N	Contract Related Services
Ardor Health Solutions 5830 Coral Ridge Drive	In-State	N	Contract Related Services
Bradbury Stamm Construction 7110 2ns Street	Out of State	N	Construction Manager at Risk
McCarthy NM 1717 Louisiana Blvd NE Suite	In-State	N	Construction Manager at Risk
Flintco 6020 Indian School Rd, NE	In-State	N	Construction Manager at Risk
Jaynes Corporation 2906 Broadway NE	In-State	N	Construction Manager at Risk
HB Construction 5301 Beverly Hills NE	In-State	N	Construction Manager at Risk
Jostens 7365 Remcon Dr C302 El Paso, TX	Out of State	N	Graduation Related Items
Baja Broadband 1092 N Canal St Carlsbad,	Out of State	N	Telecommunication Services for 2015-
Windstream 4001 Rodney Parham Road Little	Out of State	N	Telecommunication Services for 2015-
WanRack PO Box 860082 Shawnee, KS 66286	Out of State	N	Telecommunication Services for 2015-
RPC CPAs + Consultants 201 S. Halagueno	In-State	N	Annual Audit Services
Beasley, Mitchell & Co. 509 S. Main Suite A	In-State	N	Annual Audit Services
Harswhal & Company 6739 Academy Road	In-State	N	Annual Audit Services
Accounting & Financial Solutions 4801 N	In-State	N	Annual Audit Services
Balfour/Taylor Publishing 2313 Montana Ave.	Out of State	N	High School Yearbooks
San Juan Yearbooks PO Box 2033 Durango,	Out of State	N	High School Yearbooks
Lifetouch 11233 Rojas Dr., Suite B El Paso,	Out of State	N	High School Yearbooks
Labatt New Mexico LLC 221 Airport Drive NE	Out of State	N	Food Services Food 2015-2016
Ben E. Keith Company 2300 N Lakeside Drive	In-State	N	Food Services Food
Sysco Food Services 601 Comanche Rd NE	Out of State	N	Food Services Food
Global Foods Inc 5435 South Durango Drive,	In-State	N	Food Services Food
US Foods 915 E 50th Lubbock, TX 79408	Out of State	N	Food Services Food

See Independent Auditors' Report.

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, 2016

Prepared by: Carlsbad Municipal School District No. 20 Staff
 Title: Procurement Officer
 Date: July 10, 2016

RFB/ RFP #	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract	\$ Amount of Amended Contract
2014-2015-07	Bid	Yes	\$ 512	
2014-2015-07	Bid	Yes	22,299	
2014-2015-07	Bid	Yes	2,213	
2014-2015-07	Bid	Yes	9,766	
2014-2015-07	Bid	Yes	6,763	
2014-2015-07	Bid	Yes	2745.5	
2014-2015-07	Bid	Yes	157.04	
2014-2015-07	Bid	Yes	10721.27	
2014-2015-08	Bid	Yes	18,024	
2014-2015-08	Bid	Yes	-	
2014-2015-08	Bid	Yes	12,488	
2014-2015-08	Bid	Yes	-	
2015-2016-01	RFP	Yes	15938	
20-000-00-00075 AK	Statewide Price Agreement	Yes	1038700.82	
20-000-00-00058	Statewide Price Agreement	Yes	67567.32	
40-000-13-00020	Statewide Price Agreement	Yes	163,759	
40-S0011-14-NS012	Sole Source	Yes	150,800	
40-S0011-14-NS023	Sole Source	Yes	33,705	
NMSA 13-1-135 1978	Cooperative Procurement	Yes	3,169,627	
NMSA 13-1-98E	Exemption: Purchase of Books by		78,513	
NMSA 13-1-98F	Exemption: Travel Related Expenses		343,117	
NMSA 13-1-98H	Exemption: School Bus Transportation		1,841,246	
STATE DEPOSITORY	State Depository	Yes	553,797	
R-4954	TCPN	Yes	82,683	
2012-005 370-003 QUI	Cooperative Procurement	Yes	72594.04	
40-S0011-14-NS017	Sole Source	Yes	69792	
APS PA #14216	APS	Yes	64299.6	
Small purchases			115,189	
Small purchases			78,826	
Small purchases			84,047	
Small purchases			60,242	
Land/Building			160670.9	

See Independent Auditors' Report.

Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded	In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)	Was the vendor in-state and chose Veteran's preference (Y or N). For federal funds answer N/A	Brief Description of the Scope of Work
Interboro Packaging Corporation 114 Bracken Road Montgomery, NY 12549	Out of State	N	Food Services Non-Food 2015-2016
Labatt New Mexico LLC 221 Airport	In-State	N	Food Services Non-Food 2015-2016
Central Poly Corp. 2400 Bedle Place	Out of State	N	Food Services Non-Food 2015-2016
Ben E. Keith Company 2300 N Lakeside	Out of State	N	Food Services Non-Food 2015-2016
Shamrock Food Company 2540 North 29th	Out of State	N	Food Services Non-Food 2015-2016
Sysco Food Services 601 Comanche Rd	In-State	N	Food Services Non-Food 2015-2016
US Foods 915 E 50th Lubbock, TX 79408	Out of State	N	Food Services Non-Food 2015-2016
Wallace Packaging 3690 S Park Ave Tucson	Out of State	N	Food Services Non-Food 2015-2016
Shamrock Food Company 2540 North 29th	Out of State	N	Food Services Fresh Produce 2015-2016
Nichols Ranch 224 Cottonwood Canyon	In-State	N	Food Services Fresh Produce 2015-2016
Ben E. Keith Company 2300 N Lakeside	Out of State	N	Food Services Fresh Produce 2015-2016
Sysco Food Services 601 Comanche Rd	In-State	N	Food Services Fresh Produce 2015-2016
POMS & Associates 5700 Canoga Ave, Suite	Out of State	N	Employee Benefits Consulting Services
ITConnect, Inc. PO Box 31999 Santa Fe, NM	In-State	N	Technology Supplies and Equipment
Wright Express	Out of State	N	Fuel for Fleet Vehicles
Valcom Salt Lake City 3520 S 300 W Salt	Out of State	N	Technology Supplies and Equipment
Cenergistic, Inc 5950 Sherry Lane Suite	Out of State	N	Energy Saving
Creative Learning Systems, Inc 1140	Out of State	N	Smart Labs
Cooperative Educational Services 4216	In-State	N	
Scholastic, Inc 2931 McCarty Street	Out of State	N	Classroom Learning Materials
Wells Fargo Bank 200 Lomas Blvd NW	In-State	N	P-Card for Travel Related Expenses
Valley Transportation LLC 3238 S	In-State	N	School Bus Transportation
Archway SCM, LLC 1600 1st St. NW	In-State	N	Textbooks
Lowe's, Inc. 1605 Curtis Bridge Road	Out of State	N	Maintenance/Classroom Supplies/Equipment
Quill Corporation 5941 Midway Park NE, Suite	In-State	N	Office and Classroom Supplies
AP Services PO Box 6671 Princeton, NJ 08	Out of State	N	Testing Materials
Alpha Foods Company 19802 GH Circle W	Out of State	N	Food Services Commodities
Smith Engineering Company 401 N	In-State	N	Multiple Separate Projects
Wal-Mart PO Box 530934 Atlanta, GA	Out of State	N	Classroom Supplies
RBC Capital Markets 6501 Uptown Blvd	In-State	N	Financial Advisory Services on Separate Items
Pecos Valley Regional Education Coop.	In-State	N	Regional Educational Cooperative Membership
Currier Abstract Company/Guaranty Title 1	In-State	N	Land/Building Purchase

See Independent Auditors' Report.

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COMPLIANCE SECTION

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *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 comparison of the General Fund of Carlsbad Municipal School District No. 20 (the "District"), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, the combining and individual funds and related budgetary comparisons of the District presented as supplementary information, and have issued our report thereon dated October 2, 2016.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

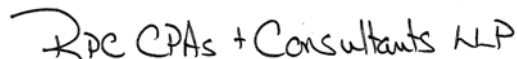
We noted certain matters that are required to be reported per section 12-6-5 NMSA 1978 that we have described in the accompanying schedule of Section 12-6-5 NMSA 1978 Findings as items NM 2016-001 and CU-NM 2016-001.

The District's Response to 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.



RPC CPAs + Consultants, LLP
Albuquerque, NM
October 2, 2016

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FEDERAL FINANCIAL ASSISTANCE

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

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 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 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, 2016. 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Report on Internal Control Over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

RPC CPAs + Consultants LLP

RPC CPAs + Consultants, LLP
Albuquerque, NM
October 2, 2016

STATE OF NEW MEXICO
 Carlsbad Municipal School District No. 20
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2016

Federal Grantor/Pass Through Grantor/Program Title	Pass Thru Number	Federal C.F.D.A. Number	Expenditures	Funds Provided to Subrecipients	Noncash Assistance
U.S. Department of Education					
<i>Passthrough - State of NM Public Education Department</i>					
Title I Grants to Local Educational Agencies	24101	84.010 (1)	1,262,615	-	-
Title I - IASA - School Improvement	24162	84.010 (1)	24,403	-	-
Private School Share -IDEA B	24115	84.027 (2)	2,746	-	-
Entitlement-IDEA-B	24106	84.027 (2)	1,477,271	-	-
Preschool IDEA-B	24109	84.027 (2)	45,202	-	-
"Risk Pool" IDEA-B	24120	84.027 (2)	1,080	-	-
IDEA-B Results Plan	24132	84.027 (2)	92,784	-	-
Carl D Perkins Prior Year Unliquidated Obligations	24174	84.048 (4)	44,030	-	-
Carl D Perkins Secondary-PY Unliquidated Obligations	24175	84.048 (4)	1,570	-	-
Carl D Perkins Secondary -Redistribution	24176	84.048 (4)	19,176	-	-
Carl D Perkins HSTW Current	24182	84.048 (4)	16,271	-	-
Improving Teacher Quality	24154	84.367 (5)	237,031	-	-
Total Pass Through State of NM Public Education Department			<u>3,224,179</u>	<u>-</u>	<u>-</u>
U.S. Department of Agriculture					
<i>Federal Direct Grants</i>					
National School Lunch	21000	10.555 (3)	2,719,410 M	-	-
National School Breakfast	21000	10.553 (3)	999,178 M	-	-
Food Distribution Commodities	21000	10.553 (3)	240,383 M	-	240,183
Total USDA Direct			<u>3,958,971</u>	<u>-</u>	<u>240,183</u>
<i>Total Federal Awards</i>			<u>\$ 7,183,150</u>	<u>\$ -</u>	<u>\$ 240,183</u>

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

See Independent Auditors' Report.
 See notes to the Schedule of Expenditures of Federal Awards.

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of Carlsbad Municipal School District No. 20 (The District) and is presented on the cash basis of accounting, which is a different basis as was used to prepare the financial statements. The information in this schedule is presented in accordance with the requirements of Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Loans

The District did not expend federal awards related to loans or loan guarantees during the year.

10% de minimus Indirect Cost Rate

The District did not elect to use the allowed 10% indirect cost rate.

Federally Funded Insurance

The District has no federally funded insurance.

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

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 7,183,150
Total expenditures funded by other sources	<u>112,922,637</u>
<i>Total expenditures per statement of revenues, expenditures, and changes in fund balances</i>	<u><u>\$ 120,105,787</u></u>

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STATE OF NEW MEXICO
 Carlsbad Municipal School District No. 20
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2016

A. SUMMARY OF AUDITORS' 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. Type of auditors' report issued on compliance for major programs | Unmodified |
| 2. Internal control over major programs: | |
| a. Material weaknesses identified? | None noted |
| b. Significant deficiencies identified not considered to be material weaknesses? | None noted |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? | None noted |
| 4. Identification of major programs: | |
| <u>CFDA Number</u> | <u>Federal Program</u> |
| 10.553, 10.555 | Child Nutrition Cluster |
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$750,000 |
| 6. Auditee qualified as low-risk auditee? | Yes |

B. FINDINGS IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Primary Government:

None noted

Component Unit:

None noted

C. FINDINGS IN ACCORDANCE WITH NEW MEXICO STATE AUDIT RULE SECTION 12-6-5 NMSA 1978

Primary Government:

NM 2016-001 – Budgetary Controls– Other Noncompliance

Condition: The District has over expended its budget in the following fund:

Workforce Readiness Special Revenue Fund - Instruction	\$ 14
--	-------

Criteria: NMAC 6.20.2.10 state that all District funds, with the exception of agency funds, are to be budgeted by the local governing body and submitted to the State of New Mexico Public Education Department for approval. Once adopted, any claims or warrants in excess of budget are a violation of New Mexico State Statute 6-6-6, 1978 Compilation. In addition, Section 12-6-5 NMSA 1978 requires any violation of law or good accounting practice including instances of non-compliance or internal control weaknesses must be reported as an audit finding regardless of severity.

Effect: The internal controls established by adherence to budgets has been compromised, and excess spending could result.

Cause: The District did not request the budget adjustments at year end to alleviate this budget overrun.

Auditors' Recommendations: We recommend the District continue to monitor its budgets closely and prepare budget adjustments as necessary as the year end comes to a close. It appears that this was an inadvertent oversight and is not indicative of a systemic budgetary concern.

Agency's Response: The District maintains an Internal Control system that grants budgetary authority to individual administrators designated as "Control Agents." Each Control Agent is responsible for ensuring program compliance and budget management for all resources allocated to them. In preparing for year-end closeout, final budget adjustments are submitted to the Public Education Department to address anticipated expenditures in each Fund. Budget control is maintained at the Function and Object level. During the year-end closeout process, Fund 27179 – Workforce Readiness over-expended Function 1000 by \$13.51. A Budget Adjustment Request was not submitted to the Public Education Department, as required.

Changes to the District's budget control procedure were implemented as of July 1, 2016 and the Finance Director is responsible for corrective action. A budget control function was programmed into the Infinite Visions Financial Management System for all Funds. This budget control function confirms budget availability by Function, prior to allowing any purchase requisition to be electronically submitted for approval. The system runs a budget check sequence and restricts any purchase transaction that exceeds the budget available for accounts linked to a budget group. The budget group is tied to all accounts within a given Function. A fully approved budget adjustment request must be posted to the General Ledger to create budget capacity before transactions can be processed to obligate the Fund.

**C. FINDINGS IN ACCORDANCE WITH NEW MEXICO STATE AUDIT RULE SECTION 12-6-5 NMSA 1978
 (continued)**

Component Unit:

CU-NM 2016-001 – Budgetary Controls– Other Noncompliance

Condition: The District has over expended its budget in the following funds:

Food Services Special Revenue Fund - Food Services Operation	\$ 4,212
Non-Instructional Support Special Revenue Fund - Instruction	2,331
IDEA-B Risk Pool Special Revenue Fund - Instruction	45
	\$ 6,588

Criteria: NMAC 6.20.2.10 state that all District funds, with the exception of agency funds, are to be budgeted by the local governing body and submitted to the State of New Mexico Public Education Department for approval. Once adopted, any claims or warrants in excess of budget are a violation of New Mexico State Statute 6-6-6, 1978 Compilation. In addition, Section 12-6-5 NMSA 1978 requires any violation of law or good accounting practice including instances of non-compliance or internal control weaknesses must be reported as an audit finding regardless of severity.

Effect: The internal controls established by adherence to budgets has been compromised, and excess spending could result.

Cause: The Academy did not request the budget adjustments at year end to alleviate these budget overruns.

Auditors' Recommendations: We recommend the Academy continue to monitor its budgets closely and prepare budget adjustments as necessary as the year end comes to a close. It appears that this was an inadvertent oversight and is not indicative of a systemic budgetary concern.

Agency's Response: In respect to the food service overage and the special Instruction Revenue, this was caused by a timing issue with billing of invoices and entering of revenue past the PED timeframe given to budget these funds in OBMS. In future years, BARS will be made within the given timeframe for the estimated last minute expenses and revenue. The Business Manager is responsible for corrective action which is implemented as of the date of this report.

D. FEDERAL FINDINGS

None noted

E. PRIOR YEAR AUDIT FINDINGS

Primary Government:

FS 2014-001 Uncollateralized Bank Deposits – Finding that does not rise to the level of a significant deficiency – Resolved

FS 2015-001 Untimely Finalization and Posting of Internal Subsidy Allocations Budget Request – Finding that does not rise to the level of a significant deficiency - Resolved

Component Unit:

None noted

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STATE OF NEW MEXICO
Carlsbad Municipal School District No. 20
Other Disclosures
For the Year Ended June 30, 2016

A. AUDITOR PREPARED FINANCIAL STATEMENTS

RPC CPAs + Consultants, 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 October 14, 2016. The following individuals were in attendance:

Carlsbad Schools Personnel

Ron Singleton – Board Member
Becky McMullan – Board Audit Committee – Community Rep
Gary Perkowski – Superintendent
Lyman Graham – Food Service Director
Stacey Frakes – JMA Principal
Tammi Dutton – JMA Office Manager
Kelli Barta – Assistant Superintendent
Don Owen – Director of Operations
Kim Arrington – Director of Elementary Education
LaVern Shan – Director of Federal Programs
Mark Barela – Director of Counseling Services
Deanna Weston-Helmer – JMA Council of Trustees
Veronica Patrick – Finance Bookkeeper
Crystal Hernandez – Finance Bookkeeper
Cecilia Doubrava – Finance Bookkeeper
Trisha Gonzalez – Finance Bookkeeper
Gabriel Lopez – Technology Administrator
Ursulita Vigil – Procurement Officer
Barbara Salmons – Finance Bookkeeper
Cathy Lacefield – Federal Programs Secretary

RPC CPAs + Consultants, LLP

Morgan Browning, CPA, CGFM – Audit Manager
Cindy Bryan – Partner