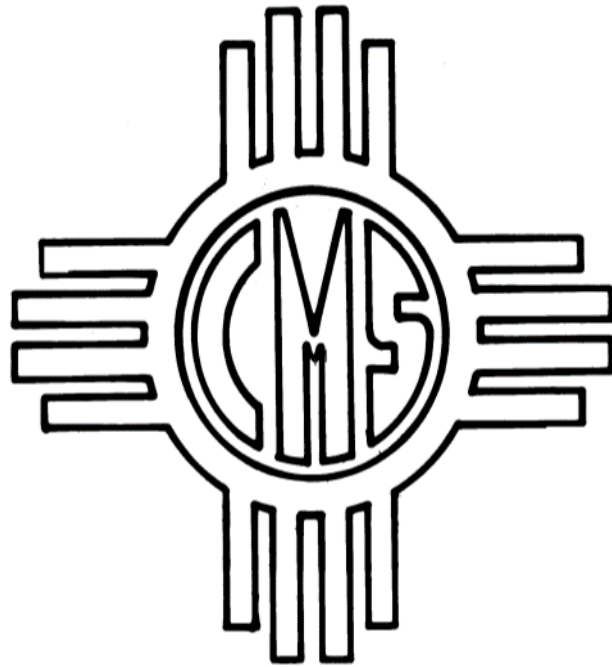


*Clarity from Complexity*



**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
June 30, 2016

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CLOVIS MUNICIPAL SCHOOLS  
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CLOVIS MUNICIPAL SCHOOLS  
OFFICIAL ROSTER  
JUNE 30, 2016

Board of Education

Kyle Snider	President
Paul Cordova	Vice President
Terry Martin	Secretary
Justin Howalt	Member
Cindy Osburn	Member

School Officials

Jody Balch	Superintendent
Cindy Martin	Deputy Superintendent of Instruction
Carrie Bunce	Deputy Superintendent of Operations
Shawna Russell	Chief Financial Officer
Dr. Kerry Parker	Executive Director of Human Resources

## Independent Auditor's Report

Mr. Tim Keller  
New Mexico State Auditor  
&  
The Board of Education  
Clovis Municipal Schools

### Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information and the budgetary comparisons for the general fund and the major special revenue funds of the Clovis Municipal Schools (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 non major governmental funds, fiduciary funds, and the budgetary comparisons for the major debt service fund, major capital projects funds and all non-major 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 responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Mr. Tim Keller  
New Mexico State Auditor  
&  
The Board of Education  
Clovis Municipal Schools

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion.

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

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

## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2016, and the respective changes in financial position and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in 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 non major governmental fund and fiduciary fund of the District as of June 30, 2016, and the respective changes in financial position and the respective budgetary comparisons for the major debt service fund, major capital projects funds and all non-major 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 management's discussion and analysis on pages 5 through 15 and the Schedule of the District's Proportionate Share of Net Pension Liability and Schedule of the District's Contributions on pages 64 and 65 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

Mr. Tim Keller  
New Mexico State Auditor  
&  
The Board of Education  
Clovis Municipal Schools

placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the District's financial statements, the combining and individual fund financial statements, and budgetary comparisons. The Schedule of Expenditures of Federal Awards as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Schedule of Changes in Fiduciary Net Assets and Liabilities – Agency Funds, Schedule of Collateral Pledged by Depository for Public Funds, Schedule of Cash and Temporary Investment Accounts, and Schedule of Cash Reconciliation as required by the New Mexico State Audit Rule 2.2.2 NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The Schedule of Vendor Information for Purchases Exceeding \$60,000 (Excluding GRT) required by Section 2.2.2 NMAC has 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 it.



Mr. Tim Keller  
New Mexico State Auditor  
&  
The Board of Education  
Clovis Municipal Schools

### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 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.

A handwritten signature in black ink, appearing to read "JAG LLC", with a large, stylized flourish above the letters.

Jaramillo Accounting Group LLC (JAG)  
Albuquerque, New Mexico  
November 14, 2016

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2016

**Introduction**

This discussion and analysis of Clovis Municipal School's (Clovis Municipal School District or the District) financial performance provides an overall review of the financial activities for the fiscal year ended June 30, 2016. The intent of this discussion and analysis is to look at the financial performance of the District 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**

- The assets of the District exceeded its liabilities at the end of the fiscal year by \$47,972,046. Of this amount, \$112,601,321 is invested in capital assets, \$16,545,494 is restricted for capital projects, debt service purposes, and special revenue funds and (\$75,102,671) is unrestricted.
- The District's total net position increased by \$1,016,018 as more fully described on the next page.
- The District's liabilities increased by \$6,810,245 in fiscal year 2016 primarily as a result of an increase in the net pension liability of \$9,948,487.
- At June 30, 2016, the fund balance for the general fund was \$11,006,885 which reflects an increase of \$1,516,571.
- The District's general obligation bond debt balance is \$38,795,000, which reflects an overall \$2,590,000 decrease due to principal payments on bonds issued before fiscal year 2016. Voters authorized new bonds in the amount of \$20,000,000 in an election on May 7, 2013 which allows the District to issue this new debt over a four year period beginning with the fiscal year ending 2013. The final debt issue will be sold in the summer of 2016. During the same time period, the District will begin working on a new bond sale to be voted on in February, 2017.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2016

The District's Condensed Statement of Net Position at June 30 is as follows:

	<u>2016</u>	<u>2015</u>
Current Assets	\$ 30,479,126	\$ 31,741,018
Noncurrent Assets	<u>151,396,321</u>	<u>151,926,201</u>
Total assets	<u>181,875,447</u>	<u>183,667,219</u>
Deferred Outflow of Resources	<u>8,937,613</u>	<u>6,129,823</u>
Assets and Deferred Outflow of Resources	<u>\$ 190,813,060</u>	<u>\$ 189,797,042</u>
Current Liabilities	4,409,437	4,862,790
Long-Term Liabilities Other than Pension	36,130,000	38,814,889
Net Pension Liability	<u>93,363,964</u>	<u>83,415,477</u>
Total Liabilities	<u>133,903,401</u>	<u>127,093,156</u>
Deferred Inflow of Resources	<u>2,865,515</u>	<u>8,825,472</u>
Net Investment in Capital Assets	112,601,321	110,541,201
Restricted	16,545,494	18,729,794
Unrestricted (Deficit)	<u>(75,102,671)</u>	<u>(75,392,581)</u>
Total Net Position	<u>54,044,144</u>	<u>53,878,414</u>
Liabilities, Deferred Inflow of Resources, and Net Position	<u>\$ 190,813,060</u>	<u>\$ 189,797,042</u>

At June 30, 2016, ending net position was \$54,044,144 and at June 30, 2015, the total amount for ending net position was \$53,878,414 for an increase of \$165,730.

The increase in net position was a result of a decrease in current and long-term liabilities offset by an increase in net pension liability. The recording of net pension liability on July 1, 2014 was the result of the required implementation of GASB 68. Further review of the effects of GASB 68 can be found later in this discussion. Additionally, the difference between the decrease in current and long-term liabilities and increase in net pension liability was partially offset by the increase in net investments in capital assets of \$2,060,120 as a result of the continued replacement and upgrade of certain school buildings in the District.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2016

The District's Condensed Statement of Activities for the years ended June 30 is as follows:

	<u>2016</u>	<u>2015</u>
Revenues:		
Charges for Services	\$ 413,456	\$ 462,408
Operating Grants/Contributions	12,975,648	11,875,543
Capital Grants/Contributions	1,869,637	15,733,183
Local Property Taxes	6,029,316	5,413,274
State Aid	58,499,279	57,559,253
Interest Income	109,070	45,543
Other	<u>(771,384)</u>	<u>227,000</u>
Total Revenues	<u>79,125,022</u>	<u>91,316,204</u>
	-	
Expenses:		
Direct Instruction	42,318,853	40,189,272
Support Services	17,670,205	17,309,858
Central Services	1,931,835	1,878,290
Operation and Maintenance of Plant	8,358,854	8,141,978
Student Transportation	1,943,363	1,349,041
Operation of Non-Support Services	5,702,927	5,528,855
Interest on Long-Term Debt	<u>1,033,255</u>	<u>974,966</u>
Total Expenses	<u>78,959,292</u>	<u>75,372,260</u>
Change in Net Position	<u>165,730</u>	<u>15,943,944</u>
Net position, beginning of year	53,878,414	123,814,841
Prior period restatement	<u>-</u>	<u>(85,880,371)</u>
Net position, beginning of year, as restated	<u>53,878,414</u>	<u>37,934,470</u>
Net position - end of year	<u>\$ 54,044,144</u>	<u>\$ 53,878,414</u>

Certain reclassifications were made to 2015 information to conform to 2016 presentation.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2016

**Overview of Financial Statements**

The Clovis Municipal School District's (District) basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to that of a private sector business.

The *statement of net position* presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the district is improving or deteriorating.

The *statement of activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows only in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave). Both *the statement of net position* and *the statement of activities* distinguish functions of District that are primarily supported by property taxes and state revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through fees and charges. The governmental activities of the district include education, pupil transportation, food service, instructional materials allocations, and community service. The District does not have any business-type activities.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other school districts, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds

*Government Funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2016

financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains nine individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the government funds statement of revenues, expenditures, and changes in fund balance for the following funds:

- General Operational Fund
- Transportation Fund
- Instructional Materials Fund
- Food Service Fund
- Title I
- IDEA-B Entitlement
- Bond Building Fund
- Capital Improvements – SB9 Fund
- Debt Service Fund
- Other Governmental Funds

The first nine funds are considered major funds. Individual fund data for each of the funds included in the Other Governmental Funds, which are considered to be non-major funds, is provided in the form of combining statements following the notes to the financial statements. The District adopts an annual appropriated budget for each of its funds. Budgetary comparative statements have been provided for these funds to demonstrate compliance with these budgets.

Fiduciary Funds

Fiduciary Funds are used to account for resources held in trust for the benefit of parties outside the District. Fiduciary fund financial statements consist of a statement of fiduciary net position and a statement of changes in fiduciary net assets. These funds are not reported in the government-wide financial statements.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2016

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Overview of Clovis Municipal School's Financial Position and Operations**

As noted earlier, over time, net position may serve as a useful indicator of a government's financial position. A portion (208%) of the District's net position is invested in capital assets (e.g., land, land improvements, buildings and building improvements, and furniture, fixtures, and equipment), less any related debt used to acquire those assets that is still outstanding. The Net Investment in Capital Assets increased by \$2,060,120, primarily because of the cost of completed building and building projects and adjusted by depreciation expense and changes in debt associated with buildings. The District uses these capital assets to provide educational services; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

On July 1, 2014, the District implemented GASB 68. GASB 68 required the District to record the net unfunded pension liability of all of the District's participant's (current and former employees) in the State's educational retirement system on the District's financial statements (Statement of Net Position). The table below presents the effect of the pension liability in the Statement of Net Position at June 30:

	<u>2016</u>	<u>2015</u>
Pension liability	\$ (93,363,964)	\$ (83,415,477)
Deferred inflows related to pension liability	(2,865,515)	(8,825,472)
Deferred outflows related to the pension liability	<u>8,937,613</u>	<u>6,129,823</u>
Total net position (deficit) related to pension liability	<u>\$ (87,291,866)</u>	<u>\$ (86,111,126)</u>

GASB 68 does not allow for the components of the unrestricted net position to be presented separately in the financial statements, however, for the purposes of management's discussion and analysis, we present the following information for the readers of these financial statements:

	<u>2016</u>	<u>2015</u>
Unrestricted (deficit) net position - pension obligation	\$ (87,291,866)	\$ (86,111,126)
Unrestricted net position - other	<u>12,189,195</u>	<u>10,718,545</u>
Total unrestricted (deficit) net position	<u>\$ (75,102,671)</u>	<u>\$ (75,392,581)</u>

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2016

Changes in the pension liability during the year ended June 30, 2016 resulted in an additional pension expense of \$1,181,042 in the Statement of Activities.

Additionally, for comparative analysis, if the effects of GASB 68 were not recorded in the District's financial statements, the District's unrestricted net position would have increased from \$10,718,545 at June 30, 2015 to \$12,189,595 at June 30, 2016.

All other portions of net position are restricted for the stated purpose. Current and other assets decreased by \$1,261,892. This decrease was primarily due to a decrease in restricted cash, receivables, and inventory in the Operational and Bond Building Funds.

The District continues to utilize local Bond Funds and State Appropriations to construct new schools and make improvements to existing facilities. Total liabilities increased by \$6,810,245

The following are major elements of the District's governmental activities contribution to the increase in the change in net position.

As noted in the preceding Schedule, the District is heavily dependent on federal and state aid which comprises 75% of total revenues. Correspondingly, it spends almost 76% of total expenditures on direct instruction and support services – student/instruction/school administration; the two primary functions that indicate direct school spending. Revenues from local sources experienced a slight increase. The District experienced an increase of \$616,042 in property tax revenues. Federal and State Aid, Operating Grants and contribution sources experienced an increase of \$2,040,131 compared to 2015. This increase is largely due to the increase in the State Equalization Guarantee and a slight increase in Transportation, Food Service and Title I Grants. Due to the economic factors of the communities we serve, the District qualifies for substantial Federal assistance.

The major funds noted similar variances when comparing 2015 to 2016. The Debt Service Fund has increased as a direct result of the changes in long-term debt, refunding higher interest debt, and the accelerated bond re-payment plan the district has chosen. The Bond Building Fund decreased due to holding off on selling the last issue of the municipal bond until September, 2016 and the completion of construction projects as well as the status of construction projects currently in progress.

The fund balance of the District's general fund increased by \$1,516,571 during the current fiscal year. The District's board and management were committed to increasing the cash balance of the District at the end of the fiscal year in order to meet increasing state mandates while maintaining the District's high bond rating. The current fiscal year budget reflects a decrease in



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2016

the cash balance. The fund balance is expected to decrease because of falling oil and gas prices which the state depends upon for their funding. This has led to a decrease in the State Equalization Guarantee amount for FY 16-17 of approximately \$885,000. Additionally, the fund balance is expected to decrease because of unfunded State of New Mexico mandates which allow teachers to move levels based on their evaluation instead of completing a dossier. Each level move per teacher costs the District approximately \$12,000 per year.

The District's debt service fund's total fund balance was \$3,689,125 and is restricted for the payment of debt service. This is a net increase in fund balance of \$71,597. The increase was due to the refunding of higher interest bonds.

There was a significant decrease of \$3,002,300 in the fund balance of the Bond Building Capital Fund resulting in a fund balance of \$5,403,243. The decrease was the result of completion of capital projects and postponement of the sale of the final issue of the municipal bond until September 2016.

#### **General Fund Budgetary Highlights**

The District's budget is prepared in compliance with New Mexico State Statutes and New Mexico Public Education Department regulations 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 primary focus of the District's budget development process is the General Fund due to funding challenges, legislative mandates for the educational programs and provision of student services, staffing, and other operating decisions. During the course of fiscal year 2016, the District amended its budget as needed. Differences between the original budgeted revenues and the final amended budgeted revenues resulted in a budget increase of \$132,341. This was a result of the funding formula increase of \$10.00 per unit.

The General Fund had significantly lower actual expenditures compared to final budget amounts in Instruction, Operations and Maintenance of Plant, and Other Support Services due to the strong budgeting controls the District has implemented.

#### **Capital Asset and Debt Administration**

At the end of fiscal year 2016, the District had \$217,185,213 invested in capitalized assets with associated accumulated depreciation of \$65,788,892. This investment in capital assets includes

STATE OF NEW MEXICO  
 CLOVIS MUNICIPAL SCHOOLS  
 MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
 JUNE 30, 2016

land, construction in progress, land improvements, buildings and building improvements, and furniture, fixtures and equipment. For all governmental activities, the amount of capital assets owned by the District was \$151,396,321 at historical cost, net of accumulated depreciation.

Major capital asset events during the current fiscal year included the following:

- CHS Parking Lot Replacement
- Yucca Middle School Roof Replacement
- Cameo Roof Replacement
- CHS Security Fence
- Cameo Playground
- Mesa Playground
- Sandia Playground

Construction in progress consisted of major construction projects currently underway in the District which include the new James Bickley School, New Parkview School, Barry Parking Lot Improvement, Central Office Parking Lot Improvement, new playground equipment and other various projects throughout the District. Capital assets decreased approximately .5% due to the closure of Ranchvale Elementary School.

**Long Term Obligations**

At the end of the current year, the District had \$39,091,039 in long-term debt related to governmental activities. Of this debt, \$38,795,000 was related to general obligation bonds outstanding at year-end. The debt position of the District is summarized below and is more fully analyzed in the financial statements.

	<u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2016</u>	<u>One Year</u>
Bonds Payable	\$ 41,385,000	\$ -	\$ (2,590,000)	\$ 38,795,000	\$ 2,665,000
Compensated Absences	<u>293,666</u>	<u>310,146</u>	<u>(307,503)</u>	<u>296,309</u>	<u>296,309</u>
Total	<u>\$ 41,678,666</u>	<u>\$ 310,146</u>	<u>\$ (2,897,503)</u>	<u>\$ 39,091,309</u>	<u>\$ 2,961,309</u>

The District's total debt amount was \$38,795,000 at June 30, 2016. On August 1, 2015, the District reduced the debt principal by \$2,590,000 in accordance with scheduled bond payments. Overall, the District decreased its debt balances by \$2,587,357 which was due to the increase in compensated absences and offset by the debt payment activity described above.

The District maintained an Aa3/Underlying Aaa bond rating from Moody's Investor Service, Inc. during FY 15-16; however, the State of New Mexico recently received a rating downgrade to Aa1 with a negative outlook. Additionally, the District held a bond election on May 7, 2013 in which

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2016

the voters passed by a margin of over 3 to 1. Clovis Municipal Schools intends to hold its next bond election on February 7, 2017.

**Relevant Current Economic Factors, Decisions and Conditions**

The economy of Curry County and the City of Clovis is based primarily upon agriculture, military, industrial manufacturing, and wholesale/retail distribution. With 4,676 active-duty members 5,296 civilian employees which include 412 government civilians and 521 permanent party contractors, Cannon Air Force Base is vital to the economic stability of the area. Curry County is the largest agricultural center and has the largest concentration of cattle farms in New Mexico. Unemployment in Curry County has remained considerably lower than the State and the nation, at 4.3% in May, 2016.

The population of Curry County has seen a slight increase over the previous year and the student population has shown a slight decrease. The peak enrollment was in the FY 10-11 school year, with 8,470 students. The final student enrollment count for FY 15-16 was 8,370, which included 1,420 military students from Cannon Air Force Base. Projected enrollment for FY 16-17 was 8,325 which reflects a slight decrease in the student population. Since the District, like all other New Mexico school districts, is funded on a prior year funding formula, (i.e. the student population from this year will determine the amount of funding received in the following year), it must maintain tight budgetary controls in order to meet current year needs with last year's funding. The District's primary general source of revenues is derived from the state funding formula.

Even with a decline in student population, the need still exists to update and renovate some of the District's older schools. By closing the Ranchvale Elementary School and utilizing existing classroom space in Barry Elementary, the district was able to save extensive renovation costs and employee vacancy savings which will be put back into the budget. By rebuilding older schools such as James Bickley Elementary and Parkview Elementary, the District will eliminate the need for 15 portable buildings within the next two years. Additionally, Clovis Schools is in the process of replacing all K-5 playgrounds and is working towards repairing and/or replacing parking lots in need of improvement.

In May of 2013, new bonds in the amount of \$20,000,000 were approved by the voters. This debt authorization will be sold over a 4 year period beginning in September of 2013 and will conclude in September of 2016. During fiscal year 2013-2014, we completed two bond sales with issue dates of September 10, 2013 for \$4,900,000 and April 30, 2014 for \$5,100,000. On April 30, 2014, we refunded a 2004 bond issue in the amount of \$4,130,000. On June 15, 2015, the District completed one bond sale in the amount of \$5,000,000. As stated earlier, the final bond will be

STATE OF NEW MEXICO  
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MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2016

sold in September, 2016. As old debt is retired, new debt is issued, thereby maintaining a debt service tax rate of \$4.95 per \$1,000 of assessed value.

The District receives approximately 57% of its total annual operating budget from the State of New Mexico through the State Equalization Guarantee Funding. The objectives of the formula are (1) to equalize educational opportunity statewide (by 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.

#### **Request for Information**

This financial report is designed to provide various interested parties with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or require additional information, contact the District's Finance Department:

Shawna E. Russell, Assistant Superintendent of Finance  
Clovis Municipal Schools  
1009 N. Main Street/PO Box 19000  
Clovis, NM 88101  
(575) 769-4327  
[shawna.russell@clovis-schools.org](mailto:shawna.russell@clovis-schools.org)

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF NET POSITION  
As of June 30, 2016

	Governmental
<b>Assets</b>	
Cash and cash equivalents	\$ 6,499,955
Restricted cash and cash equivalents	21,306,843
Receivables	2,140,112
Inventory	532,216
Total current assets	30,479,126
Non-current:	
Capital assets, net	151,396,321
Total assets	181,875,447
 <b>Deferred Outflows of Resources</b>	
Pension liability:	
Contributions to pension subsequent to measurement date	5,726,329
Change in assumptions	3,211,284
Total deferred outflows of resources	8,937,613
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 190,813,060</b>
 <b>Liabilities</b>	
Accounts payable	165,580
Accrued payroll liabilities	844,723
Accrued interest	437,825
Compensated absences	296,309
Due within one year - debt	2,665,000
Total current liabilities	4,409,437
Long-term liabilities	
Due in more than one year - debt	36,130,000
Net pension liability	93,363,964
Total long-term liabilities	129,493,964
Total liabilities	133,903,401
 <b>Deferred Inflows of Resources</b>	
Pension liability:	
Actuarial experience	1,730,882
Investment experience	420,255
Changes in proportion	714,378
Total deferred inflows of resources	2,865,515
 <b>Net Position</b>	
Net investment in capital assets	112,601,321
Restricted for	
Debt service	3,251,300
Capital projects	9,237,598
Other	4,056,596
Unrestricted (deficit)	(75,102,671)
Total net position	54,044,144
<b>TOTAL DEFERRED INFLOWS OF RESOURCES, LIABILITIES, AND NET POSITION</b>	<b>\$ 190,813,060</b>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2016

<u>Functions/Programs</u>	Program Revenues			Net (Expenses)
<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Revenue and Changes Net Position</u>
<b>Primary Government</b>				
Governmental activities:				
Instruction	\$ 42,318,853	\$ 220,800	\$ 3,770,229	\$ -
Support Services:				
Students	8,507,853	-	2,837,294	-
Instruction	4,193,508	-	360,621	-
General Administration	1,021,947	-	-	-
School Administration	3,938,584	-	-	-
Other Support Service	8,313	-	-	-
Central Services	1,931,835	-	-	-
Operation & Maintenance of Plant	8,358,854	-	-	1,869,637
Student Transportation	1,943,363	-	1,862,350	-
Food Services Operation	5,659,695	192,656	4,145,154	-
Community Services	43,232	-	-	-
Interest on long-term obligations	1,033,255	-	-	-
Total Primary Government	\$ 78,959,292	\$ 413,456	\$ 12,975,648	\$ 1,869,637
<b>General revenues:</b>				
Property Taxes:				
Levied for general purpose				382,613
Levied for debt services				4,044,804
Levied for capital projects				1,601,899
State Equalization Guarantee				58,499,279
Unrestricted investment earnings				109,070
Loss on disposal of capital assets				(939,717)
Miscellaneous				168,333
Total general revenues				63,866,281
				Change in net position
				165,730
				Net position, beginning of year
				53,878,414
				Net position - end of year
				\$ 54,044,144

See accompanying notes.

STATE OF NEW MEXICO  
 CLOVIS MUNICIPAL SCHOOLS  
 BALANCE SHEET - GOVERNMENTAL FUNDS  
 As of June 30, 2016

	OPERATIONAL FUNDS		
	Fund 11000	Fund 13000	Fund 14000
	General Operational	Transportation	Instructional Materials
<b>Assets</b>			
Cash and cash equivalents	\$ 1,771,597	\$ 754	\$ 749,365
Restricted cash and cash equivalents	8,344,453	-	-
Accounts receivable			
Property taxes	37,343	-	-
Due from other governments	-	-	-
Other receivables	-	-	-
Interfund receivables	1,472,829	-	-
Inventory	274,970	-	-
<b>Total Assets</b>	<u>\$ 11,901,192</u>	<u>\$ 754</u>	<u>\$ 749,365</u>
<b>Liabilities</b>			
Accounts payable	19,615	-	-
Accrued payroll liabilities	844,723	-	-
Interfund payables	-	-	-
Unearned revenues	-	-	-
<b>Total Liabilities</b>	<u>864,338</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>			
Delinquent property taxes	29,969	-	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>894,307</u>	<u>-</u>	<u>-</u>
<b>Fund Balance</b>			
Nonspendable	274,970	-	-
Restricted for:			
General fund	-	754	749,365
Special revenue	-	-	-
Capital projects	-	-	-
Debt service	-	-	-
Assigned	-	-	-
Unassigned	10,731,915	-	-
<b>Total Fund Balance</b>	<u>11,006,885</u>	<u>754</u>	<u>749,365</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ 11,901,192</u>	<u>\$ 754</u>	<u>\$ 749,365</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
BALANCE SHEET - GOVERNMENTAL FUNDS  
As of June 30, 2016

	Fund 21000	Fund 24101	Fund 24106
	Food Service	Title I	IDEA-B Entitlement
<b>Assets</b>			
Cash and cash equivalents	\$ 2,933,324	\$ -	\$ -
Restricted cash and cash equivalents	-	-	-
Accounts receivable			
Property taxes	-	-	-
Due from other governments	-	564,933	481,104
Other receivables	-	-	-
Interfund receivables	-	-	-
Inventory	257,246	-	-
<b>Total Assets</b>	<u>\$ 3,190,570</u>	<u>\$ 564,933</u>	<u>\$ 481,104</u>
<b>Liabilities</b>			
Accounts payable	-	-	-
Accrued payroll liabilities	-	-	-
Interfund payables	-	564,933	481,104
Unearned revenues	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>564,933</u>	<u>481,104</u>
<b>Deferred Inflows of Resources</b>			
Delinquent property taxes	-	-	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>-</u>	<u>564,933</u>	<u>481,104</u>
<b>Fund Balance</b>			
Nonspendable	257,246	-	-
Restricted for:			
General fund	-	-	-
Special revenue	2,933,324	-	-
Capital projects	-	-	-
Debt service	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<b>Total Fund Balance</b>	<u>3,190,570</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ 3,190,570</u>	<u>\$ 564,933</u>	<u>\$ 481,104</u>

See accompanying notes.



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
BALANCE SHEET - GOVERNMENTAL FUNDS  
As of June 30, 2016

	<i>Fund 31100</i>	<i>Fund 31700</i>	<i>Fund 41000</i>
	<u>Bond Building</u>	<u>Capital Improvements SB-9</u>	<u>Debt Service</u>
<b>Assets</b>			
Cash and cash equivalents	\$ -	\$ -	\$ -
Restricted cash and cash equivalents	5,608,708	3,390,369	3,550,513
Accounts receivable			
Property taxes	-	156,460	395,123
Due from other governments	-	-	-
Other receivables	-	-	-
Interfund receivables	-	-	59,500
Inventory	-	-	-
<b>Total Assets</b>	<u>\$ 5,608,708</u>	<u>\$ 3,546,829</u>	<u>\$ 4,005,136</u>
<b>Liabilities</b>			
Accounts payable	145,965	-	-
Accrued payroll liabilities	-	-	-
Interfund payables	59,500	-	-
Unearned revenues	-	-	-
<b>Total Liabilities</b>	<u>205,465</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>			
Delinquent property taxes	-	125,274	316,011
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>205,465</u>	<u>125,274</u>	<u>316,011</u>
<b>Fund Balance</b>			
Nonspendable	-	-	-
Restricted for:			
General fund	-	-	-
Special revenue	-	-	-
Capital projects	5,403,243	3,421,555	-
Debt service	-	-	3,689,125
Assigned	-	-	-
Unassigned	-	-	-
<b>Total Fund Balance</b>	<u>5,403,243</u>	<u>3,421,555</u>	<u>3,689,125</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ 5,608,708</u>	<u>\$ 3,546,829</u>	<u>\$ 4,005,136</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
BALANCE SHEET - GOVERNMENTAL FUNDS  
As of June 30, 2016

	Other Governmental	Total
<b>Assets</b>		
Cash and cash equivalents	\$ 1,044,915	\$ 6,499,955
Restricted cash and cash equivalents	412,800	21,306,843
Accounts receivable		
Property taxes	-	588,926
Due from other governments	440,205	1,486,242
Other receivables	64,944	64,944
Interfund receivables	-	1,532,329
Inventory	-	532,216
<b>Total Assets</b>	<u>\$ 1,962,864</u>	<u>\$ 32,011,455</u>
<b>Liabilities</b>		
Accounts payable	-	165,580
Accrued payroll liabilities	-	844,723
Interfund payables	426,792	1,532,329
Unearned revenues	-	-
<b>Total Liabilities</b>	<u>426,792</u>	<u>2,542,632</u>
<b>Deferred Inflows of Resources</b>		
Delinquent property taxes	-	471,254
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>426,792</u>	<u>3,013,886</u>
<b>Fund Balance</b>		
Nonspendable	-	532,216
Restricted for:		
General fund	-	750,119
Special revenue	1,123,272	4,056,596
Capital projects	412,800	9,237,598
Debt service	-	3,689,125
Assigned	-	-
Unassigned	-	10,731,915
<b>Total Fund Balance</b>	<u>1,536,072</u>	<u>28,997,569</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ 1,962,864</u>	<u>\$ 32,011,455</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
As of June 30, 2016

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

Fund balances - total governmental funds	\$ 28,997,569
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Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds:

Capital assets	217,185,213
Accumulated depreciation	(65,788,892)

Other assets are not available to pay for current-period expenditures and are therefore deferred in the funds.

Property taxes	471,254
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Deferred inflow of resources are not financial resources and are not reported in the funds and include:

Actuarial experience	(1,730,882)
Investment experience	(420,255)
Changes in proportion	(714,378)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:

Bond payable	(38,795,000)
Accrued interest payable	(437,825)
Compensated absences	(296,309)
Net pension liability	(93,363,964)

Deferred outflow of resources are not financial resources and are not reported in the funds and include:

Contributions to pension subsequent to measurement date	5,726,329
Change in assumptions	3,211,284

Total net position - government funds	<u>\$ 54,044,144</u>
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*See accompanying notes.*

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2016

	OPERATIONAL FUNDS		
	Fund 11000	Fund 13000	Fund 14000
	General Operational	Transportation	Instructional Materials
<b>Revenues</b>			
Property taxes	\$ 352,644	\$ -	\$ -
State grants	58,499,279	1,862,350	585,468
Federal grants	269,134	-	-
Miscellaneous	243,514	-	869
Charges for services	8,250	-	-
Interest	94,396	-	-
<b>Total Revenues</b>	<u>59,467,217</u>	<u>1,862,350</u>	<u>586,337</u>
<b>Expenditures</b>			
Current:			
Instruction	36,424,681	-	922,704
Support services			
Students	6,147,950	-	-
Instruction	1,932,039	-	-
General administration	628,142	-	-
School administration	3,685,563	-	-
Central services	1,809,054	-	-
Operation & maintenance of plant	7,313,719	-	-
Student transportation	2,188	1,861,596	-
Other support services	7,310	-	-
Food services operations	-	-	-
Community services	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>57,950,646</u>	<u>1,861,596</u>	<u>922,704</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>1,516,571</u>	<u>754</u>	<u>(336,367)</u>
<b>Other financing sources (uses)</b>			
Operating transfers	-	-	-
Proceeds from bond issuance	-	-	-
Proceeds from refunding debt issuance	-	-	-
Bond underwriter discount	-	-	-
Bond underwriter premium	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>1,516,571</u>	<u>754</u>	<u>(336,367)</u>
<b>Fund balance beginning of year</b>	9,490,314	-	1,085,732
<b>Prior Period Restatement</b>	-	-	-
<b>Fund balance, beginning of year, restated</b>	<u>9,490,314</u>	<u>-</u>	<u>1,085,732</u>
<b>Fund balance end of year</b>	<u>\$ 11,006,885</u>	<u>\$ 754</u>	<u>\$ 749,365</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2016

	Fund 21000	Fund 24101	Fund 24106
	Food Service	Title I	IDEA-B Entitlement
<b>Revenues</b>			
Property taxes	\$ -	\$ -	\$ -
State grants	-	-	-
Federal grants	4,029,496	2,076,452	1,775,064
Miscellaneous	-	-	-
Charges for services	192,656	-	-
Interest	-	-	-
<b>Total Revenues</b>	<u>4,222,152</u>	<u>2,076,452</u>	<u>1,775,064</u>
<b>Expenditures</b>			
Current:			
Instruction	-	1,273,257	529,614
Support services			
Students	-	459,520	973,216
Instruction	-	614	-
General administration	-	243,281	48,684
School administration	-	24,367	175,190
Central services	-	-	45,167
Operation & maintenance of plant	-	642	1,616
Student transportation	-	34,202	1,577
Other support services	-	-	-
Food services operations	4,255,728	-	-
Community services	-	20,719	-
Capital outlay	-	19,850	-
Debt service			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>4,255,728</u>	<u>2,076,452</u>	<u>1,775,064</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(33,576)</u>	<u>-</u>	<u>-</u>
<b>Other financing sources (uses)</b>			
Operating transfers	-	-	-
Proceeds from bond issuance	-	-	-
Proceeds from refunding debt issuance	-	-	-
Bond underwriter discount	-	-	-
Bond underwriter premium	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(33,576)</u>	<u>-</u>	<u>-</u>
<b>Fund balance beginning of year</b>	3,224,146	-	-
<b>Prior Period Restatement</b>	-	-	-
<b>Fund balance, beginning of year, restated</b>	<u>3,224,146</u>	<u>-</u>	<u>-</u>
<b>Fund balance end of year</b>	<u>\$ 3,190,570</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2016

	Fund 31100	Fund 31700	Fund 41000
	Bond Building	Capital Improvements SB-9	Debt Service
<b>Revenues</b>			
Property taxes	\$ -	\$ 1,476,625	\$ 3,728,793
State grants	1,837,891	-	-
Federal grants	-	-	-
Miscellaneous	31,747	-	-
Charges for services	-	-	-
Interest	6,253	5,147	3,274
<b>Total Revenues</b>	<u>1,875,891</u>	<u>1,481,772</u>	<u>3,732,067</u>
<b>Expenditures</b>			
Current:			
Instruction	-	-	-
Support services			
Students	-	-	-
Instruction	-	-	-
General administration	-	14,737	37,215
School administration	-	-	-
Central services	-	-	-
Operation & maintenance of plant	-	-	-
Student transportation	-	-	-
Other support services	1,003	-	-
Food services operations	-	-	-
Community services	-	-	-
Capital outlay	4,877,188	943,454	-
Debt service			
Principal	-	-	2,590,000
Interest	-	-	1,033,255
<b>Total Expenditures</b>	<u>4,878,191</u>	<u>958,191</u>	<u>3,660,470</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(3,002,300)</u>	<u>523,581</u>	<u>71,597</u>
<b>Other financing sources (uses)</b>			
Operating transfers	-	-	-
Proceeds from bond issuance	-	-	-
Proceeds from refunding debt issuance	-	-	-
Bond underwriter discount	-	-	-
Bond underwriter premium	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(3,002,300)</u>	<u>523,581</u>	<u>71,597</u>
<b>Fund balance beginning of year</b>	8,405,543	2,897,974	3,617,528
<b>Prior Period Restatement</b>	-	-	-
<b>Fund balance, beginning of year, restated</b>	<u>8,405,543</u>	<u>2,897,974</u>	<u>3,617,528</u>
<b>Fund balance end of year</b>	<u>\$ 5,403,243</u>	<u>\$ 3,421,555</u>	<u>\$ 3,689,125</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2016

	Other Governmental	Total
<b>Revenues</b>		
Property taxes	\$ -	\$ 5,558,062
State grants	625,470	63,410,458
Federal grants	1,550,659	9,700,805
Miscellaneous	219,728	495,858
Charges for services	212,481	413,387
Interest	-	109,070
<b>Total Revenues</b>	<u>2,608,338</u>	<u>79,687,640</u>
<b>Expenditures</b>		
Current:		
Instruction	1,079,900	40,230,156
Support services		
Students	863,806	8,444,492
Instruction	98,173	2,030,826
General administration	44,886	1,016,945
School administration	33,086	3,918,206
Central services	41,966	1,896,187
Operation & maintenance of plant	-	7,315,977
Student transportation	19,593	1,919,156
Other support services	-	8,313
Food services operations	115,658	4,371,386
Community services	22,513	43,232
Capital outlay	-	5,840,492
Debt service		
Principal	-	2,590,000
Interest	-	1,033,255
<b>Total Expenditures</b>	<u>2,319,581</u>	<u>80,658,623</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>288,757</u>	<u>(970,983)</u>
<b>Other financing sources (uses)</b>		
Operating transfers	-	-
Proceeds from bond issuance	-	-
Proceeds from refunding debt issuance	-	-
Bond underwriter discount	-	-
Bond underwriter premium	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>288,757</u>	<u>(970,983)</u>
<b>Fund balance beginning of year</b>	1,247,315	29,968,552
<b>Prior Period Restatement</b>	-	-
<b>Fund balance, beginning of year, restated</b>	<u>1,247,315</u>	<u>29,968,552</u>
<b>Fund balance end of year</b>	<u>\$ 1,536,072</u>	<u>\$ 28,997,569</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - 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 changes in fund balances - total governmental funds	\$	(970,983)
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Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which capital outlays exceeds depreciation in the period.

Depreciation expense		(4,959,523)
Capital outlays		5,267,704

Revenue in the statement of activities that do not provide current financial resources are not reported as revenues in the funds

Change in deferred inflow related to the property taxes receivable		287,757
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The issuance of long-term debt (e.g. bonds, notes, leases) provides current financial resources to governmental funds, while the repayments of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position:

Principal payments on bonds		2,590,000
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Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds:

Increase in accrued interest payable		(27,480)
Increase in accrued compensated absences		(2,642)
Loss on disposal of capital assets		(939,717)
Adjustments to capital assets		101,656
Contributions to pension plan subsequent to measurement date		5,726,329
Pension expense		(6,907,371)

Change in net position of governmental activities	\$	<u>165,730</u>
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See accompanying notes.



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL OPERATIONAL FUND (11000)  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ 331,848	\$ 331,848	\$ 351,980	\$ 20,132
State grants	58,389,715	58,522,056	58,499,279	(22,777)
Federal grants	240,058	240,058	274,587	34,529
Miscellaneous	87,500	87,500	249,369	161,869
Charges for services	1,500	1,500	8,250	6,750
Interest	75,000	75,000	94,396	19,396
<b>Total revenues</b>	<u>59,125,621</u>	<u>59,257,962</u>	<u>\$ 59,477,861</u>	<u>\$ 219,899</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	39,752,339	37,884,680	36,347,875	1,536,805
Support services				
Students	7,074,320	7,074,320	6,147,950	926,370
Instruction	1,485,967	2,010,967	1,932,039	78,928
General administration	814,423	814,423	608,527	205,896
School administration	3,823,056	3,823,056	3,685,563	137,493
Central services	1,861,726	1,861,726	1,810,216	51,510
Operation & maintenance of plant	11,060,571	11,060,571	7,318,345	3,742,226
Student transportation	-	5,000	2,188	2,812
Other support services	3,024,505	3,024,505	62,206	2,962,299
Operation of non-instructional services				
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	1,470,000	-	1,470,000
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<u>68,896,907</u>	<u>69,029,248</u>	<u>\$ 57,914,909</u>	<u>\$ 11,114,339</u>
<b>BUDGETED CASH BALANCE</b>	<u>\$ (9,771,286)</u>	<u>\$ (9,771,286)</u>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 59,477,861
Change in receivables	(10,644)
Modified accrual basis	<u>\$ 59,467,217</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 57,914,909
Change in payables	35,737
Modified accrual basis	<u>\$ 57,950,646</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
TRANSPORTATION FUND (13000)  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	1,556,798	1,862,350	1,862,350	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<u>1,556,798</u>	<u>1,862,350</u>	<u>\$ 1,862,350</u>	<u>\$ -</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	1,556,798	1,862,350	1,861,596	754
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<u>1,556,798</u>	<u>1,862,350</u>	<u>\$ 1,861,596</u>	<u>\$ 754</u>
<b>BUDGETED CASH BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 1,862,350
Change in receivables	-
Modified accrual basis	<u>\$ 1,862,350</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 1,861,596
Change in payables	-
Modified accrual basis	<u>\$ 1,861,596</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
INSTRUCTIONAL MATERIALS FUND (14000)  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	453,638	585,467	585,468	1
Federal grants	-	-	-	-
Miscellaneous	-	-	869	869
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<u>\$ 453,638</u>	<u>\$ 585,467</u>	<u>586,337</u>	<u>870</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
Instruction	453,638	1,671,199	922,704	748,495
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<u>453,638</u>	<u>1,671,199</u>	<u>\$ 922,704</u>	<u>\$ 748,495</u>
<b>BUDGETED CASH BALANCE</b>	<u>\$ -</u>	<u>\$ (1,085,732)</u>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 586,337
Change in receivables	-
Modified accrual basis	<u>\$ 586,337</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 922,704
Change in payables	-
Modified accrual basis	<u>\$ 922,704</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOOD SERVICE SPECIAL REVENUE FUND (21000)  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	3,480,000	3,480,000	3,710,561	230,561
Miscellaneous	-	-	-	-
Charges for services	255,500	255,500	192,656	(62,844)
Interest	-	-	-	-
<b>Total revenues</b>	<u>\$ 3,735,500</u>	<u>3,735,500</u>	<u>3,903,217</u>	<u>167,717</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	5,048,743	5,048,743	3,990,266	1,058,477
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<u>\$ 5,048,743</u>	<u>5,048,743</u>	<u>3,990,266</u>	<u>1,058,477</u>
<b>BUDGETED CASH BALANCE</b>	<u>\$ (1,313,243)</u>	<u>(1,313,243)</u>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 3,903,217
Change in receivables	318,935
Modified accrual basis	<u>\$ 4,222,152</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 3,990,266
Change in payables	265,462
Modified accrual basis	<u>\$ 4,255,728</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
TITLE I SPECIAL REVENUE FUND (24101)  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	2,081,281	2,509,732	1,853,172	(656,560)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<u>\$ 2,081,281</u>	<u>2,509,732</u>	<u>1,853,172</u>	<u>(656,560)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 1,181,859	1,547,559	1,273,257	274,302
Support services				
Students	454,579	447,379	459,520	(12,141)
Instruction	-	1,170	614	556
General administration	258,112	288,863	243,281	45,582
School administration	55,231	35,561	24,367	11,194
Central services	-	-	-	-
Operation & maintenance of plant	1,500	1,500	642	858
Student transportation	-	56,700	34,202	22,498
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Community services	130,000	110,000	20,719	89,281
Capital outlay	-	21,000	19,850	1,150
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<u>\$ 2,081,281</u>	<u>2,509,732</u>	<u>2,076,452</u>	<u>433,280</u>
<b>BUDGETED CASH BALANCE</b>	<u>\$ -</u>	<u>-</u>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>		
Budgetary basis	\$	1,853,172
Change in receivables		223,280
Modified accrual basis	<u>\$</u>	<u>2,076,452</u>
<b>EXPENDITURES</b>		
Budgetary basis	\$	2,076,452
Change in payables		-
Modified accrual basis	<u>\$</u>	<u>2,076,452</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
IDEA-B SPECIAL REVENUE FUND (24106)  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	1,833,030	2,358,413	1,540,685	(817,728)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<u>\$ 1,833,030</u>	<u>2,358,413</u>	<u>1,540,685</u>	<u>(817,728)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 581,150	611,918	529,614	82,304
Support services				
Students	854,925	1,353,168	973,216	379,952
Instruction	-	-	-	-
General administration	52,441	67,256	48,684	18,572
School administration	297,125	275,425	175,190	100,235
Central services	43,439	45,740	45,167	573
Operation & maintenance of plant	2,775	3,178	1,616	1,562
Student transportation	1,175	1,728	1,577	151
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<u>\$ 1,833,030</u>	<u>2,358,413</u>	<u>1,775,064</u>	<u>583,349</u>
<b>BUDGETED CASH BALANCE</b>	<u>\$ -</u>	<u>-</u>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 1,540,685
Change in receivables	234,379
Modified accrual basis	<u>\$ 1,775,064</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 1,775,064
Change in payables	-
Modified accrual basis	<u>\$ 1,775,064</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF FIDUCIARY  
ASSETS AND LIABILITIES - AGENCY FUNDS  
As of June 30, 2016

Assets

Cash and cash equivalents	\$ 1,206,725
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Liabilities

Deposits held in trust for others	\$ 1,206,725
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*See accompanying notes.*

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Clovis Municipal School District's operation is in the primary and secondary education of school-age children within its state designated boundaries. The District operates under a school board form of government and provides services traditionally provided by public schools through the twelfth grade.

This 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 the notes are the representation of the District's management who is responsible for their integrity and objectivity.

The accounting and reporting policies of the District reflected in the accompanying financial statements conform to accounting principles generally acceptable in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments are those promulgated by the Governmental Accounting Standards Board (GASB) in Governmental Accounting and Financial Reporting Standards.

A. *Reporting Entity*

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

The Governmental Accounting Standards Board's (GASB) 39, *Determining Whether Certain Organizations are Component Units* and GASB Statement No. 61, *Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*, provides additional guidance to determine whether certain organizations, for which the primary government is not financially accountable, should be reported as component units, based on the nature and significance of their relationship with the primary government. Under both GASB 39 and GASB 61 criteria, the Clovis Municipal Schools Foundation (Foundation) meets the criteria for discrete component unit presentation. However, the Foundation does not meet the definition of a material component unit under either generally accepted auditing standards or the NMAC 2.2.2 and, therefore, is not included in these financial statements. The Foundation acts primarily as a fund raising organization to supplement the resources that are available to the District in support of its programs. There are no other component units.



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. *Government-wide and fund financial statements*

The government-wide financial statements (i.e., the statement of net position and the statement of activities and changes in net position) report information on all of the non-fiduciary 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 statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

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 are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are billed. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**Deferred outflows of resources.** A consumption of net position by the government that is applicable to a future reporting period. It has a positive effect on net position, similar to assets.

**Deferred inflows of resources.** An acquisition of net position by the government that is applicable to a future reporting period. It has a negative effect on net position, similar to liabilities.

**Net position.** The residual of the net effects of assets, deferred outflows of resources, liabilities, and deferred inflows of resources.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Ad valorem taxes (property taxes), and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

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

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

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

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

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The *Debt Service Funds* account for the services of long-term debt not being financed by proprietary or nonexpendable trust funds.

The *Capital Projects Funds* account for the acquisition of capital assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

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

*Other Operational Funds:*

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

The *Instructional Materials Fund* is used to account for the monies received from the State Department of Education for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students.

The *Food Service Fund* is used to account for federal and local sources of income relating to the food services programs. The Food Services Fund is segregated into two categories, the federal funds category and the non-federal funds category. Federal funds consist of the National School Breakfast and Lunch Programs which are 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. The non-federal funds consist of income derived from the snack-bar facilities located throughout the District. Authority for creation of this fund is NMSA 22-13-13.

The *Title I Special Revenue Fund* is used to provide supplemental educational opportunity for academically disadvantaged children in the area of residing. Schools 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 identifies 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 Department of Education. 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.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The *Bond Building Capital Projects Fund* is used to account for bond proceeds and any income earned thereon. The proceeds are restricted for the purpose of making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof, as approved by the voters of the District.

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

The *Debt Service Fund* is used to account for the accumulation of resources for the payment of Long-Term Debt principal and interest.

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

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

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

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

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The District employs indirect cost allocation systems for certain federal programs. Depreciation expense is specifically identified by function and is included in the direct expense of each function, except for that portion of depreciation that is identified as unallocated on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

*D. Assets, Liabilities and Net Position or Equity*

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

State statutes authorize the District to invest in Money Market Funds, Certificates of Deposit, obligations of the U.S. Government, and the State Treasurer's Investment Pool. At June 30, 2016, the District's investments included Money Market Funds and Certificates of Deposit.

Money Market Funds and Certificates of Deposit are reported at Cost. Obligations of the U.S. Government and the State Treasurer's Investment Pool are reported at fair value. The State Treasurer's Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Funds deposited in the debt service funds are restricted to pay future principal and interest payments. Proceeds deposited into capital projects funds are legally restricted for capital projects.

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

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources. All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

The District receives monthly income from a tax levy in Curry County. The funds are collected by the County Treasurer and are remitted to the School District the following month. Under the modified accrual method of accounting, the amount remitted by the Curry County Treasurer in July 2016 is considered 'measurable and available' and, accordingly, is recorded as revenue during the year ended June 30, 2016.

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

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

**Inventory.** Inventory is valued at lower of cost (first-in, first-out) or market. Inventory in the General Fund consists of expendable supplies held for consumption. Inventory in the Special Revenue Funds consists of U.S.D.A. commodities and other purchased food and non-food supplies. The cost of purchased food is recorded as an expenditure at the time individual inventory items are consumed. The U.S.D.A. commodities are recorded at year-end by audit adjusting entries. Commodities consumed during the year are reported as revenues and expenditures; unused commodities are reported as inventories and deferred revenue. Non-commodity inventories are equally offset by a fund balance reserve, which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

**Capital Assets.** Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 per Section 12-6-10 NMSA 1978 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets, (retroactive to 1979) are to be included as part of the governmental capital assets reported in the government wide statements. The District did not own any infrastructure assets as of June 30, 2016. Information technology equipment, including software, is being capitalized and included in furniture and equipment as the District did not maintain internally developed software. The District capitalizes the cost of library books when purchased. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction during the year ended June 30, 2016. Capital expenditures made on the District's building construction projects by the NM Public School Facilities Authority have been recorded as a revenue and expenditure in the fund financial statements, and have been included as capital assets in the District's government-wide financial statements.

STATE OF NEW MEXICO  
 CLOVIS MUNICIPAL SCHOOLS  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

Buildings/building improvements	50 years
Vehicles, telecommunications & computer equipment	5-20 years
Office equipment	5-20 years
Other school equipment	10-15 years
Library books	10 years

**Unearned Revenues.** The District recognizes grant revenue at the time the related expense is made if the expenditure of funds is the prime factor for determining eligibility for reimbursement; therefore, amounts received and not expended in the Special Revenue Funds are shown as unearned revenues.

**Compensated Absences.** The District permits administrative employees to accumulate a limited amount of earned, but unused vacation, to be paid if not used upon termination from the District. In the government-wide statements, the total amount of earned and unused vacation is recorded as a liability. Vacation pay that is expected to be liquidated within the next twelve months is reported as a current liability on the government-wide statements and in the governmental fund which will pay it. In the governmental funds, the cost of compensated absences is recognized when payments are made to employees. No liability is reported in the financial statements for unpaid accumulated sick leave as no payment is required upon employee termination.

**Long-Term Obligations.** In the government-wide fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the effective interest method.

For fund financial reporting, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as another financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

**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 New Mexico Education 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. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

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

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

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

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 cost.



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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.

**Tax Revenues.** The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Tax revenues are recognized when they are in the hands of the collecting agency.

The District records only the portion of the taxes considered to be 'measurable' and 'available'. Descriptions of the individual debt service and capital outlay funds contained in these financial statements include information regarding the authority for the collection and use of these taxes. Property taxes attach an enforceable lien on property as of January 1. Tax notices are sent to property owners by November 1st of each year to be paid in whole or in two installments by November 10<sup>th</sup> and April 10<sup>th</sup> of each year. Curry County collects County, City and School taxes and distributes them to each fund once per month except in June when the taxes are distributed twice to close out the fiscal year.

**Federal Impact Aid.** The District also receives Federal Impact Aid in lieu of property taxes for the presumed loss of property taxes that results from the federally owned lands of the Cannon Air Force Base that lie within the District's boundaries but are not subject to property taxes.

**Transportation Distribution.** School districts in the State of New Mexico receive student transportation distributions. The transportations 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 District.

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

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

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

1. A critical need exists requiring action;
2. The residents of the school districts have provided all available resources to the district to meet its capital outlay requirements;
3. The school district has used its resources in a prudent manner;
4. The school district is in a county or counties which have participated in the reappraisal program and the reappraised values are on the tax rolls, or will be used for the tax year 1979 as certified by the property tax division; and
5. The school district has provided insurance for buildings of the school district in accordance with the provisions of Section 13-5-3 NMSA 1978.

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

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.

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

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

STATE OF NEW MEXICO  
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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

*Budgetary Information*

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

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

Actual expenditures may not exceed the budget on a functional level, i.e., each budgeted expenditure must be within budgeted amounts. Budgets may be amended in two ways. If a budget transfer is necessary within a major category called a 'series,' this may be accomplished with only local Board of Education approval. If a transfer between 'series' or a budget increase is required, approval must also be obtained from Public School Finance Division.

The budgetary information presented in these financial statements has been amended in accordance with the above procedures.

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

1. In April or May, the local school board submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department a proposed operating budget for the ensuing fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the State of New Mexico Public Education Department (PED) by the District shall contain headings and details as described by law and have been approved by the Public Education Department.
2. In May or June of each year, the proposed "operating" budget will be reviewed and approved by the DBPU and certified and approved by the local school board at a public hearing of which notice has been published by the local school board which fixes the estimated budget for the school district for the ensuing fiscal year.

STATE OF NEW MEXICO  
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NOTES TO THE FINANCIAL STATEMENTS  
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NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY  
(CONTINUED)

3. The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called.

The “operating” budget will be used by the District until they have been notified that the budget has been approved by the DBPU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the DBPU.

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. Budget change requests are processed in accordance with Supplement 1 (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the SBPU.

Appropriations lapse at fiscal year-end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget of the District has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.

5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds.
6. Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Encumbrances are treated the same way for GAAP purposes and for budget purposes. The Board of Education may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. New Mexico state law prohibits a Governmental Agency from exceeding an individual line item.

Legal budget control for expenditures is by major function as follows: Instruction, Support Services, Operation of Non-instructional Services, Capital Outlay, and Debt Service.

STATE OF NEW MEXICO  
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NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 3. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS**

State statutes authorize the investment of District funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the District properly followed State investment requirements as of June 30, 2016.

**Reconciliation of Cash and Temporary Investments:**

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

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

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

The collateral pledged is presented as other supplementary information in this report. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, district or political subdivision of the State of New Mexico.

According to the Federal Deposit Insurance Corporation, public unit deposits are funds owned by the public unit. Time deposits, savings deposits and interest bearing NOW accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution. Additionally, all deposits in non-interest bearing transaction accounts (such as non-interest bearing checking accounts) at participating institutions are fully guaranteed, regardless of dollar amount.

**Deposits**

NM State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the Schools for a least one half of the amount on deposit with the institution.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2016

**NOTE 3. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS (CONTINUED)**

The detail of the District bank accounts and the insured portion of the deposits is as follows:

	Bank <u>of Clovis</u>	Western Bank <u>of Clovis</u>	NM Bank & Trust	Citizen's Bank	<u>Total</u>
Deposits					
Checking	\$ 11,303,138	\$ 6,494,954	\$ 1,119,481	\$ 8,985,359	\$ 27,902,932
Certificates of Deposit	5,724,238	-	-	-	5,724,238
FDIC coverage	<u>(500,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>(1,250,000)</u>
Total uninsured public funds	<u>16,527,376</u>	<u>6,244,954</u>	<u>869,481</u>	<u>8,735,359</u>	<u>32,377,170</u>
Collateral requirement (50% of uninsured public funds)	8,263,688	3,122,477	434,741	4,367,680	16,188,586
Pledged collateral held by pledging bank's trust department or agent but not in agency's name	<u>21,703,437</u>	<u>7,041,451</u>	<u>2,716,493</u>	<u>13,635,211</u>	<u>45,096,592</u>
Total (under) over collateralized	<u>\$ 13,439,749</u>	<u>\$ 3,918,974</u>	<u>\$ 2,281,752</u>	<u>\$ 9,267,532</u>	<u>\$ 28,908,007</u>

*Custodial Credit Risk – Deposits:* Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2016, \$32,377,170 of the District's bank balance of \$33,627,170 was exposed to custodial credit risk as it was uninsured and the collateral was held by the pledging bank's trust department, not in the District's name. At June 30, 2016, the carrying amount of these deposits was \$29,013,523.

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 school district. Deposits may be made to the extent that they are insured by an agency of the United States or by collateral deposited as security or by bond given by the financial institution.

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

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

STATE OF NEW MEXICO  
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NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 3. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS (CONTINUED)**

State statutes authorize the investment of school district funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool and money market accounts. The District is also allowed to invest in United States Government obligations. The District's investment policy does not further its investment choices. The following table provides a reconciliation from the financial statements to the bank balance:

Government Funds - Balance Sheet	
Cash and cash equivalents (including restricted)	\$ 27,806,798
Statement of Fiduciary Assets and Liabilities - Agency Funds	
Cash and cash equivalents	<u>1,206,725</u>
	29,013,523
Add outstanding checks and other reconciling items	<u>4,613,807</u>
	33,627,330
Less petty cash	<u>(160)</u>
Bank balance of deposits	<u><u>\$ 33,627,170</u></u>

The District utilizes internal pooled accounts for certain programs and funds. Negative cash balances in individual funds that were part of the pooled accounts were reclassified as due to/from accounts in the balance sheets as of June 30, 2016.

**NOTE 4. RECEIVABLES**

Receivables (deemed 100% collectible) as of June 30, 2016, are as follows:

	Operational Fund	Title I	IDEA-B	
Property taxes	\$ 37,343	\$ -	\$ -	
Intergovernmental	-	564,933	481,104	
Other	-	-	-	
	<u>\$ 37,343</u>	<u>\$ 564,933</u>	<u>\$ 481,104</u>	
	Capital Improvements (SB-9)	Debt Service	Other Governmental	Total
Property taxes	\$ 156,460	\$ 395,123	\$ -	\$ 588,926
Intergovernmental	-	-	440,205	1,486,242
Other	-	-	64,944	64,944
	<u>\$ 156,460</u>	<u>\$ 395,123</u>	<u>\$ 505,149</u>	<u>\$ 2,140,112</u>

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**NOTE 5. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

“Interfund balances” have primarily been recorded when funds overdraw their share of pooled cash when the District is waiting for grant reimbursements. The composition of interfund balances as of June 30, 2016 is as follows:

	<u>Receivables</u>	<u>Payables</u>
<b>Major Funds:</b>		
General Fund	\$ 1,472,829	\$ -
Title I	-	564,933
IDEA-B	-	481,104
Bond Building	-	59,500
Debt Service	59,500	
<b>Nonmajor Funds:</b>		
Special Revenue Funds	-	426,792
	<u>\$ 1,532,329</u>	<u>\$ 1,532,329</u>

**NOTE 6. CAPITAL ASSETS**

A summary of capital assets and changes occurring during the year ended June 30, 2016 is as follows. Land is not subject to depreciation.

	Balance June 30, 2015	Additions	Deletions	Transfers/ Adjustments	Balance June 30, 2016
Capital Assets not being depreciated:					
Land	\$ 1,025,970	\$ -	\$ -	\$ -	\$ 1,025,970
Construction in process	17,032,390	4,442,476	-	(3,685,175)	17,789,691
Total capital assets not being depreciated	18,058,360	4,442,476	-	(3,685,175)	18,815,661
Capital Assets being depreciated:					
Land improvements	13,105,450	5,067	(254,304)	3,508,287	16,364,500
Buildings and building improvements	162,826,546	40,422	(1,783,421)	176,888	161,260,435
Furniture, fixtures, vehicles and equipment	19,854,627	779,739	(112,099)	222,350	20,744,617
Total capital assets being depreciated	195,786,623	825,228	(2,149,824)	3,907,525	198,369,552
Less Accumulated depreciation:					
Land improvements	6,310,752	450,877	(111,150)	-	6,650,479
Buildings and building improvements	41,258,029	3,075,318	(994,796)	(874)	43,337,677
Furniture, fixtures, vehicles, and equipment	14,350,001	1,433,328	(104,161)	121,568	15,800,736
Total Accumulated depreciation	61,918,782	4,959,523	(1,210,107)	120,694	65,788,892
Net capital assets being depreciated	133,867,841	(4,134,295)	(939,717)	3,786,831	132,580,660
Government activities capital assets, net:	<u>\$ 151,926,201</u>	<u>\$ 308,181</u>	<u>\$ (939,717)</u>	<u>\$ 101,656</u>	<u>\$ 151,396,321</u>



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NOTE 6. CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to governmental activities for the year ended June 30, 2016 as follows:

Depreciation expenses:

Instruction	\$ 908,032
Support Services - Students	63,362
Support Services - Instruction	2,162,682
Support Services - General Administration	5,002
Support Services - School Administration	20,379
Fiscal Services	35,647
Operation and Maintenance of Plant	476,110
Food Services	<u>1,288,309</u>
	<u>\$ 4,959,523</u>

NOTE 7. LONG-TERM DEBT

During the year ended June 30, 2016, the following changes occurred in the liabilities reported in the government-wide statement of net position:

	Balance <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2016</u>	Due Within <u>One Year</u>
Bonds Payable	\$ 41,385,000	\$ -	\$ (2,590,000)	\$ 38,795,000	\$ 2,665,000
Compensated Absences	<u>293,666</u>	<u>310,146</u>	<u>(307,503)</u>	<u>296,309</u>	<u>296,309</u>
Total	<u>\$ 41,678,666</u>	<u>\$ 310,146</u>	<u>\$ (2,897,503)</u>	<u>\$ 39,091,309</u>	<u>\$ 2,961,309</u>

The District's general obligation bonds were issued for the purposes of creating, remodeling, making additions to and furnishing school buildings, and purchasing and improving school grounds and are payable solely from general property taxes that are levied against all taxable property in the District. The bonds are payable out of the Debt Service Fund (Fund 41000). Interest payments are due semi-annually on August 1 and February 1. Interest rates on the bonds range from 2.00% to 4.0%. Principal payments in varying amounts are due annually on August 1 through 2031.

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**NOTE 7. LONG-TERM DEBT (CONTINUED)**

The annual requirements to amortize the General Obligation Bonds as of June 30, 2016, including interest payments are as follows:

Fiscal Year Ending June 30,	<u>Principal</u>	<u>Interest</u>	Total Debt <u>Service</u>
2017	\$ 2,665,000	\$ 1,013,105	\$ 3,678,105
2018	2,425,000	945,218	3,370,218
2019	2,585,000	881,500	3,466,500
2020	2,275,000	815,301	3,090,301
2021	2,150,000	751,408	2,901,408
2022-2026	14,630,000	2,613,175	17,243,175
2027-2031	<u>12,065,000</u>	<u>613,134</u>	<u>12,678,134</u>
	<u>\$ 38,795,000</u>	<u>\$ 7,632,841</u>	<u>\$ 46,427,841</u>

In prior years, the general fund was typically used to liquidate long-term liabilities other than debt.

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 \$2,642 from the prior year accrual. See Note 1 for more details.

**NOTE 8. RISK MANAGEMENT**

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

The NMPSIA provides coverage for up to a maximum of \$500,000,000 for each property damage claim with a \$750 deductible to each building. General liability coverage is afforded to all employees, volunteers and school board members and the limit is subject to the NMSA Tort Claims Act on a per occurrence basis. The automobile and property liability limit 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 Security, which includes a \$750 deductible.

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**NOTE 8. RISK MANAGEMENT (CONTINUED)**

In case the NMPSIA's assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. As of June 30, 2016, there have been no claims that have exceeded insurance coverage.

**NOTE 9. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES**

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

- A. Deficit fund balance of individual funds. The following funds reported a deficit fund balance at June 30, 2016:

None

- B. Excess of expenditures over appropriations.

Funds 31700, 41000, and 27168 exceeded approved budgetary authority in the major budget function of support services for the year ended June 30, 2016.

**NOTE 10. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD**

*Plan description.* Plan Description: NMERB was created by the State's Educational Retirement Act, Section 22-11-1 through 22-11-52, NMSA 1978, as amended, to administer the New Mexico Educational Employees' Retirement Plan (Plan). The Plan is a cost-sharing, multiple employer plan established to provide retirement and disability benefits for certified teachers and other employees of the state's public schools, institutions of higher learning, and agencies providing educational programs. The Plan is a pension trust fund of the State of New Mexico. The New Mexico legislature has the authority to set or amend contribution rates. ERB issues a publicly available financial report and a comprehensive annual financial report that can be obtained at [www.nmerb.org](http://www.nmerb.org).

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

For members employed before July 1, 2010, a member is eligible to retire when one of the following events occurs: the member's age and earned service credit add up to the sum of 75 or more; the member is at least sixty-five years of age and has five or more years of earned service credit; or the member has service credit totaling 25 years or more.

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**NOTE 10. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD  
(CONTINUED)**

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%. 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

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NOTE 10. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD  
(CONTINUED)

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 defined benefit 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, 2016 (and thereafter) employers contributed 13.90% of employees’ gross annual salary to the Plan; participating employees earning more than \$20,000 annually contributed 10.70% of their gross salary. Employees earning \$20,000 or less contributed 7.90%. Contributions to the pension plan from the District were \$5,726,329 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, 2015. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2016, 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 reported a liability of \$93,363,964 for its 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 1.44141 percent, which was a decrease of 0.02055 percent from its proportion measured as of June 30, 2014. For the year ended June 30, 2016, under GASB 68, the District recognized pension expense of \$6,907,371 in the Statement of Activities.

Pension Expense Calculation

Add: Net pension liability - end of the year	\$ 93,363,964
Deduct: Net pension liability - beginning of the year	(83,415,477)
Deduct: Deferred outflows of resources during the year	(8,522,302)
Add: First year of amortization of deferred outflows of resources	-
Add: Deferred inflows of resources during the year	1,929,274
Deduct: First year of amortization of deferred inflows of resources	-
Add: Layered amortization of prior year(s) deferred outflows of resources	151,236
Deduct: Layered amortization of prior year(s) deferred inflows of resources	(2,294,460)
Reductions to ending net pension liability due to 2015 contributions paid	<u>5,695,136</u>
Total Pension Expense	<u>\$ 6,907,371</u>

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NOTE 10. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD  
(CONTINUED)

At June 30, 2016, the District reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual actuarial experience change of assumptions	\$ -	\$ 1,730,882
Net difference between projected and actual earnings on pension plan investments	-	420,255
Changes in assumptions	3,211,284	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	714,378
District contributions subsequent to the measurement date	<u>5,726,329</u>	<u>-</u>
Total	<u>\$ 8,937,613</u>	<u>\$ 2,865,515</u>

\$5,726,329 reported as deferred outflows of resources related to pensions resulting from the District'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, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	
2017	\$ (407,739)
2018	(374,804)
2019	(168,402)
2020	1,296,715
2021	<u>-</u>
Total	<u>\$ 345,770</u>

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NOTE 10. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD  
(CONTINUED)

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

1. All members with 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 NMERB 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, and
5. For purposes of projecting future benefits, it is assumed that the full COLA is paid in all future years.

The actuarial methods and assumptions used to determine contributions rates included in the measurement are as follows:

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

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NOTE 10. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD  
(CONTINUED)

Mortality 90% of RP-2000 Combined Mortality Table with White Collar Adjustment projected to 2014 using Scale AA (one year setback for females)

*Rate of Return.* 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.).

The detail of pension plan investments, as reported in ERB’s annual financial statements, can be found at [www.nmerb.org](http://www.nmerb.org).

*Discount rate:* A discount rate of 7.75% was used to measure the total pension liability as of June 30, 2015. This discount rate was based on the expected rate of return on pension plan investments of 7.75%. Based on the assumptions described below and the projection of cash flows, the pension plan’s fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. The long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the District’s proportionate share of the net pension liability to changes in the discount rate.* The following table presents the District’s proportionate share of the net pension liability as of fiscal year end 2015, calculated using the discount rate of 7.75 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate.

	1 % Decrease 6.75%	Current Discount Rate 7.75%	1 % Increase 8.75%
District’s proportionate share of the net pension liability	\$ 125,627,451	93,363,964	66,259,276

**Pension plan fiduciary net position.** Detailed information about the ERB’s fiduciary net position is available in the separately issued audited financial statements as of and for June 30, 2015 and 2014 which are publicly available at [www.nmerb.org](http://www.nmerb.org).



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**NOTE II. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN**

*Plan Description.* The District contributes to the New Mexico Retiree Health Care Fund, a cost sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents.

The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and / or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

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

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

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

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**NOTE 11. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN (CONTINUED)**

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 members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2016, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2016, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.00% 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 \$873,672, \$819,594, and \$805,966, respectively, which equal the required contributions for each year.

**NOTE 12. CONTINGENT LIABILITIES**

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

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

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NOTE 13. BUDGETED ACTIVITY FUNDS

The Student Activity Funds, are considered for reporting purposes as agency funds and the related activity has been reported as such in the Statement of Changes in Fiduciary Assets and Liabilities – Agency Funds section of the financial statements.

NOTE 14. COMMITMENTS

The District contracts with outside vendors for construction and renovation of various facilities. At June 30, 2016, the District’s maintains a portion of contracts outstanding for capital projects.

NOTE 15. GOVERNMENTAL FUND BALANCE

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

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

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

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

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

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NOTE 15. GOVERNMENTAL FUND BALANCE (CONTINUED)

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

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

NOTE 16. RELATED PARTY TRANSACTIONS

In July 2013, the Board of Education approved a waiver, in accordance with Section 13-1-194, NMSA 1978, to allow a company owned by a Board Member (Snider Electric) to bid or contract for the procurement of services with the District. In July 2015, the Board of Education approved a waiver, in accordance with Section 13-1-194, NMSA 1978, to allow a company owned by a Board Member (Osburn Tire) to bid or contract for the procurement of services with the District. During the year ended June 30, 2016, the District incurred approximately \$230,000, and \$4,000 in expenditures with Snider Electric and Osburn Tire, respectively. No amounts were owed to or from the companies/District at June 30, 2016.

NOTE 17. SUBSEQUENT EVENTS

On September 27, 2016, the District issued General Obligation Schools Bonds Series 2016 A (Series A) in the amount of \$5,000,000 and General Obligation Refunding Bonds Series B (Series B) in the amount of \$3,450,000.

Proceeds of the Series 2016A Bonds is to be used for the purpose of (1) erecting, remodeling, making additions to and furnishing school buildings, purchasing and improving school grounds and purchasing computer software and hardware for student use in public school classrooms, providing matching funds for capital outlay projects funded pursuant to the Public School Capital Outlay Act, or any combination of those purposes within the District and (2) paying costs of issuance with such bonds. Proceeds of the Series 2016B Bonds is to be used for the purpose of (1) advance refunding of the District's outstanding General Obligation School Building Bonds, Series 2008 (the "Refunded Bonds") and (2) paying costs of issuance of such bonds.

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE  
NET PENSION LIABILITY  
Educational Retirement Board (ERB) Pension Plan  
For the Years ended June 30, 2016 and 2015  
Last 10 Fiscal Years\*

	2016	2015
District's proportion of the net pension liability	1.44141%	1.46196%
District's proportionate share of the net pension liability	\$ 93,363,964	\$ 83,415,477
District's covered-employee payroll	\$ 39,355,110	\$ 40,970,214
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	237%	204%
ERB 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, the District will present information for those years for which information is available.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS  
Educational Retirement Board (ERB) Pension Plan  
For the Years ended June 30, 2016 and 2015  
Last 10 Fiscal Years\*

	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 5,695,136	\$ 5,299,067
Contributions in relation to the contractually required	<u>(5,695,136)</u>	<u>(5,299,067)</u>
Contribution deficiency	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 39,355,110	\$ 40,970,214
Contribution as a percentage of covered-employee payroll	14.47%	12.93%

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE 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 on the Pension Plan (Note 10).

*Changes of assumptions.* ERB conducts an actuarial experience study for the Plan on a biennial basis. 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:

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

See also the actuarial assumptions subsection of the financial statement note disclosure on the Pension Plan (Note 10).



## SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
BOND BUILDING CAPITAL PROJECT FUND (31100) (MAJOR FUND)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	31,746	31,746
Charges for services	-	-	-	-
Interest	5,000	5,000	6,253	1,253
<b>Total revenues</b>	<u>\$ 5,000</u>	<u>5,000</u>	<u>37,999</u>	<u>32,999</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	1,500	1,003	497
Operation of non-instructional services				
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	6,562,951	6,561,451	3,515,248	3,046,203
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<u>\$ 6,562,951</u>	<u>6,562,951</u>	<u>3,516,251</u>	<u>3,046,700</u>
<b>BUDGETED CASH BALANCE</b>	<u>\$ (6,557,951)</u>	<u>(6,557,951)</u>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 37,999
Change in receivables	1
Capital outlay expenditures paid directly by the Public Schools Facilities Authority	1,837,891
Modified accrual basis	<u>\$ 1,875,891</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 3,516,251
Change in payables	(475,951)
Capital outlay expenditures paid directly by the Public Schools Facilities Authority	1,837,891
Modified accrual basis	<u>\$ 4,878,191</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
CAPITAL IMPROVEMENTS SB-9 CAPITAL PROJECT FUND (31700)(MAJOR FUND)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ 1,386,777	1,386,777	1,473,710	86,933
State grants	1,342,727	2,226,914	-	(2,226,914)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	2,000	2,000	5,147	3,147
<b>Total revenues</b>	<u>\$ 2,731,504</u>	<u>3,615,691</u>	<u>1,478,857</u>	<u>(2,136,834)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	13,868	13,868	14,737	(869)
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	3,015,955	3,900,142	943,454	2,956,688
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<u>\$ 3,029,823</u>	<u>3,914,010</u>	<u>958,191</u>	<u>2,955,819</u>
<b>BUDGETED CASH BALANCE</b>	<u>\$ (298,319)</u>	<u>(298,319)</u>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>		
Budgetary basis	\$	1,478,857
Change in receivables		2,915
Modified accrual basis	<u>\$</u>	<u>1,481,772</u>
<b>EXPENDITURES</b>		
Budgetary basis	\$	958,191
Change in payables		-
Modified accrual basis	<u>\$</u>	<u>958,191</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
DEBT SERVICE FUND (41000)(MAJOR FUND)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ 3,642,755	3,642,755	3,721,478	78,723
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	1,750	1,750	3,274	1,524
<b>Total revenues</b>	<u>\$ 3,644,505</u>	<u>3,644,505</u>	<u>3,724,752</u>	<u>80,247</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	36,428	36,428	37,215	(787)
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	2,590,000	2,590,000	2,590,000	-
Interest	1,052,755	1,052,755	1,033,255	19,500
Bond issuance costs	2,609,632	2,609,632	-	2,609,632
<b>Total expenditures</b>	<u>\$ 6,288,815</u>	<u>6,288,815</u>	<u>3,660,470</u>	<u>2,628,345</u>
<b>BUDGETED CASH BALANCE</b>	<u>\$ (2,644,310)</u>	<u>(2,644,310)</u>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 3,724,752
Change in receivables	7,315
Modified accrual basis	<u>\$ 3,732,067</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 3,660,470
Change in payables	-
Modified accrual basis	<u>\$ 3,660,470</u>

See accompanying notes.

**NON-MAJOR GOVERNMENTAL FUNDS**

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
As of June 30, 2016

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
<b>Assets</b>			
Cash and cash equivalents	\$ 1,044,915	\$ -	\$ 1,044,915
Restricted cash and cash equivalents	-	412,800	412,800
Accounts receivable, collectible			
Taxes	-	-	-
Due from other governments	440,205	-	440,205
Other receivables	64,944	-	64,944
Interfund receivables	-	-	-
Inventory	-	-	-
<b>Total Assets</b>	<u>\$ 1,550,064</u>	<u>\$ 412,800</u>	<u>\$ 1,962,864</u>
<b>Liabilities</b>			
Accounts payable	-	-	-
Accrued payroll liabilities	-	-	-
Interfund payables	426,792	-	426,792
Unearned revenues	-	-	-
<b>Total Liabilities</b>	<u>426,792</u>	<u>-</u>	<u>426,792</u>
<b>Deferred Inflows of Resources</b>			
Delinquent property taxes	-	-	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>426,792</u>	<u>-</u>	<u>426,792</u>
<b>Fund Balance</b>			
Nonspendable	-	-	-
Restricted for:			
General fund	-	-	-
Special revenue	1,123,272	-	1,123,272
Capital projects	-	412,800	412,800
Debt service	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<b>Total Fund Balance</b>	<u>1,123,272</u>	<u>412,800</u>	<u>1,536,072</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ 1,550,064</u>	<u>\$ 412,800</u>	<u>\$ 1,962,864</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2016

Revenues	Special Revenue	Capital Projects	Total
Property taxes	\$ -	\$ -	\$ -
State grants	625,470	-	625,470
Federal grants	1,550,659	-	1,550,659
Miscellaneous	218,978	750	219,728
Charges for services	212,481	-	212,481
Interest	-	-	-
<b>Total Revenues</b>	<u>2,607,588</u>	<u>750</u>	<u>2,608,338</u>
<b>Expenditures</b>			
Current:			
Instruction	1,079,900	-	1,079,900
Support services			
Students	863,806	-	863,806
Instruction	98,173	-	98,173
General administration	44,886	-	44,886
School administration	33,086	-	33,086
Central services	41,966	-	41,966
Operation & maintenance of plant	-	-	-
Student transportation	19,593	-	19,593
Other support services	-	-	-
Food services operations	115,658	-	115,658
Community services	22,513	-	22,513
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>2,319,581</u>	<u>-</u>	<u>2,319,581</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>288,007</b>	<b>750</b>	<b>288,757</b>
<b>Other financing sources (uses)</b>			
Operating transfers	-	-	-
Proceeds from bond issuances	-	-	-
Bond underwriter discount	-	-	-
Bond underwriter premium	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>288,007</u>	<u>750</u>	<u>288,757</u>
Fund balance beginning of year	835,265	412,050	1,247,315
Prior Period Restatement	-	-	-
Fund balance, beginning of year, restated	<u>835,265</u>	<u>412,050</u>	<u>1,247,315</u>
<b>Fund balance end of year</b>	<u>\$ 1,123,272</u>	<u>\$ 412,800</u>	<u>\$ 1,536,072</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NON-MAJOR SPECIAL REVENUE FUNDS – FUND DESCRIPTIONS  
JUNE 30, 2016

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 non-major Special Revenue Funds include:

**Athletics (Fund 22000).** This fund is used to account for fees generated at athletic activities throughout the 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.

**Migrant Children Education (Fund 24103).** The purpose of this program is to assist the District in providing a summer school program for migrant students. Federal revenues accounted for in this fund are administered by the New Mexico Public Education Department. Authority for creation of this fund is Chapter I of Title I of the Elementary and Secondary Education Act (ESEA) of 1965 as amended, Public Law 103-382.

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

**IDEA-B Risk Pool (Fund 24120).** It is a reallocation of monies awarded the previous year to IDEA-B but not allocated. It is to be used to pay the excess costs of providing special education and related services to children with disabilities and supplements State, local and federal funds.

**English Language Acquisition (Fund 24153).** To provide funds to improve the educational performance of limited English proficient students by assisting the children to learn English and meet State academic content standards.

**Teacher / Principal Training & Recruiting (Fund 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.

**Carl D. Perkins (Funds 24174 and 24176).** The objective of this grant is to provide 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 Department of Education. Authority for creation of this fund is Carl D. Perkins Vocational and Applied Technology Education Act of 1990, as amended, Public Law 105-332.

**Migrant Education Program (Fund 24187).** This fund accounts for the identification and recruitment of migrant students.



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NON-MAJOR SPECIAL REVENUE FUNDS – FUND DESCRIPTIONS (CONTINUED)  
JUNE 30, 2016

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

**Title XIX MEDICAID (Fund 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.

**ROTC (Fund 25200).** To account for federal funds received for the implementation of the ROTC program. The authority for creation of this fund is in the New Mexico PED Policies and Procedures Manual.

**ENLACE UNM (Fund 26103).** The Engaging Latino Communities for Education initiative is to provide a path of education to pursue a higher education by collaborating with parents & families, communities, school districts, colleges and universities, professional and community organizations; to identify and nurture leaders and teachers to keep kids in school and prepare them for college.

**Walton Family Foundation (Fund 26148).** This fund initiative is focused on education, workforce development, economic opportunity, environmental sustainability, and health and wellness. The authority for creation of this fund is in the New Mexico PED Policies and Procedures Manual.

**Clovis Municipal Schools Foundation (Fund 26184).** Fund to account for the monies provided to the District to provide additional educational opportunities in and out of the classroom. Funding provided by foundation donation, the authority provided by the Clovis Municipal School Board.

**Albertson's Community Grant (Fund 26217).** This fund is to account for money from the Albertson's community partners program to support school activities.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NON-MAJOR SPECIAL REVENUE FUNDS – FUND DESCRIPTIONS (CONTINUED)  
JUNE 30, 2016

**Dual Credit Instructional Materials (Fund 27103).** To purchase college textbooks for students who dual enroll in college credited courses while still attending high school.

**2012 GO Bond Student Library Fund (Fund 27107).** Funds is used to purchase library books and library supplies for all school sites.

**New Mexico Reads to Lead! (Fund 27114).** Reading Initiative legislative funded.

**Breakfast for Elementary Students (Fund 27155).** The 2005 Legislative General Appropriations Act allocated \$475,000 to implement Breakfast in the Classroom for elementary schools in need of improvement based on 2004-2005 AYP designation.

**New Mexico Grown FVV (Fund 27183).** Fund is used to account for an FY14 appropriation for the purchase of New Mexico grown fresh fruits and vegetables.

**Parent Advocacy (Fund 27193).** To account for the availability of a Student- Parent Portal program to every district in NM affording them the opportunity to receive services to develop a student- parent portal. These portals can be used to deliver student information and reports to students and parents online. The authority for creation of this fund is in the New Mexico PED Policies and Procedures Manual.

**Private Direct Grants (Fund 29102).** To account for local grants awarded to provide additional funding for specific projects.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
As of June 30, 2016

	<i>Fund 22000</i>	<i>Fund 24103</i>	<i>Fund 24109</i>
	<u>Athletics</u>	<u>Migrant Children Education</u>	<u>IDEA-B Preschool</u>
<b>Assets</b>			
Cash and cash equivalents	\$ 170,252	\$ -	\$ -
Restricted cash and cash equivalents	-	-	-
Accounts receivable, collectible			
Taxes	-	-	-
Due from other governments	-	33,699	134
Other receivables	-	-	-
Interfund receivables	-	-	-
Investments	-	-	-
Restricted investments	-	-	-
Inventory	-	-	-
<b>Total Assets</b>	<u>\$ 170,252</u>	<u>\$ 33,699</u>	<u>\$ 134</u>
<b>Liabilities</b>			
Accounts payable	-	-	-
Accrued payroll liabilities	-	-	-
Interfund payables	-	33,699	134
Unearned revenues	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>33,699</u>	<u>134</u>
<b>Deferred Inflows of Resources</b>			
Delinquent property taxes	-	-	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>-</u>	<u>33,699</u>	<u>134</u>
<b>Fund Balance</b>			
Nonspendable	-	-	-
Restricted for:			
General fund	-	-	-
Special revenue	170,252	-	-
Capital projects	-	-	-
Debt service	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<b>Total Fund Balance</b>	<u>170,252</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ 170,252</u>	<u>\$ 33,699</u>	<u>\$ 134</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
As of June 30, 2016

	Fund 24120 IDEA-B Risk Pool	Fund 24153 English Language Acquisition	Fund 24154 Teacher/Principal Training & Recruiting
<b>Assets</b>			
Cash and cash equivalents	\$ -	\$ -	\$ -
Restricted cash and cash equivalents	-	-	-
Accounts receivable, collectible			
Taxes	-	-	-
Due from other governments	-	24,969	145,341
Other receivables	-	-	-
Interfund receivables	-	-	-
Investments	-	-	-
Restricted investments	-	-	-
Inventory	-	-	-
<b>Total Assets</b>	<u>\$ -</u>	<u>\$ 24,969</u>	<u>\$ 145,341</u>
<b>Liabilities</b>			
Accounts payable	-	-	-
Accrued payroll liabilities	-	-	-
Interfund payables	-	24,969	145,341
Unearned revenues	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>24,969</u>	<u>145,341</u>
<b>Deferred Inflows of Resources</b>			
Delinquent property taxes	-	-	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>-</u>	<u>24,969</u>	<u>145,341</u>
<b>Fund Balance</b>			
Nonspendable	-	-	-
Restricted for:			
General fund	-	-	-
Special revenue	-	-	-
Capital projects	-	-	-
Debt service	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<b>Total Fund Balance</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ -</u>	<u>\$ 24,969</u>	<u>\$ 145,341</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
As of June 30, 2016

	<u>Fund 24174 Carl D Perkins Secondary Current</u>	<u>Fund 24187 Migrant Regional Recruiting</u>	<u>Fund 24176 Carl D Perkins Secondary Redistribution</u>
<b>Assets</b>			
Cash and cash equivalents	\$ -	\$ -	\$ -
Restricted cash and cash equivalents	-	-	-
Accounts receivable, collectible			
Taxes	-	-	-
Due from other governments	17,001	7,941	6,703
Other receivables	-	-	-
Interfund receivables	-	-	-
Investments	-	-	-
Restricted investments	-	-	-
Inventory	-	-	-
<b>Total Assets</b>	<u>\$ 17,001</u>	<u>\$ 7,941</u>	<u>\$ 6,703</u>
<b>Liabilities</b>			
Accounts payable	-	-	-
Accrued payroll liabilities	-	-	-
Interfund payables	17,001	7,941	6,703
Unearned revenues	-	-	-
<b>Total Liabilities</b>	<u>17,001</u>	<u>7,941</u>	<u>6,703</u>
<b>Deferred Inflows of Resources</b>			
Delinquent property taxes	-	-	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>17,001</u>	<u>7,941</u>	<u>6,703</u>
<b>Fund Balance</b>			
Nonspendable	-	-	-
Restricted for:			
General fund	-	-	-
Special revenue	-	-	-
Capital projects	-	-	-
Debt service	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<b>Total Fund Balance</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ 17,001</u>	<u>\$ 7,941</u>	<u>\$ 6,703</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
As of June 30, 2016

	<i>Fund 25145</i> <b>Impact Aid Special Education</b>	<i>Fund 25153</i> <b>Title XIX Medicaid</b>	<i>Fund 25200</i> <b>ROTC</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 56,109	\$ 774,908	\$ -
Restricted cash and cash equivalents	-	-	-
Accounts receivable, collectible			
Taxes	-	-	-
Due from other governments	-	78,357	-
Other receivables	-	-	-
Interfund receivables	-	-	-
Investments	-	-	-
Restricted investments	-	-	-
Inventory	-	-	-
<b>Total Assets</b>	<b>\$ 56,109</b>	<b>\$ 853,265</b>	<b>\$ -</b>
<b>Liabilities</b>			
Accounts payable	-	-	-
Accrued payroll liabilities	-	-	-
Interfund payables	-	-	-
Unearned revenues	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>			
Delinquent property taxes	-	-	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance</b>			
Nonspendable	-	-	-
Restricted for:			
General fund	-	-	-
Special revenue	56,109	853,265	-
Capital projects	-	-	-
Debt service	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<b>Total Fund Balance</b>	<b>56,109</b>	<b>853,265</b>	<b>-</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 56,109</b>	<b>\$ 853,265</b>	<b>\$ -</b>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
As of June 30, 2016

	Fund 26103	Fund 26148	Fund 26184
	ENLACE UNM	Walton Family Foundation	Clovis Schools Foundation
<b>Assets</b>			
Cash and cash equivalents	\$ -	\$ -	\$ 23,646
Restricted cash and cash equivalents	-	-	-
Accounts receivable, collectible			
Taxes	-	-	-
Due from other governments	-	-	-
Other receivables	64,944	-	-
Interfund receivables	-	-	-
Investments	-	-	-
Restricted investments	-	-	-
Inventory	-	-	-
<b>Total Assets</b>	<b>\$ 64,944</b>	<b>\$ -</b>	<b>\$ 23,646</b>
<b>Liabilities</b>			
Accounts payable	-	-	-
Accrued payroll liabilities	-	-	-
Interfund payables	64,944	-	-
Unearned revenues	-	-	-
<b>Total Liabilities</b>	<b>64,944</b>	<b>-</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>			
Delinquent property taxes	-	-	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>64,944</b>	<b>-</b>	<b>-</b>
<b>Fund Balance</b>			
Nonspendable	-	-	-
Restricted for:			
General fund	-	-	-
Special revenue	-	-	23,646
Capital projects	-	-	-
Debt service	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<b>Total Fund Balance</b>	<b>-</b>	<b>-</b>	<b>23,646</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 64,944</b>	<b>\$ -</b>	<b>\$ 23,646</b>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
As of June 30, 2016

	<i>Fund 26217</i>	<i>Fund 27103</i>	<i>Fund 27107</i>
	<b>Albertson's</b>	<b>Dual Credit</b>	<b>2012 GO Bond</b>
	<b>Grant</b>	<b>Instructional</b>	<b>Student Library</b>
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Assets</b>			
Cash and cash equivalents	\$ -	\$ -	\$ -
Restricted cash and cash equivalents	-	-	-
Accounts receivable, collectible			
Taxes	-	-	-
Due from other governments	-	-	77,542
Other receivables	-	-	-
Interfund receivables	-	-	-
Investments	-	-	-
Restricted investments	-	-	-
Inventory	-	-	-
<b>Total Assets</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 77,542</u>
<b>Liabilities</b>			
Accounts payable	-	-	-
Accrued payroll liabilities	-	-	-
Interfund payables	-	-	77,542
Unearned revenues	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>77,542</u>
<b>Deferred Inflows of Resources</b>			
Delinquent property taxes	-	-	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>77,542</u>
<b>Fund Balance</b>			
Nonspendable	-	-	-
Restricted for:			
General fund	-	-	-
Special revenue	-	-	-
Capital projects	-	-	-
Debt service	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<b>Total Fund Balance</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 77,542</u>

See accompanying notes.



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
As of June 30, 2016

	<i>Fund 27114</i>	<i>Fund 27141</i>	<i>Fund 27155</i>
	<b>NM Reads to Lead</b>	<b>Truancy Initiative PED</b>	<b>Breakfast for Elementary Students</b>
<b>Assets</b>			
Cash and cash equivalents	\$ -	\$ -	\$ -
Restricted cash and cash equivalents	-	-	-
Accounts receivable, collectible			
Taxes	-	-	-
Due from other governments	16,781	8,834	-
Other receivables	-	-	-
Interfund receivables	-	-	-
Investments	-	-	-
Restricted investments	-	-	-
Inventory	-	-	-
<b>Total Assets</b>	<b>\$ 16,781</b>	<b>\$ 8,834</b>	<b>\$ -</b>
<b>Liabilities</b>			
Accounts payable	-	-	-
Accrued payroll liabilities	-	-	-
Interfund payables	16,781	8,834	-
Unearned revenues	-	-	-
<b>Total Liabilities</b>	<b>16,781</b>	<b>8,834</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>			
Delinquent property taxes	-	-	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>16,781</b>	<b>8,834</b>	<b>-</b>
<b>Fund Balance</b>			
Nonspendable	-	-	-
Restricted for:			
General fund	-	-	-
Special revenue	-	-	-
Capital projects	-	-	-
Debt service	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<b>Total Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 16,781</b>	<b>\$ 8,834</b>	<b>\$ -</b>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
As of June 30, 2016

	<i>Fund 27166</i> <b>Kindergarten Three Plus</b>	<i>Fund 27168</i> <b>After School Enrichment Program</b>	<i>Fund 27183</i> <b>NM Grown Fresh Fruits &amp; Vegetables</b>
<b>Assets</b>			
Cash and cash equivalents	\$ -	\$ -	\$ -
Restricted cash and cash equivalents	-	-	-
Accounts receivable, collectible			
Taxes	-	-	-
Due from other governments	-	22,903	-
Other receivables	-	-	-
Interfund receivables	-	-	-
Investments	-	-	-
Restricted investments	-	-	-
Inventory	-	-	-
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 22,903</b>	<b>\$ -</b>
<b>Liabilities</b>			
Accounts payable	-	-	-
Accrued payroll liabilities	-	-	-
Interfund payables	-	22,903	-
Unearned revenues	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>22,903</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>			
Delinquent property taxes	-	-	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>-</b>	<b>22,903</b>	<b>-</b>
<b>Fund Balance</b>			
Nonspendable	-	-	-
Restricted for:			
General fund	-	-	-
Special revenue	-	-	-
Capital projects	-	-	-
Debt service	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<b>Total Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ -</b>	<b>\$ 22,903</b>	<b>\$ -</b>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
As of June 30, 2016

	Fund 27193	Fund 29102	
	Parent Advocacy	Private Direct Grants	Total
<b>Assets</b>			
Cash and cash equivalents	\$ -	\$ 20,000	\$ 1,044,915
Restricted cash and cash equivalents	-	-	-
Accounts receivable, collectible			
Taxes	-	-	-
Due from other governments	-	-	440,205
Other receivables	-	-	64,944
Interfund receivables	-	-	-
Investments	-	-	-
Restricted investments	-	-	-
Inventory	-	-	-
<b>Total Assets</b>	<u>\$ -</u>	<u>\$ 20,000</u>	<u>\$ 1,550,064</u>
<b>Liabilities</b>			
Accounts payable	-	-	-
Accrued payroll liabilities	-	-	-
Interfund payables	-	-	426,792
Unearned revenues	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>426,792</u>
<b>Deferred Inflows of Resources</b>			
Delinquent property taxes	-	-	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>426,792</u>
<b>Fund Balance</b>			
Nonspendable	-	-	-
Restricted for:			
General fund	-	-	-
Special revenue	-	20,000	1,123,272
Capital projects	-	-	-
Debt service	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<b>Total Fund Balance</b>	<u>-</u>	<u>20,000</u>	<u>1,123,272</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ -</u>	<u>\$ 20,000</u>	<u>\$ 1,550,064</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS  
For the Year Ended June 30, 2016

	Fund 22000	Fund 24103	Fund 24109
	Athletics	Migrant Children Education	IDEA-B Preschool
<b>Revenues</b>			
Property taxes	\$ -	\$ -	\$ -
State grants	-	-	-
Federal grants	-	80,752	75,966
Miscellaneous	70	-	-
Charges for services	212,481	-	-
Interest	-	-	-
<b>Total Revenues</b>	<u>212,551</u>	<u>80,752</u>	<u>75,966</u>
<b>Expenditures</b>			
Current:			
Instruction	181,816	57,716	2,304
Support services			
Students	-	10,321	71,579
Instruction	-	-	-
General administration	-	5,152	2,083
School administration	-	-	-
Central services	-	-	-
Operation & maintenance of plant	-	-	-
Student transportation	-	-	-
Other support services	-	-	-
Food services operations	-	-	-
Community services	-	7,563	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>181,816</u>	<u>80,752</u>	<u>75,966</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	30,735	-	-
<b>Other financing sources (uses)</b>			
Operating transfers	-	-	-
Proceeds from bond issuances	-	-	-
Bond underwriter discount	-	-	-
Bond underwriter premium	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	30,735	-	-
<b>Fund balance beginning of year (deficit)</b>	139,517	-	-
<b>Prior Period Restatement</b>	-	-	-
<b>Fund balance, beginning of year, restated</b>	<u>139,517</u>	<u>-</u>	<u>-</u>
<b>Fund balance end of year</b>	<u>\$ 170,252</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUND:  
For the Year Ended June 30, 2016

	Fund 24120	Fund 24153	Fund 24154
	IDEA-B Risk Pool	English Language Acquisition	Teacher/Principal Training & Recruiting
<b>Revenues</b>			
Property taxes	\$ -	\$ -	\$ -
State grants	-	-	-
Federal grants	-	56,167	396,852
Miscellaneous	-	-	-
Charges for services	-	-	-
Interest	-	-	-
<b>Total Revenues</b>	<u>-</u>	<u>56,167</u>	<u>396,852</u>
<b>Expenditures</b>			
Current:			
Instruction	-	43,471	313,800
Support services			
Students	-	-	976
Instruction	-	-	-
General administration	-	7,978	22,080
School administration	-	4,718	18,030
Central services	-	-	41,966
Operation & maintenance of plant	-	-	-
Student transportation	-	-	-
Other support services	-	-	-
Food services operations	-	-	-
Community services	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>56,167</u>	<u>396,852</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	-	-	-
<b>Other financing sources (uses)</b>			
Operating transfers	-	-	-
Proceeds from bond issuances	-	-	-
Bond underwriter discount	-	-	-
Bond underwriter premium	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	-	-	-
<b>Fund balance beginning of year (deficit)</b>	-	-	-
<b>Prior Period Restatement</b>	-	-	-
<b>Fund balance, beginning of year, restated</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUND:  
For the Year Ended June 30, 2016

	Fund 24174 Carl D Perkins Secondary Current	Fund 24176 Carl D Perkins Secondary Redistribution	Fund 24187 Migrant Regional Recruiting
<b>Revenues</b>			
Property taxes	\$ -	\$ -	\$ -
State grants	-	-	-
Federal grants	69,620	27,967	37,672
Miscellaneous	-	-	-
Charges for services	-	-	-
Interest	-	-	-
<b>Total Revenues</b>	<u>69,620</u>	<u>27,967</u>	<u>37,672</u>
<b>Expenditures</b>			
Current:			
Instruction	67,711	25,866	-
Support services			
Students	-	-	34,885
Instruction	-	-	-
General administration	1,909	767	1,033
School administration	-	1,334	-
Central services	-	-	-
Operation & maintenance of plant	-	-	-
Student transportation	-	-	1,754
Other support services	-	-	-
Food services operations	-	-	-
Community services	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>69,620</u>	<u>27,967</u>	<u>37,672</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-
<b>Other financing sources (uses)</b>			
Operating transfers	-	-	-
Proceeds from bond issuances	-	-	-
Bond underwriter discount	-	-	-
Bond underwriter premium	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balance beginning of year (deficit)	-	-	-
Prior Period Restatement	-	-	-
Fund balance, beginning of year, restated	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUND:  
For the Year Ended June 30, 2016

	<i>Fund 25145</i> Impact Aid Special Education	<i>Fund 25153</i> Title XIX Medicaid	<i>Fund 25200</i> ROTC
<b>Revenues</b>			
Property taxes	\$ -	\$ -	\$ -
State grants	-	-	-
Federal grants	49,347	739,811	16,505
Miscellaneous	-	-	(2,741)
Charges for services	-	-	-
Interest	-	-	-
<b>Total Revenues</b>	<u>49,347</u>	<u>739,811</u>	<u>13,764</u>
<b>Expenditures</b>			
Current:			
Instruction	-	-	13,764
Support services			
Students	80,682	442,080	-
Instruction	9,940	-	-
General administration	1,428	-	-
School administration	-	-	-
Central services	-	-	-
Operation & maintenance of plant	-	-	-
Student transportation	-	-	-
Other support services	-	-	-
Food services operations	-	-	-
Community services	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>92,050</u>	<u>442,080</u>	<u>13,764</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	(42,703)	297,731	-
<b>Other financing sources (uses)</b>			
Operating transfers	-	-	-
Proceeds from bond issuances	-	-	-
Bond underwriter discount	-	-	-
Bond underwriter premium	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	(42,703)	297,731	-
<b>Fund balance beginning of year (deficit)</b>	98,812	555,534	-
<b>Prior Period Restatement</b>	-	-	-
<b>Fund balance, beginning of year, restated</b>	<u>98,812</u>	<u>555,534</u>	<u>-</u>
<b>Fund balance end of year</b>	<u>\$ 56,109</u>	<u>\$ 853,265</u>	<u>\$ -</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUND:  
For the Year Ended June 30, 2016

	Fund 26103	Fund 26148	Fund 26184
	ENLACE UNM	Walton Family Foundation	Clovis Schools Foundation
<b>Revenues</b>			
Property taxes	\$ -	\$ -	\$ -
State grants	-	-	-
Federal grants	-	-	-
Miscellaneous	187,336	-	32,930
Charges for services	-	-	-
Interest	-	-	-
<b>Total Revenues</b>	<u>187,336</u>	<u>-</u>	<u>32,930</u>
<b>Expenditures</b>			
Current:			
Instruction	75,111	924	29,283
Support services			
Students	94,819	-	-
Instruction	-	-	-
General administration	2,456	-	-
School administration	-	-	-
Central services	-	-	-
Operation & maintenance of plant	-	-	-
Student transportation	-	-	-
Other support services	-	-	-
Food services operations	-	-	-
Community services	14,950	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>187,336</u>	<u>924</u>	<u>29,283</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	-	(924)	3,647
<b>Other financing sources (uses)</b>			
Operating transfers	-	-	-
Proceeds from bond issuances	-	-	-
Bond underwriter discount	-	-	-
Bond underwriter premium	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	-	(924)	3,647
<b>Fund balance beginning of year (deficit)</b>	-	924	19,999
<b>Prior Period Restatement</b>	-	-	-
<b>Fund balance, beginning of year, restated</b>	<u>-</u>	<u>924</u>	<u>19,999</u>
<b>Fund balance end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,646</u>

See accompanying notes.



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUND:  
For the Year Ended June 30, 2016

	Fund 26217 Albertson's Grant	Fund 27103 Dual Credit Instructional Materials	Fund 27107 2012 GO Bond Student Library Fund
<b>Revenues</b>			
Property taxes	\$ -	\$ -	\$ -
State grants	-	27,585	85,541
Federal grants	-	-	-
Miscellaneous	-	-	-
Charges for services	-	-	-
Interest	-	-	-
<b>Total Revenues</b>	<u>-</u>	<u>27,585</u>	<u>85,541</u>
<b>Expenditures</b>			
<b>Current:</b>			
Instruction	219	27,585	-
Support services			
Students	-	-	-
Instruction	-	-	85,541
General administration	-	-	-
School administration	-	-	-
Central services	-	-	-
Operation & maintenance of plant	-	-	-
Student transportation	-	-	-
Other support services	-	-	-
Food services operations	-	-	-
Community services	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>219</u>	<u>27,585</u>	<u>85,541</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	(219)	-	-
<b>Other financing sources (uses)</b>			
Operating transfers	-	-	-
Proceeds from bond issuances	-	-	-
Bond underwriter discount	-	-	-
Bond underwriter premium	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	(219)	-	-
Fund balance beginning of year (deficit)	219	-	-
Prior Period Restatement	-	-	-
Fund balance, beginning of year, restated	<u>219</u>	<u>-</u>	<u>-</u>
<b>Fund balance end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUND:  
For the Year Ended June 30, 2016

	Fund 27114	Fund 27141	Fund 27155
	NM Reads to Lead	Truancy Initiative PED	Breakfast for Elementary Students
<b>Revenues</b>			
Property taxes	\$ -	\$ -	\$ -
State grants	159,279	122,671	115,658
Federal grants	-	-	-
Miscellaneous	-	-	-
Charges for services	-	-	-
Interest	-	-	-
<b>Total Revenues</b>	<u>159,279</u>	<u>122,671</u>	<u>115,658</u>
<b>Expenditures</b>			
Current:			
Instruction	159,279	-	-
Support services			
Students	-	122,671	-
Instruction	-	-	-
General administration	-	-	-
School administration	-	-	-
Central services	-	-	-
Operation & maintenance of plant	-	-	-
Student transportation	-	-	-
Other support services	-	-	-
Food services operations	-	-	115,658
Community services	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>159,279</u>	<u>122,671</u>	<u>115,658</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	-	-	-
<b>Other financing sources (uses)</b>			
Operating transfers	-	-	-
Proceeds from bond issuances	-	-	-
Bond underwriter discount	-	-	-
Bond underwriter premium	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	-	-	-
<b>Fund balance beginning of year (deficit)</b>	-	-	-
<b>Prior Period Restatement</b>	-	-	-
<b>Fund balance, beginning of year, restated</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUND:  
For the Year Ended June 30, 2016

	<i>Fund 27166</i> Kingergarten Three Plus	<i>Fund 27168</i> After School Enrichment Program	<i>Fund 27183</i> NM Grown Fresh Fruits & Vegetables
<b>Revenues</b>			
Property taxes	\$ -	\$ -	\$ -
State grants	79,881	34,855	-
Federal grants	-	-	-
Miscellaneous	-	-	-
Charges for services	-	-	-
Interest	-	-	-
<b>Total Revenues</b>	<u>79,881</u>	<u>34,855</u>	<u>-</u>
<b>Expenditures</b>			
<b>Current:</b>			
Instruction	48,109	31,299	-
Support services			
Students	5,793	-	-
Instruction	2,692	-	-
General administration	-	-	-
School administration	5,448	3,556	-
Central services	-	-	-
Operation & maintenance of plant	-	-	-
Student transportation	17,839	-	-
Other support services	-	-	-
Food services operations	-	-	-
Community services	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>79,881</u>	<u>34,855</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	-	-	-
<b>Other financing sources (uses)</b>			
Operating transfers	-	-	-
Proceeds from bond issuances	-	-	-
Bond underwriter discount	-	-	-
Bond underwriter premium	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	-	-	-
<b>Fund balance beginning of year (deficit)</b>	-	-	-
<b>Prior Period Restatement</b>	-	-	-
<b>Fund balance, beginning of year, restated</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUND:  
For the Year Ended June 30, 2016

	Fund 27193	Fund 29102	
	Parent	Private	
	Advocacy	Direct	Total
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Revenues</b>			
Property taxes	\$ -	\$ -	\$ -
State grants	-	-	625,470
Federal grants	-	-	1,550,659
Miscellaneous	-	1,383	218,978
Charges for services	-	-	212,481
Interest	-	-	-
<b>Total Revenues</b>	<u>-</u>	<u>1,383</u>	<u>2,607,588</u>
<b>Expenditures</b>			
Current:			
Instruction	-	1,643	1,079,900
Support services			
Students	-	-	863,806
Instruction	-	-	98,173
General administration	-	-	44,886
School administration	-	-	33,086
Central services	-	-	41,966
Operation & maintenance of plant	-	-	-
Student transportation	-	-	19,593
Other support services	-	-	-
Food services operations	-	-	115,658
Community services	-	-	22,513
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>1,643</u>	<u>2,319,581</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	-	(260)	288,007
<b>Other financing sources (uses)</b>			
Operating transfers	-	-	-
Proceeds from bond issuances	-	-	-
Bond underwriter discount	-	-	-
Bond underwriter premium	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	-	(260)	288,007
<b>Fund balance beginning of year (deficit)</b>	-	20,260	835,265
<b>Prior Period Restatement</b>	-	-	-
<b>Fund balance, beginning of year, restated</b>	<u>-</u>	<u>20,260</u>	<u>835,265</u>
<b>Fund balance end of year</b>	<u>\$ -</u>	<u>\$ 20,000</u>	<u>\$ 1,123,272</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
ATHLETICS SPECIAL REVENUE FUND (22000)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	70	70
Charges for services	235,000	235,000	212,481	(22,519)
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 235,000</b>	<b>235,000</b>	<b>212,551</b>	<b>(22,449)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 375,091	375,091	181,816	193,275
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 375,091</b>	<b>375,091</b>	<b>181,816</b>	<b>193,275</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ (140,091)</b>	<b>(140,091)</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 212,551
Change in receivables	-
Modified accrual basis	<u>\$ 212,551</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 181,816
Change in payables	-
Modified accrual basis	<u>\$ 181,816</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
MIGRANT CHILDREN EDUCATION SPECIAL REVENUE FUND (24103)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	83,803	83,803	81,998	(1,805)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<u>\$ 83,803</u>	<u>83,803</u>	<u>81,998</u>	<u>(1,805)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 41,427	57,864	57,716	148
Support services				
Students	27,082	10,725	10,321	404
Instruction	-	-	-	-
General administration	13,794	5,514	5,152	362
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	1,500	9,700	7,563	2,137
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<u>\$ 83,803</u>	<u>83,803</u>	<u>80,752</u>	<u>3,051</u>
<b>BUDGETED CASH BALANCE</b>	<u>\$ -</u>	<u>-</u>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 81,998
Change in receivables	(1,246)
Modified accrual basis	<u>\$ 80,752</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 80,752
Change in payables	-
Modified accrual basis	<u>\$ 80,752</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
IDEA-B PRESCHOOL SPECIAL REVENUE FUND (24109)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	76,934	88,012	76,542	(11,470)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 76,934</b>	<b>88,012</b>	<b>76,542</b>	<b>(11,470)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 6,464	6,464	2,304	4,160
Support services				
Students	68,300	79,066	71,579	7,487
Instruction	-	-	-	-
General administration	2,170	2,482	2,083	399
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 76,934</b>	<b>88,012</b>	<b>75,966</b>	<b>12,046</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 76,542
Change in receivables	(576)
Modified accrual basis	<u>\$ 75,966</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 75,966
Change in payables	-
Modified accrual basis	<u>\$ 75,966</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
IDEA-B RISK POOL SPECIAL REVENUE FUND (24120)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	1,635	1,849	214
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>1,635</b>	<b>1,849</b>	<b>214</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	-	-	-
Support services				
Students	-	1,589	-	1,589
Instruction	-	-	-	-
General administration	-	46	-	46
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>1,635</b>	<b>-</b>	<b>1,635</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 1,849
Change in receivables	(1,849)
Modified accrual basis	<u>\$ -</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ -
Change in payables	-
Modified accrual basis	<u>\$ -</u>

See accompanying notes.



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
ENGLISH LANGUAGE ACQUISITION SPECIAL REVENUE FUND (24153)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	60,125	93,831	31,814	(62,017)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 60,125</b>	<b>93,831</b>	<b>31,814</b>	<b>(62,017)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 52,975	74,820	43,471	31,349
Support services				
Students	-	4,000	-	4,000
Instruction	-	-	-	-
General administration	4,150	10,011	7,978	2,033
School administration	3,000	5,000	4,718	282
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 60,125</b>	<b>93,831</b>	<b>56,167</b>	<b>37,664</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 31,814
Change in receivables	24,353
Modified accrual basis	<u>\$ 56,167</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 56,167
Change in payables	-
Modified accrual basis	<u>\$ 56,167</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
TEACHER/PRINCIPAL TRAINING/RECRUITING SPECIAL REVENUE FUND (24154)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	355,260	592,616	284,051	(308,565)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 355,260</b>	<b>592,616</b>	<b>284,051</b>	<b>(308,565)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 287,498	417,498	313,800	103,698
Support services				
Students	-	8,000	976	7,024
Instruction	-	-	-	-
General administration	14,744	76,254	22,080	54,174
School administration	10,000	47,846	18,030	29,816
Central services	43,018	43,018	41,966	1,052
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 355,260</b>	<b>592,616</b>	<b>396,852</b>	<b>195,764</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 284,051
Change in receivables	112,801
Modified accrual basis	<u>\$ 396,852</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 396,852
Change in payables	-
Modified accrual basis	<u>\$ 396,852</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
CARL D PERKINS SECONDARY CURRENT SPECIAL REVENUE FUND (24174)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	77,445	87,049	85,911	(1,138)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 77,445</b>	<b>87,049</b>	<b>85,911</b>	<b>(1,138)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 75,321	84,659	67,711	16,948
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	2,124	2,390	1,909	481
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 77,445</b>	<b>87,049</b>	<b>69,620</b>	<b>17,429</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 85,911
Change in receivables	(16,291)
Modified accrual basis	<u>\$ 69,620</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 69,620
Change in payables	-
Modified accrual basis	<u>\$ 69,620</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
CARL D PERKINS SECONDARY REDISTRIBUTION SPECIAL REVENUE FUND (24176)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	21,750	36,389	21,264	(15,125)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 21,750</b>	<b>36,389</b>	<b>21,264</b>	<b>(15,125)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 21,150	32,387	25,866	6,521
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	600	1,002	767	235
School administration	-	3,000	1,334	1,666
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 21,750</b>	<b>36,389</b>	<b>27,967</b>	<b>8,422</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 21,264
Change in receivables	6,703
Modified accrual basis	<u>\$ 27,967</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 27,967
Change in payables	-
Modified accrual basis	<u>\$ 27,967</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
MIGRANT REGIONAL RECRUITING SPECIAL REVENUE FUND (24187)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	41,375	29,731	(11,644)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>41,375</b>	<b>29,731</b>	<b>(11,644)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	-	-	-
Support services				
Students	-	38,190	34,885	3,305
Instruction	-	-	-	-
General administration	-	1,135	1,033	102
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	200	-	200
Student transportation	-	1,850	1,754	96
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>41,375</b>	<b>37,672</b>	<b>3,703</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 29,731
Change in receivables	(1,764)
Modified accrual basis	<u>\$ 27,967</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 37,672
Change in payables	(9,705)
Modified accrual basis	<u>\$ 27,967</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
IMPACT AID SPECIAL EDUCATION SPECIAL REVENUE FUND (25145)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	43,470	43,470	49,347	5,877
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 43,470</b>	<b>43,470</b>	<b>49,347</b>	<b>5,877</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 43,548	-	-	-
Support services				
Students	95,211	127,759	80,682	47,077
Instruction	-	11,000	9,940	1,060
General administration	1,427	1,427	1,427	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 140,186</b>	<b>140,186</b>	<b>92,049</b>	<b>48,137</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ (96,716)</b>	<b>(96,716)</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 49,347
Change in receivables	-
Modified accrual basis	<u>\$ 49,347</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 92,049
Change in payables	1
Modified accrual basis	<u>\$ 92,050</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
TITLE XIX MEDICAID SPECIAL REVENUE FUND (25153)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	460,000	460,000	745,664	285,664
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 460,000</b>	<b>460,000</b>	<b>745,664</b>	<b>285,664</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	-	-	-
Support services				
Students	747,632	747,632	442,080	305,552
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 747,632</b>	<b>747,632</b>	<b>442,080</b>	<b>305,552</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ (287,632)</b>	<b>(287,632)</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 745,664
Change in receivables	(5,853)
Modified accrual basis	<u>\$ 739,811</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 442,080
Change in payables	-
Modified accrual basis	<u>\$ 442,080</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
ROTC SPECIAL REVENUE FUND (25200)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	15,836	16,505	669
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>15,836</b>	<b>16,505</b>	<b>669</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 1,796	17,632	13,764	3,868
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 1,796</b>	<b>17,632</b>	<b>13,764</b>	<b>3,868</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ (1,796)</b>	<b>(1,796)</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 16,505
Change in receivables	(2,741)
Modified accrual basis	<u>\$ 13,764</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 13,764
Change in payables	-
Modified accrual basis	<u>\$ 13,764</u>

See accompanying notes.



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
ENLACE UNM SPECIAL REVENUE FUND (26103)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	200,000	200,000	186,716	(13,284)
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 200,000</b>	<b>200,000</b>	<b>186,716</b>	<b>(13,284)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 68,876	79,176	75,111	4,065
Support services				
Students	111,009	100,835	94,819	6,016
Instruction	-	-	-	-
General administration	2,615	2,489	2,456	33
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	17,500	17,500	14,950	2,550
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 200,000</b>	<b>200,000</b>	<b>187,336</b>	<b>12,664</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 186,716
Change in receivables	620
Modified accrual basis	<b>\$ 187,336</b>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 187,336
Change in payables	-
Modified accrual basis	<b>\$ 187,336</b>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
WALTON FAMILY FOUNDATION SPECIAL REVENUE FUND (26148)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 1,226	1,226	924	302
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 1,226</b>	<b>1,226</b>	<b>924</b>	<b>302</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ (1,226)</b>	<b>(1,226)</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ -
Change in receivables	-
Modified accrual basis	<u>\$ -</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 924
Change in payables	-
Modified accrual basis	<u>\$ 924</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
CLOVIS MUNICIPAL SCHOOLS FOUNDATION SPECIAL REVENUE FUND (26184)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	32,930	32,929	(1)
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>32,930</b>	<b>32,929</b>	<b>(1)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 18,688	51,618	29,283	22,335
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 18,688</b>	<b>51,618</b>	<b>29,283</b>	<b>22,335</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ (18,688)</b>	<b>(18,688)</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 32,929
Change in receivables	1
Modified accrual basis	<u>\$ 32,930</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 29,283
Change in payables	-
Modified accrual basis	<u>\$ 29,283</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
ALBERTSON'S GRANT SPECIAL REVENUE FUND (26217)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 219	219	219	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 219</b>	<b>219</b>	<b>219</b>	<b>-</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ (219)</b>	<b>(219)</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ -
Change in receivables	-
Modified accrual basis	<u>\$ -</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 219
Change in payables	-
Modified accrual basis	<u>\$ 219</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
DUAL CREDIT INSTRUCTION MATERIALS SPECIAL REVENUE FUND (27103)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	27,585	33,827	6,242
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>27,585</b>	<b>33,827</b>	<b>6,242</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	27,585	27,585	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>27,585</b>	<b>27,585</b>	<b>-</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 33,827
Change in receivables	(6,242)
Modified accrual basis	<u>\$ 27,585</u>

<b>EXPENDITURES</b>	
Budgetary basis	\$ 27,585
Change in payables	-
Modified accrual basis	<u>\$ 27,585</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
2012 GO BOND STUDENT LIBRARY FUND SPECIAL REVENUE FUND (27107)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	87,358	85,542	66,234	(19,308)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 87,358</b>	<b>85,542</b>	<b>66,234</b>	<b>(19,308)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	-	-	-
Support services				
Students	-	-	-	-
Instruction	87,358	85,542	85,541	1
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 87,358</b>	<b>85,542</b>	<b>85,541</b>	<b>1</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 66,234
Change in receivables	19,307
Modified accrual basis	<u>\$ 85,541</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 85,541
Change in payables	-
Modified accrual basis	<u>\$ 85,541</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NEW MEXICO READS TO LEAD SPECIAL REVENUE FUND (27114)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	162,500	162,500	142,498	(20,002)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 162,500</b>	<b>162,500</b>	<b>142,498</b>	<b>(20,002)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 162,500	162,500	159,279	3,221
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 162,500</b>	<b>162,500</b>	<b>159,279</b>	<b>3,221</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>		
Budgetary basis		\$ 142,498
Change in receivables		16,781
Modified accrual basis		<u>\$ 159,279</u>
<b>EXPENDITURES</b>		
Budgetary basis		\$ 159,279
Change in payables		-
Modified accrual basis		<u>\$ 159,279</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
TRUANCY INITIATIVE PED SPECIAL REVENUE FUND (27141)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	180,000	113,837	(66,163)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>180,000</b>	<b>113,837</b>	<b>(66,163)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	-	-	-
Support services	-	-	-	-
Students	-	180,000	122,671	57,329
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>180,000</b>	<b>122,671</b>	<b>57,329</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 113,837
Change in receivables	45,442
Modified accrual basis	<u>\$ 159,279</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 122,671
Change in payables	36,608
Modified accrual basis	<u>\$ 159,279</u>

See accompanying notes.



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
BREAKFAST FOR ELEMENTARY STUDENTS SPECIAL REVENUE FUND (27155)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	117,926	115,658	(2,268)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>117,926</b>	<b>115,658</b>	<b>(2,268)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	117,926	115,658	2,268
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>117,926</b>	<b>115,658</b>	<b>2,268</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 115,658
Change in receivables	-
Modified accrual basis	<u>\$ 115,658</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 115,658
Change in payables	-
Modified accrual basis	<u>\$ 115,658</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
KINDERGARTEN - THREE PLUS SPECIAL REVENUE FUND (27166)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	148,409	79,882	79,881	(1)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 148,409</b>	<b>79,882</b>	<b>79,881</b>	<b>(1)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 102,715	48,110	48,109	1
Support services				
Students	10,243	5,793	5,793	-
Instruction	2,724	2,692	2,692	-
General administration	-	-	-	-
School administration	13,727	5,448	5,448	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	19,000	17,839	17,839	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 148,409</b>	<b>79,882</b>	<b>79,881</b>	<b>1</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 79,881
Change in receivables	35,777
Modified accrual basis	<u>\$ 115,658</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 79,881
Change in payables	35,777
Modified accrual basis	<u>\$ 115,658</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
AFTER SCHOOL ENRICHMENT PROGRAM SPECIAL REVENUE FUND (27168)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	38,066	11,953	(26,113)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>38,066</b>	<b>11,953</b>	<b>(26,113)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	34,546	31,299	3,247
Support services	-	-	-	-
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	3,520	3,556	(36)
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>38,066</b>	<b>34,855</b>	<b>3,211</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 11,953
Change in receivables	103,705
Modified accrual basis	<u>\$ 115,658</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 34,855
Change in payables	80,803
Modified accrual basis	<u>\$ 115,658</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NEW MEXICO GROWN FVV SPECIAL REVENUE FUND (27183)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	8,946	-	(8,946)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>8,946</b>	<b>-</b>	<b>(8,946)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	8,946	-	8,946
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>8,946</b>	<b>-</b>	<b>8,946</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ -
Change in receivables	-
Modified accrual basis	<u>\$ -</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ -
Change in payables	-
Modified accrual basis	<u>\$ -</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
PARENT ADVOCACY SPECIAL REVENUE FUND (27193)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	18,981	18,981
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>-</b>	<b>18,981</b>	<b>18,981</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	-	-	-
Support services	-	-	-	-
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 18,981
Change in receivables	(18,981)
Modified accrual basis	<u>\$ -</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ -
Change in payables	-
Modified accrual basis	<u>\$ -</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
PRIVATE DIRECT GRANTS SPECIAL REVENUE FUND (29102)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	5,995	1,383	(4,612)
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>5,995</b>	<b>1,383</b>	<b>(4,612)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 20,010	26,005	1,643	24,362
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 20,010</b>	<b>26,005</b>	<b>1,643</b>	<b>24,362</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ (20,010)</b>	<b>(20,010)</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 1,383
Change in receivables	-
Modified accrual basis	<u>\$ 1,383</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 1,643
Change in payables	-
Modified accrual basis	<u>\$ 1,643</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NON MAJOR CAPITAL PROJECTS FUNDS– FUND DESCRIPTIONS  
JUNE 30, 2016

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

**Public Schools Capital Outlay (Fund 31200).** This fund is used to account for Critical Capital Outlay funds and other special capital outlay funds received from the State of New Mexico. The funds are restricted for the purposes outlined in the applicable legislation under which the funds were approved. This generally includes construction of new schools or improvements to existing schools.

**Special Capital Outlay - Local (Fund 31300).** This Fund is used to account revenues that are derived from local sources such as the sale of a building.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECT FUNDS  
As of June 30, 2016

	<i>Fund 31200</i>	<i>Fund 31300</i>	
	Public School Capital Outlay	Public School Capital Outlay Local	Total
<b>Assets</b>			
Cash and cash equivalents	\$ -	\$ -	\$ -
Restricted cash and cash equivalents	-	412,800	412,800
Accounts receivable, collectible	-	-	-
Taxes	-	-	-
Due from other governments	-	-	-
Other receivables	-	-	-
Interfund receivables	-	-	-
Inventory	-	-	-
<b>Total Assets</b>	<u>\$ -</u>	<u>\$ 412,800</u>	<u>\$ 412,800</u>
<b>Liabilities</b>			
Accounts payable	-	-	-
Accrued payroll liabilities	-	-	-
Interfund payables	-	-	-
Unearned revenues	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>			
Delinquent property taxes	-	-	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance</b>			
Nonspendable	-	-	-
Restricted for:			
General fund	-	-	-
Special revenue	-	-	-
Capital projects	-	412,800	412,800
Debt service	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<b>Total Fund Balance</b>	<u>-</u>	<u>412,800</u>	<u>412,800</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ -</u>	<u>\$ 412,800</u>	<u>\$ 412,800</u>

See accompanying notes.



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - NONMAJOR CAPITAL PROJECT FUNDS  
For the Year Ended June 30, 2016

	<i>Fund 31200</i>	<i>Fund 31300</i>	
	Public School Capital Outlay	Public School Capital Outlay Local	Total
<b>Revenues</b>			
Property taxes	\$ -	\$ -	\$ -
State grants	-	-	-
Federal grants	-	-	-
Miscellaneous	-	750	750
Charges for services	-	-	-
Interest	-	-	-
<b>Total Revenues</b>	<u>-</u>	<u>750</u>	<u>750</u>
<b>Expenditures</b>			
Current:			
Instruction	-	-	-
Support services			
Students	-	-	-
Instruction	-	-	-
General administration	-	-	-
School administration	-	-	-
Central services	-	-	-
Operation & maintenance of plant	-	-	-
Student transportation	-	-	-
Other support services	-	-	-
Food services operations	-	-	-
Community services	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	-	750	750
<b>Other financing sources (uses)</b>			
Operating transfers	-	-	-
Proceeds from bond issues	-	-	-
Bond underwriter discount	-	-	-
Bond underwriter premium	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	750	750
Fund balance beginning of year	<u>-</u>	<u>412,050</u>	<u>412,050</u>
Fund balance end of year	<u>\$ -</u>	<u>\$ 412,800</u>	<u>\$ 412,800</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
PUBLIC SCHOOL CAPITAL OUTLAY CAPITAL PROJECT FUND (31200)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	-	-	-
Support services	-	-	-	-
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ -
Change in receivables	-
Modified accrual basis	<u>\$ -</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ -
Change in payables	-
Modified accrual basis	<u>\$ -</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
PUBLIC SCHOOL CAPITAL OUTLAY - LOCAL CAPITAL PROJECT FUND (31300)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	750	750
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>-</b>	<b>750</b>	<b>750</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	412,050	412,050	-	412,050
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 412,050</b>	<b>412,050</b>	<b>-</b>	<b>412,050</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ (412,050)</b>	<b>(412,050)</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 750
Change in receivables	-
Modified accrual basis	<u>\$ 750</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ -
Change in payables	-
Modified accrual basis	<u>\$ -</u>

See accompanying notes.

## OTHER SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
AGENCY FUND  
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES  
For the Year Ended June 30, 2016

	Balance 6/30/2015	Additions	Deletions	Balance 6/30/2016
Barry Elementary	\$ 17,306	\$ 9,956	\$ 15,833	\$ 11,428
Bella Vista Elementary	9,452	8,538	6,541	11,449
Cameo Elementary	20,560	11,576	18,214	13,922
Central Office	162,579	54,633	114,895	102,317
Choices School	1,498	747	1,252	993
Clovis High School	417,254	1,056,462	1,051,484	422,232
Freshman Academy	50,905	87,253	80,002	58,156
Gattis Middle School	54,686	113,540	108,520	59,707
Highland Elementary	9,192	20,587	13,661	16,118
James Bickley Elementary	13,907	10,245	8,707	15,445
Lacasita Elementary	9,541	26,527	19,972	16,096
Lincoln Jackson Elementary	17,174	26,713	23,124	20,763
Lockwood Elementary	15,365	22,741	26,878	11,228
Los Niño's Intervention	37,552	33,215	23,800	46,967
Marshall Junior High	18,779	79,713	61,509	36,983
Mesa Elementary	32,947	78,033	65,909	45,071
Parkview Elementary	10,659	41,514	34,894	17,279
Ranchvale Elementary	25,264	32,324	44,780	12,808
Sandia Elementary	22,370	32,619	28,551	26,438
Scholarship	157,233	5,852	4,349	158,736
SSC	1,123	1,324	941	1,506
Yucca Junior High	68,263	76,142	96,573	47,832
Zia Elementary	51,297	76,388	74,434	53,251
<b>Total All Schools</b>	<b>\$ 1,224,906</b>	<b>\$ 1,906,642</b>	<b>\$ 1,924,823</b>	<b>\$ 1,206,725</b>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF COLLATERAL PLEDGED BY  
DEPOSITORY FOR PUBLIC FUNDS  
As of June 30, 2016

Name of Depository	Description of Pledged Collateral	Fair Market Value 6/30/2016	Name and Location of SafeKeeper
Citizen's Bank of Clovis	GNMA II Pool #MA0213 CUSIP 36179MGW4 3.0% Due 7/20/2042	\$ 1,316,036	Texas Independent Bank Dallas, Texas
Citizen's Bank of Clovis	GNMA II Pool #MA0775 CUSIP 36179M2G4 3.0% Due 2/20/2043	1,882,474	Texas Independent Bank Dallas, Texas
Citizen's Bank of Clovis	GNR 2012-17 CD CUSIP 38378DBL8 4.0% Due 09/20/2040	2,193,624	Texas Independent Bank Dallas, Texas
Citizen's Bank of Clovis	GNMA MA3688 CUSIP 36179SCZ8 2.0% Due 05/20/2046	3,554,074	Texas Independent Bank Dallas, Texas
Citizen's Bank of Clovis	GNMA MA3610 CUSIP 36179SAK3 3.0% Due 03/20/2046	3,063,269	Texas Independent Bank Dallas, Texas
Citizen's Bank of Clovis	GNR 2013-41 KE CUSIP 38378JR79 3.0% Due 10/20/2042	<u>1,625,734</u>	Texas Independent Bank Dallas, Texas
Subtotal Citizen's Bank of Clovis		<u>13,635,211</u>	
New Mexico Bank & Trust	FNR 2014-2 JP CUSIP 3136AJCS3 6.06% Due 02/25/2044	2,151,221	SunTrust Bank Atlanta, Georgia
New Mexico Bank & Trust	FNMA Pool AD0570 CUSIP 31418MT44 5.5% Due 08/01/2037	540,766	SunTrust Bank Atlanta, Georgia
New Mexico Bank & Trust	GNMA POOL 658185 CUSIP 36294SF28 4.5% Due 6/15/2040	<u>24,506</u>	SunTrust Bank Atlanta, Georgia
Subtotal New Mexico Bank & Trust		<u>2,716,493</u>	
Western Bank of Clovis	FHLB 313380MJ3 CUSIP 485000895 3.180% Due 09/20/2030	1,500,000	Federal Home Loan Bank Dallas, Texas
Western Bank of Clovis	FNMA AR2626, 3138NY4L6 CUSIP 1393000061 2.5000% Due 2/01/2043	\$ 993,444	Federal Home Loan Bank Dallas, Texas

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF COLLATERAL PLEDGED BY  
DEPOSITORY FOR PUBLIC FUNDS  
As of June 30, 2016

Name of Depository	Description of Pledged Collateral	Fair Market Value 6/30/2016	Name and Location of SafeKeeper
Western Bank of Clovis	FNMA MA0614, 31417YVG9 CUSIP 1393000034 4.000% Due 1/1/2041	\$ 178,958	Federal Home Loan Bank Dallas, Texas
Western Bank of Clovis	FNMA 2496, 31418BX27 CUSIP 1393000059 3.000% Due 01/01/2036	1,950,864	Federal Home Loan Bank Dallas, Texas
Western Bank of Clovis	GN II 004597, 36202FDA1 CUSIP 9932002552 4.000% Due 12/20/2039	185,340	Federal Home Loan Bank Dallas, Texas
Western Bank of Clovis	GNMA II ARM #008062, 36202J5X2 CUSIP 3890013566 2.000% Due 10/20/2022	20,072	Federal Home Loan Bank Dallas, Texas
Western Bank of Clovis	GNMA II ARM #008096, 36202J7H5 CUSIP 3890014163 2.000% Due 12/20/2022	26,701	Federal Home Loan Bank Dallas, Texas
Western Bank of Clovis	GNMA II ARM #008889, 36202K2W4 CUSIP 4321014354 2.500% Due 12/20/2021	20,122	Federal Home Loan Bank Dallas, Texas
Western Bank of Clovis	GNMA II 080781, 36225C2P0 CUSIP 3890015244 2.000% Due 12/20/2033	19,811	Federal Home Loan Bank Dallas, Texas
Western Bank of Clovis	GNMA II ARM 080156, 36225CE69 CUSIP 812000061 2.000% Due 1/20/2028	15,791	Federal Home Loan Bank Dallas, Texas
Western Bank of Clovis	GNMA II ARM 080204, 36225CGN0 CUSIP 4321014313 1.750% Due 6/20/2028	15,565	Federal Home Loan Bank Dallas, Texas
Western Bank of Clovis	GNMA II ARM 080230, 36225CHG4 CUSIP 3890009556 2.000% Due 10/20/2028	39,281	Federal Home Loan Bank Dallas, Texas
Western Bank of Clovis	GNMA II ARM 080272, 36225CJS6 CUSIP 4321014314 1.750% Due 4/20/2029	17,961	Federal Home Loan Bank Dallas, Texas
Western Bank of Clovis	GECC 36962G3U6 CUSIP 2562000144 5.625% Due 5/01/2018	\$ 325,200	Federal Home Loan Bank Dallas, Texas

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF COLLATERAL PLEDGED BY  
DEPOSITORY FOR PUBLIC FUNDS  
As of June 30, 2016

Name of Depository	Description of Pledged Collateral	Fair Market Value 6/30/2016	Name and Location of SafeKeeper
Western Bank of Clovis	SBAP 2010-20D 1, 83162CTE3 CUSIP 190006492 Variable Int Due 04/01/2030	\$ 538,963	Federal Home Loan Bank Dallas, Texas
Western Bank of Clovis	SBAP 2011-20 1, 83162CUG6 CUSIP 2562000141 2.850% Due 09/01/2031	354,109	Federal Home Loan Bank Dallas, Texas
Western Bank of Clovis	SBAP 2012-20B 1, 83162CUP6 CUSIP 1393000037 Variable Int Due 02/01/2032	292,985	Federal Home Loan Bank Dallas, Texas
Western Bank of Clovis	Wells Fargo MTN 94974BFD7 CUSIP 2562000149 2.100% Due 05/18/2017	302,430	Federal Home Loan Bank Dallas, Texas
Western Bank of Clovis	SBAP 2009-20 F 1, 83162CSP9 CUSIP 1393000022 Variable Int Due 06/01/2029	<u>243,854</u>	Federal Home Loan Bank Dallas, Texas
Subtotal Western Bank of Clovis		<u>7,041,451</u>	
Bank of Clovis	West Las Vegas SD #1 NM CUSIP 953769JU1 1.50% Due 08/15/2016	50,056	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	Las Cruces SD NM CUSIP 517534PV9 3.00% Due 08/01/2017	204,738	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	Las Vegas SD 2-A NM CUSIP 51778FCP2 3.00% Due 08/15/2018	769,328	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	West Las Vegas SD #1 NM CUSIP 953769JX5 2.75% Due 08/15/2019	258,695	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	Torrance ETC Cntys NM CUSIP 891400NN9 2.50% Due 09/01/2019	276,522	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	Santa Rosa SD 8 NM CUSIP 80275IDS3 2.00% Due 05/15/2020	\$ 388,864	Plains Capital Bank Clovis, New Mexico



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF COLLATERAL PLEDGED BY  
DEPOSITORY FOR PUBLIC FUNDS  
As of June 30, 2016

Name of Depository	Description of Pledged Collateral	Fair Market Value 6/30/2016	Name and Location of SafeKeeper
Bank of Clovis	Los Lunas SCH 001 NM CUSIP 545562NH9 3.85% Due 07/15/2020	\$ 551,287	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	Santa Fe CMNTY CLG NM CUSIP 801901JG5 3.00% Due 08/1/2020	1,073,130	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	Taos Gross RCPTS NM CUSIP 87601RAL4 4.10% Due 06/1/2023	562,309	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	FNMA 15 YR CUSIP 31416BYB8 6.50% Due 12/01/2023	135,550	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	FNMA 20 YR CUSIP 31371LRB7 6.00% Due 06/01/2024	256,013	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	Alamogordo Muni SD #1 NM CUSIP 011464HN7 2.50% Due 08/01/2025	633,858	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	Clovis Gross Recpts NM CUSIP 189387DH3 2.40% Due 06/01/2026	453,675	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	Austin TX CUSIP 052396YA0 3.25% Due 09/01/2028	1,090,780	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	FHLMC 20 YR CUSIP 3128P7RE5 4.00% Due 08/01/2031	818,149	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	Terrell ISD-REF TX CUSIP 881405LB8 3.00% Due 08/01/2031	409,101	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	FNMA 20 YR CUSIP 3138ENTQ2 4.00% Due 03/01/2032	793,052	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	Carroll ISD-REF TX CUSIP 1452316B7 4.00% Due 02/15/2033	\$ 608,025	Plains Capital Bank Clovis, New Mexico

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF COLLATERAL PLEDGED BY  
DEPOSITORY FOR PUBLIC FUNDS  
As of June 30, 2016

Name of Depository	Description of Pledged Collateral	Fair Market Value 6/30/2016	Name and Location of SafeKeeper
Bank of Clovis	Longview ISD-BLDG TX CUSIP 543264SV8 5.00% Due 02/15/2034	\$ 1,225,664	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	FHR 2881 AE CUSIP 31395J5C6 5.00% Due 08/15/2034	133,102	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	GNMA II 5x1 CUSIP 36225DQM9 1.63% Due 05/20/2035	291,287	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	FNR 2009-82 QA CUSIP 31398FPM7 4.00% Due 08/25/2035	260,335	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	FHR 4423 BD CUSIP 3137BFGD7 3.00% Due 10/15/2037	\$ 798,433	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	FHR 4012 KE CUSIP 3137AMP50 3.00% Due 07/15/2039	798,828	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	FHR 3819 GA CUSIP 3137A8LT3 2.00% Due 06/15/2040	839,345	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	FNR 2012-113 PB CUSIP 3136A8V64 2.00% Due 10/25/2040	778,528	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	FNR 2011-73 PA CUSIP 3136A0US4 3.50% Due 05/25/2041	839,560	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	FHR 4016 CA CUSIP 3137AN5X9 2.00% Due 07/15/2041	994,152	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	FHR 4027 TA CUSIP 3137ANTK1 3.50% Due 07/15/2041	878,595	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	GNR 2011-156 MA CUSIP 38378A3G4 2.00% Due 09/16/2041	\$ 515,405	Plains Capital Bank Clovis, New Mexico

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF COLLATERAL PLEDGED BY  
DEPOSITORY FOR PUBLIC FUNDS  
As of June 30, 2016

Name of Depository	Description of Pledged Collateral	Fair Market Value 6/30/2016	Name and Location of SafeKeeper
Bank of Clovis	FNR 2012-73 JB CUSIP 3136A65G5 3.50% Due 01/25/2042	\$ 976,685	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	FHR 4238 DG CUSIP 3137B4CB0 3.00% Due 02/15/2042	1,189,893	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	FNR 2014-40 EP CUSIP 3136AKMJ9 3.50% Due 10/25/2042	1,044,934	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	FNR 2014-38 QD CUSIP 3136AKNR0 2.00% Due 12/25/2043	805,559	Plains Capital Bank Clovis, New Mexico
Subtotal Bank of Clovis		<u>21,703,437</u>	
Total All Banks		<u>\$ 45,096,592</u>	

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF CASH AND TEMPORARY INVESTMENT ACCOUNTS  
As of June 30, 2016

Bank Account Type	Bank of Clovis	NM Bank & Trust	Western Bank of Clovis	Citizen's Bank of Clovis	Totals
Checking - General Account	\$ 2,462,642	\$ -	\$ -	\$ -	\$ 2,462,642
Checking - Activity	41,956	-	-	-	41,956
Checking - Bond Building	5,565,014	-	-	-	5,565,014
Checking - Operational	3,233,526	-	-	-	3,233,526
Certificate of Deposit - Activity	613,311	-	-	-	613,311
Certificate of Deposit - Operational	5,110,927	-	-	-	5,110,927
Checking - General Building	-	946,158	-	-	946,158
Checking - Accounts Payable	-	173,323	-	-	173,323
Checking - SB-9	-	-	2,944,441	-	2,944,441
Checking - Debt Service	-	-	3,550,513	-	3,550,513
Checking - Payroll Account	-	-	-	5,111,778	5,111,778
Checking - Food Services	-	-	-	3,148,195	3,148,195
Checking - Activity	<u>-</u>	<u>-</u>	<u>-</u>	<u>725,386</u>	<u>725,386</u>
Total on Deposit	17,027,376	1,119,481	6,494,954	8,985,359	33,627,170
Reconciling Items	<u>88,902</u>	<u>(217,059)</u>	<u>-</u>	<u>(4,485,650)</u>	<u>(4,613,807)</u>
Reconciled Balance June 30, 2016	<u>\$ 17,116,278</u>	<u>\$ 902,422</u>	<u>\$ 6,494,954</u>	<u>\$ 4,499,709</u>	29,013,363
Plus: Petty Cash					<u>160</u>
Cash (includes restricted) per Government-wide Financial Statements and Agency Funds					<u>\$ 29,013,523</u>

Checking accounts with the Bank of Clovis, NM Bank & Trust, and Citizen's Bank of Clovis are non-interest bearing

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF CASH RECONCILIATION  
Year Ended June 30, 2016

	<i>Fund 11000</i>	<i>Fund 13000</i>	<i>Fund 14000</i>
	<u>Operational</u>	<u>Transportation Account</u>	<u>Instructional Materials</u>
Cash balance,* June 30, 2015	\$ 9,151,551	\$ -	\$ 1,085,732
Additions to cash			
2015-16 revenue	59,477,863	1,862,350	586,337
Receipt of prior year loans	842,855	-	-
Transfer from other funds	-	-	-
Loans from other funds	-	-	-
Total additions to cash	<u>69,472,269</u>	<u>1,862,350</u>	<u>1,672,069</u>
Deductions to cash			
2015-16 expenditures	58,728,111	1,861,596	922,704
Repayment of loans	-	-	-
Transfer to other funds	-	-	-
Loans to other funds	1,472,830	-	-
Total deductions to cash	<u>60,200,941</u>	<u>1,861,596</u>	<u>922,704</u>
Change due to held checks	<u>844,722</u>	<u>-</u>	<u>-</u>
Cash balance,* June 30, 2016	<u>\$ 10,116,050</u>	<u>\$ 754</u>	<u>\$ 749,365</u>

\*Cash balances include cash and restricted cash.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF CASH RECONCILIATION  
Year Ended June 30, 2016

	<i>Fund 21000</i>	<i>Fund 22000</i>	<i>Fund 24000</i>
	<u>Food Services</u>	<u>Athletics Account</u>	<u>Federal Flowthrough</u>
Cash balance,* June 30, 2015	\$ 3,020,373	\$ 139,517	\$ -
Additions to cash			
2015-16 revenue	3,903,217	212,551	4,007,017
Receipt of prior year loans	-	-	-
Transfer from other funds	-	-	-
Loans from other funds	-	-	1,281,825
Total additions to cash	<u>6,923,590</u>	<u>352,068</u>	<u>5,288,842</u>
Deductions to cash			
2015-16 expenditures	3,990,266	181,816	4,596,510
Repayment of loans	-	-	692,332
Transfer to other funds	-	-	-
Loans to other funds	-	-	-
Total deductions to cash	<u>3,990,266</u>	<u>181,816</u>	<u>5,288,842</u>
Change due to held checks	<u>-</u>	<u>-</u>	<u>-</u>
Cash balance,* June 30, 2016	<u>\$ 2,933,324</u>	<u>\$ 170,252</u>	<u>\$ -</u>

\*Cash balances include cash and restricted cash.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF CASH RECONCILIATION  
Year Ended June 30, 2016

	<i>Fund 25000</i>	<i>Fund 26000</i>	<i>Fund 27000</i>
	<b>Federal Direct</b>	<b>Local Grants</b>	<b>State Flowthrough</b>
Cash balance,* June 30, 2015	\$ 570,137	\$ 21,141	\$ -
Additions to cash			
2015-16 revenue	811,516	219,645	582,869
Receipt of prior year loans	-	-	-
Transfer from other funds	-	-	-
Loans from other funds	-	64,944	126,061
Total additions to cash	<u>1,381,653</u>	<u>305,730</u>	<u>708,930</u>
Deductions to cash			
2015-16 expenditures	547,895	217,759	625,473
Repayment of loans	2,741	64,325	83,457
Transfer to other funds	-	-	-
Loans to other funds	-	-	-
Total deductions to cash	<u>550,636</u>	<u>282,084</u>	<u>708,930</u>
Change due to held checks	-	-	-
Cash balance,* June 30, 2016	<u>\$ 831,017</u>	<u>\$ 23,646</u>	<u>\$ -</u>

\*Cash balances include cash and restricted cash.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF CASH RECONCILIATION  
Year Ended June 30, 2016

	<i>Fund 28000</i>	<i>Fund 29000</i>	<i>Fund 31100</i>
	State Direct	Local/ State	Bond Building State
	<hr/>	<hr/>	<hr/>
Cash balance,* June 30, 2015	\$ -	\$ 20,260	\$ 9,086,960
Additions to cash			
2015-16 revenue	-	1,383	1,875,890
Receipt of prior year loans	-	-	-
Transfer from other funds	-	-	-
Loans from other funds	-	-	59,500
Total additions to cash	<hr/>	<hr/>	<hr/>
	-	21,643	11,022,350
Deductions to cash			
2015-16 expenditures	-	1,643	5,354,142
Repayment of loans	-	-	59,500
Transfer to other funds	-	-	-
Loans to other funds	-	-	-
Total deductions to cash	<hr/>	<hr/>	<hr/>
	-	1,643	5,413,642
Change due to held checks	<hr/>	<hr/>	<hr/>
	-	-	-
Cash balance,* June 30, 2016	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	\$ -	\$ 20,000	\$ 5,608,708

\*Cash balances include cash and restricted cash.



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF CASH RECONCILIATION  
Year Ended June 30, 2016

	<i>Fund 31200</i>	<i>Fund 31300</i>	<i>Fund 31700</i>
	Public School Capital Outlay	Public School Capital Outlay Local	Capital Improvements SB 9
Cash balance,* June 30, 2015	\$ -	\$ 412,050	\$ 2,869,703
Additions to cash			
2015-16 revenue	-	750	1,478,857
Receipt of prior year loans	-	-	-
Transfer from other funds	-	-	-
Loans from other funds	-	-	-
Total additions to cash	<u>-</u>	<u>412,800</u>	<u>4,348,560</u>
Deductions to cash			
2015-16 expenditures	-	-	958,191
Repayment of loans	-	-	-
Transfer to other funds	-	-	-
Loans to other funds	-	-	-
Total deductions to cash	<u>-</u>	<u>-</u>	<u>958,191</u>
Change due to held checks	<u>-</u>	<u>-</u>	<u>-</u>
Cash balance,* June 30, 2016	<u><u>\$ -</u></u>	<u><u>\$ 412,800</u></u>	<u><u>\$ 3,390,369</u></u>

\*Cash balances include cash and restricted cash.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF CASH RECONCILIATION  
Year Ended June 30, 2016

	<i>Fund 41000</i>	
	<u>Debt Service Fund</u>	<u>Total</u>
Cash balance,* June 30, 2015	\$ 3,486,231	\$ 29,863,655
Additions to cash		
2015-16 revenue	3,724,752	78,744,997
Receipt of prior year loans	59,500	902,355
Transfer from other funds	-	-
Loans from other funds	-	1,532,330
Total additions to cash	<u>7,270,483</u>	<u>111,043,337</u>
Deductions to cash		
2015-16 expenditures	3,660,470	81,646,576
Repayment of loans	-	902,355
Transfer to other funds	-	-
Loans to other funds	59,500	1,532,330
Total deductions to cash	<u>3,719,970</u>	<u>84,081,261</u>
Change due to held checks	<u>-</u>	<u>844,722</u>
Cash balance,* June 30, 2016	<u>\$ 3,550,513</u>	<u>\$ 27,806,798</u>
	Fiduciary Fund Cash	1,206,725
	Total Cash	<u>\$ 29,013,523</u>

\*Cash balances include cash and restricted cash.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF MEMORANDUMS OF UNDERSTANDING  
AND JOINT POWERS AGREEMENTS  
Year Ended June 30, 2016

Name of MOU	Participants	Party responsible for operations
City of Clovis Golf MOU	CMS and City of Clovis	City of Clovis
City of Clovis MOU	CMS and City of Clovis	CMS and City of Clovis
Southeastern Transition Team MOU	CMS, PMS, SRCS, VMS, ENMRSH ECI, MECA Therapies, NMSVBI, NMSD/EIID, ENMU, TTAP/ EPCAA Head Start, TMC	All listed
SPS MOU	Southwestern Public Service Company and CMS	SPS and CMS
Mike Harris Field MOU	City of Clovis and CMS	City of Clovis responsible for operation of water well.
City of Clovis MOU	City of Clovis and CMS	City of Clovis responsible for operation of a new Senior Center and meal site to be housed in a retired CMS elementary school.
La Casa and Edu MOU	La Casa De Buena Salud, Educare Dental Services, CMS	La Casa and Educare
SPED MOU	Local Education Agency (LEA) and Eastern Plains CAA Head Start (Head Start); The New Mexico School for the Blind and Visually Impaired and CMS	LEA, Head Start, NMSBVI, CMS
Upward Bound MOU	Clovis Community College Upward Bound and CMS	Upward Bound responsible for carrying out services of the Upward Bound Project

Clovis Municipal Schools does not have any Joint Powers Agreements as of and for the year ended June 30, 2016.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF MEMORANDUMS OF UNDERSTANDING  
AND JOINT POWERS AGREEMENTS  
Year Ended June 30, 2016

Name of MOU	Description	Beginning and ending dates of the JPA or MOU
City of Clovis Golf MOU	Lockers for CMS Golf Teams	December 8, 2015 - December 8, 2016
City of Clovis MOU	School Crossing Guard Program	August 1, 1997 - present
Southeastern Transition Team MOU	Facilitate transition for children and family resulting in uninterrupted services and to assist providers in transition process, comply with federal and state laws.	February 2016 - present
SPS MOU	Support and implement SPS's New Mexico Community Based Solar Project	20 years from July 2009
Mike Harris Field MOU	Purchase and install filtration and separation system for existing well shared by both the CMS girls' softball team (Mike Harris Field) and the city owned Bob Spencer Park.	January 1, 2013 - present
City of Clovis MOU	CMS and City of Clovis will work together to develop a plan for utilization of existing Parkview Elementary School including transfer of the school site, building, and improvements to the City of Clovis.	Present through until the time when existing Parkview Elementary School is retired, in late 2019 or early 2020.
La Casa and Edu MOU	Agreement to provide dental services to children attending CMS	September 21, 2010 - present
SPED MOU	To improve availability and quality of services for children and their families in Clovis, Fort Sumner, Portales, and Tucumcari; Residential placement and/or outreach services for students who are visually impaired	February 25, 2016 - present annually renewable
Upward Bound MOU	Upward Bound will provide tutoring, advising, mentoring, academic support, etc., dealing with college preparation and selection process. CMS will provide the resources necessary for Upward Bound to carry out its functions.	May 4, 2016 - May 4, 2017

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF MEMORANDUMS OF UNDERSTANDING  
AND JOINT POWERS AGREEMENTS  
Year Ended June 30, 2016

Name of MOU	Total estimated amount of project and portion applicable to the agency	Amount the agency contributed In the current fiscal year	Audit responsibility
City of Clovis Golf MOU	Cost of maintenance of lockers	Cost of purchase of lockers	CMS
City of Clovis MOU	1/2 of all costs	1/2 of all costs	CMS
Southeastern Transition Team MOU	Shared costs	Shared cost of salaries for providing services	N/A
SPS MOU	Cost of maintenance of host location for installation of Solar PV system	Maintenance Costs	N/A
Mike Harris Field MOU	One-half of the cost of purchasing and installing a filtration and separation system (approximate cost of \$12,000) and one-half of the water and electricity costs at the CMS girls softball complex and Mike Harris Field.	Approximate cost of filtration and separation unit of \$12,000; half of water and electricity costs	N/A
City of Clovis MOU	Plan to be developed by both parties working together prior to the retirement of Parkview Elementary School.	School is still in session until new school is built. No money exchange.	N/A
La Casa and Edu MOU	No cost to the district	Services only - no money exchanged	N/A
SPED MOU	No cost to the district	Services only - no money exchanged	N/A
Upward Bound MOU	CMS and Clovis High School are responsible for copy toner and copier maintenance for the Upward Bound copier in room B7.	Cost of copy paper, toner, and office supplies	N/A

STATE OF NEW MEXICO  
 CLOVIS MUNICIPAL SCHOOLS  
 SCHEDULE OF MEMORANDUMS OF UNDERSTANDING  
 AND JOINT POWERS AGREEMENTS  
 Year Ended June 30, 2016

Name of MOU	Fiscal agent if applicable	Name of government agency where revenues and expenditures are reported
City of Clovis Golf MOU	CITY	CMS
City of Clovis MOU	CMS	CMS
Southeastern Transition Team MOU		UNM
SPS MOU	SPS	CMS
Mike Harris Field MOU	CITY	CITY OF CLOVIS AND CMS
City of Clovis MOU	CITY	CITY OF CLOVIS
La Casa and Edu MOU	LA CASA AND EDUCARE DENTAL SERVICES	LA CASA AND EDUCARE DENTAL SERVICES
SPED MOU	EASTERN PLAINS CAA HEAD START AND THE NEW MEXICO SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED	EASTERN PLAINS CAA HEAD START AND THE NEW MEXICO SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED
Upward Bound MOU		UPWARD BOUND AND CMS

**OTHER UNAUDITED INFORMATION**

CLOVIS MUNICIPAL SCHOOLS  
 SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (UNAUDITED) (EXCLUDING GRT)  
 June 30, 2016

RFB#/RFP # (If applicable)	Type of Procurement	Vendor Name	Did Vendor Win Contract?	\$ Amount of Awarded Contract	\$ Amount of Amended Contract	Physical Address of Vendor (City, State)	Did the Vendor provide documentation of eligibility for in-state preference?	Did the Vendor provide documentation of eligibility for veterans' preference?	Brief Description of the Scope of Work	If the procurement is attributable to a Component Unit, Name of Component Unit
15-107	RFB	Gandy's Dairies	Yes	\$ 467,926	\$ -	Lubbock, Texas	Yes	No	Dairy Products	NA
15-109	ITB	GWC CONSTRUCTION	Yes	168,690	-	Lovington, New Mexico	Yes	Yes	Roof Demolition & Abatement	NA
		Coronado Wrecking & Salvage	No	-	-	Albuquerque, New Mexico	Yes	No		
16-101	ITB	Nick Griego & Sons		385,264	491,280	Clovis, New Mexico	Yes	No	Playground Replacement	NA
16-102	ITB	Nick Griego & Sons	Yes	520,084	591,603	Clovis, New Mexico	Yes	No	Parking Lot Improvements	NA
		K Barnett & Sons	Yes	107,950	-	Clovis, New Mexico	Yes	No		
		J Carizal	No	-	-	El Paso, Texas	Yes	No		
15-216	RFP	Southern Star Tour & Travel	Yes	79,938	86,152	San Antonio, Texas	No	No	Band Travel	NA
15-221	RFP	Plateau	Yes	124,800	-	Clovis, New Mexico	Yes	No	Fiber Installation	NA
		Wanrack	No	-	-	Shawnee, Kansas	No	No		
16-201	RFP	Dyron-Murphy	Yes	99,539	-	Albuquerque, New Mexico	Yes	No	Building Systems Analysis Repoi	NA
		Huitt Zollars	No	-	-	Albuquerque, New Mexico	Yes	No		
16-202	RFP	Allen Fire Systems	Yes	50,975	-	Amarillo, Texas	No	No	Fire Alarm System Installation	NA
		B & H Security	No	-	-	Clovis, New Mexico	No	No		
16-203	RFP	Progressive Roofing	Yes	\$ 169,496	\$ -	Albuquerque, New Mexico	Yes	No	MMS Auditorium Roofing	NA
		Caprock Building Systems	No	-	-	Amarillo, Texas	No	No		
		Tecta America	No	-	-	Amarillo, Texas	No	No		
		Tri-Lam Roofing	No	-	-	Everman, Texas	No	No		
		WWRC	No	-	-	Clovis, New Mexico	Yes	No		



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING  
\$60,000 (EXCLUDING GRT)  
Year Ended June 30, 2016

**This Schedule includes:**

Competitive procurements in FY 2016 that result in one or more contracts with a maximum contract price of over \$60,000 or more, excluding gross receipts tax, regardless of whether expenditures under that contract were over \$60,000 in FY2016;

Sole-source procurements in FY 2016 that result in one or more contracts with a maximum contract price of over \$60,000 or more, excluding gross receipts tax, regardless of whether expenditures under that contract were over \$60,000 in FY2016; and

Emergency procurements in FY 2016 that result in one or more contracts with a maximum contract price of over \$60,000 or more, excluding gross receipts tax, regardless of whether expenditures under that contract were over \$60,000 in FY2016.

**This Schedule does not include:**

Information on a multi-year procurement that occurred in a prior year, even if it resulted in expenditures of \$60,000 or more in FY 2016, unless there was a contract amendment that occurred in the current fiscal year (i) of a contract with a maximum contract price of \$60,000 or more, or (ii) that increased the maximum contract price of an existing contract to equal or exceed \$60,000; and Procurements based on statewide pricing agreements in FY2016.

## COMPLIANCE

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
*GOVERNMENT AUDITING STANDARDS*

Mr. Tim Keller  
New Mexico State Auditor  
&  
The Board of Education  
Clovis Municipal Schools

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund and major special revenue funds of Clovis Municipal Schools (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, and the combining and individual funds and related budgetary comparisons of the District, presented as supplementary information, and have issued our report thereon dated November 14, 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 consolidated 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.

Mr. Tim Keller  
New Mexico State Auditor  
&  
The Board of Education  
Clovis Municipal Schools

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

### Compliance and Other Matters

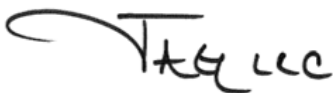
As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* as items 2016-001 and 2016-002.

### The District's Responses 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 result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. The 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.



Jaramillo Accounting Group LLC (JAG)  
Albuquerque, New Mexico  
November 14, 2016

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE

Mr. Tim Keller  
New Mexico State Auditor  
&  
The Board of Education  
Clovis Municipal Schools

**Report on Compliance for the Major Federal Program**

We have audited Clovis Municipal School'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 program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

*Management's Responsibility*

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

*Auditor's Responsibility*

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and 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 District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

Mr. Tim Keller  
New Mexico State Auditor  
&  
The Board of Education  
Clovis Municipal Schools

We believe that our audit provides a reasonable basis for our opinion on compliance for the 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 the major federal program and to test and report on internal control over compliance in accordance 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 a 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.

Mr. Tim Keller  
New Mexico State Auditor  
&  
The Board of Education  
Clovis Municipal Schools

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.

A handwritten signature in black ink, appearing to read "JAG LLC". The signature is stylized with a large, sweeping initial letter.

Jaramillo Accounting Group LLC (JAG)  
Albuquerque, New Mexico  
November 14, 2016

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended June 30, 2016

Federal Grantor or Pass-Through Grantor/Program Title	Pass-through Number	Federal CFDA	Passed-through to Subrecipients	Federal Expenditures
U.S. Department of Defense				
ROTC	25200	12.357	\$ -	\$ 13,764
U.S. Department of Education				
<i>Pass-through State of New Mexico Department of Education</i>				
Title I Grants to Local Educational Agencies	24101	84.010	-	2,076,452
Migrant Education - State Grant Program	24103	84.011	-	80,752
<i>Special Education Cluster (IDEA)</i>				
Special Education - Grants to States (IDEA B)	24106	84.027	-	1,775,064
Special Education - Preschool Grants (IDEA B - Pre School)	24109	84.173	-	75,966
<i>Special Education Cluster (IDEA) Total</i>			-	1,851,030
English Language Acquisition State Grants	24153	84.365A	-	56,167
Improving Teacher Quality State Grants (Title II)	24154	84.367	9,273	396,852
Career and Technical Education - Basic Grants to States (Carl D Perkins - Secondary Current)	24174	84.048	-	69,620
Career and Technical Education - Basic Grants to States (Carl D. Perkins Secondary - Redistribution)	24176	84.048	-	27,967
<i>Subtotal - Pass-through State of New Mexico Department of Education</i>			9,273	4,558,840
<i>Direct U.S. Department of Education</i>				
Impact Aid	11000	84.041	-	81,186
Impact Aid - Special Education	25145	84.041	-	92,050
<i>Subtotal - Direct U.S. Department of Education</i>			-	173,236
<b>Total U.S. Department of Education</b>			<u>9,273</u>	<u>4,732,076</u>
U.S. Department of Agriculture				
<i>Pass-through State of New Mexico Department of Education</i>				
<i>Child Nutrition Cluster</i>				
School Breakfast Program	21000	10.553	-	1,401,698
National School Lunch Program	21000	10.555	-	2,308,863
<i>Total Child Nutrition Cluster</i>			-	3,710,561
<i>Pass-through State of New Mexico Department of Health and Human Services</i>				
Food Distribution (Commodities)	21000	10.569	-	318,935
<b>Total U.S. Department of Agriculture</b>			-	<u>4,029,496</u>
<b>Total Federal Financial Assistance</b>			<u>\$ 9,273</u>	<u>\$ 8,775,336</u>

*See notes to Schedule of Expenditures of Federal Awards.*



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended June 30, 2016

**1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of Clovis Municipal Schools (District) under programs of the federal government for the year ended June 30, 2016. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position or changes in financial position of the District.

**2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, which is the same basis as was used to prepare the fund financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**3. Subrecipient**

The District provided the following federal award to a subrecipient during the year:

CFDA 84.367, Improving Teacher Quality State Grants (Title II)  
Clovis Christian School in the amount of \$9,273

**4. Non Cash Federal Assistance**

The District receives USDA Commodities for use in sponsoring the National School Lunch and Breakfast program. The value of commodities received for the year ended June 30, 2016 was \$318,935 and is reported in the Schedule of Expenditures of Federal Awards under the Department of Agriculture Commodities program, CFDA number 10.569. Commodities are recorded as revenues and expenditures in the Food Service fund.

**5. Indirect Cost Rate**

The District has elected to use the 10% de minimis indirect cost rate on certain federal programs as allowed under the Uniform Guidance.

**6. Reconciliation of federal revenue to federal expense**

Federal revenue as reported on Schedule of Expenditure of Federal Awards	\$ 8,775,336
District as contractor relationship	968,172
Advance reimbursement grant (Impact Aid)	(42,703)
Federal revenue as reported in the financial statements	<u>\$ 9,700,805</u>

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2016

NONE

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2016

**Section I – Summary of Audit Results**

*Financial Statements:*

- |  |            |
|--|------------|
| 1. Type of auditors' report issued   | Unmodified |
| 2. Internal control over financial reporting:                                    |            |
| a. Material weakness identified?   | No         |
| b. Significant deficiencies identified not considered to be material weaknesses? | No         |
| c. Noncompliance material to financial statements noted?                         | No         |

*Federal Awards:*

- |   |                         |
|---|-------------------------|
| 1. Internal control over major programs:  |                         |
| a. Material weakness identified?  | No                      |
| b. Significant deficiencies identified not considered to be material weaknesses?                              | No                      |
| 2. Type of auditors' report issued on compliance for major programs   | Unmodified              |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? | No                      |
| 4. Identification of major programs:  |                         |
| CFDA  |                         |
| <u>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?   | No                      |

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2016

Section II – Financial Statement Findings

2016-001      ACTUAL EXPENDITURES EXCEEDED BUDGETED EXPENDITURES

TYPE OF FINDING: Non-Compliance

CONDITION

The District's total budgeted operating expenditures by major function were exceeded as follows:

Fund 27168	After School Enrichment Program	Support Services	\$36
Fund 31700	Capital Improvements SB-9	Support Services	\$869
Fund 41000	Debt Service Fund	Support Services	\$787

CRITERIA

According to the New Mexico State Auditor Rule 2.2.2.10 (P)(1)(a), if actual expenditures exceed budgeted expenditures at the legal level of budgetary control, that fact must be reported in a finding.

CAUSE

Deadlines for Budget Adjustment Requests (BARs) are due June 1<sup>st</sup> and the information that caused these funds to be over budget was not available until after that date. Therefore, the budget could not be adjusted timely.

EFFECT

The District could be overspending cash balances if budget adjustments are not made during the year.

RECOMMENDATION

Establish adequate procedures to monitor budget compliance and prohibit exceeding budgeted amounts. Unfavorable variances should be investigated to ensure that the District is spending according to the adopted budget, and budget amendments should be pursued in instances where situations change during the year. For those areas which may change after BARs are due, consider increasing the estimated budget amounts.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2016

Section II – Financial Statement Findings (Continued)

2016-001      ACTUAL EXPENDITURES EXCEEDED BUDGETED EXPENDITURES  
(CONTINUED)

MANAGEMENT RESPONSE

CORRECTIVE ACTION: The Assistant Superintendent of Finance has reviewed 22-8-11 (B) NMSA 1978 with Finance department personnel. The overspent amount in funds 31700 and 41000 represents the 1% assessment fee imposed by the county for collection of property taxes. Property taxes had a substantial increase in June which was unexpected. Clovis Municipal Schools did not receive the final tax revenue from the county treasurer until June 23, 2016; well past the deadline of June 1, 2016 to submit a Budget Adjustment Request (BAR). In the future, the Assistant Superintendent of Finance will communicate with the county tax collector to monitor tax collections earlier in the year to avoid exceeding budgeted amounts.

The After School Enrichment Program (27168) did not contain enough budget to cover all of the benefits for the June 30, 2016 payroll. In the future, benefits will be monitored to ensure budget amounts are not overspent.

DUE DATE OF COMPLETION: To be reviewed during the year with final adjustments completed before the BAR deadline of June 1.

RESPONSIBLE PARTY: Assistant Superintendent of Finance, Coordinator of Finance

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2016

Section II – Financial Statement Findings (Continued)

2016-002      COMPLIANCE WITH SCHOOL PERSONNEL ACT

TYPE OF FINDING: Non-Compliance

CONDITION: During our testing of the District’s compliance with the New Mexico School Personnel Act, we noted the District provided supporting documentation that employees received training on sexual harassment, sexual misconduct, and detection and reporting of child abuse and neglect. However, the District was unable to provide evidence that five employees (from a random sample of five) completed training on substance abuse.

Our testing found that one of five employee contracts (from a random sample of five) selected for testing were not executed within the required time frame. This contract was executed one day after the start of the school year.

CRITERIA: 22-10A-32(A) NMSA 1978 states that all licensed school employees shall be required to complete training in the detection and reporting of child abuse and neglect, including sexual abuse and assault, and substance abuse. Except as otherwise provided in this subsection, this requirement shall be completed within the licensed school employee's first year of employment by a school district. Licensed school employees hired prior to the 2014-2015 school year shall complete the sexual abuse and assault component of the required training during the 2014-2015 school year.

22-10A-23(B) NMSA 1978 states that delivery of the written acceptance of reemployment by a certified school instructor creates a binding employment contract between the certified school instructor and the local school board or the governing authority of the state agency until the parties enter into a formal written employment contract. Written employment contracts between local school boards or governing authorities of state agencies and certified school instructors shall be executed by the parties not later than ten days before the first day of a school year.

EFFECT

Without contracts signed timely, the District may be at risk of students’ classrooms and services not staffed as planned. Without adequate training, staff may make unintentional errors in these sensitive areas that could impact students and families.

CAUSE

The certified school instructor identified in the finding signed her Notice of Re-employment to Certified Staff on 4/16/2015. Her Certified Instructor Contract was executed on 8/3/2015, which was 15 days prior to the first day of the school year. The first contract date for teachers was 8/11/2015 and the instructor signed her contract on 8/12/2015.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2016

Section II – Financial Statement Findings (Continued)

2016-002      COMPLIANCE WITH SCHOOL PERSONNEL ACT (CONTINUED)

**RECOMMENDATION**

We recommend that the District implement policies and procedures and monitor their effectiveness to ensure that the District remain in compliance with all elements of the School Personnel Act.

**MANAGEMENT RESPONSE**

**CORRECTIVE ACTION:** The District will include specific training for Substance Abuse and intends on adding the Student Drug and Alcohol Abuse, Safe Schools Training Video to the currently required online training program immediately.

In order to be in compliance with the School Personnel Act 22-10A-23(B) NMSA 1978, future Certified Instructor Contracts will be issued earlier in the fiscal year and certified staff will be required to sign their contract not later than ten (10) days before the first day of the school year.

**DUE DATE OF COMPLETION:** July 1, 2016

**RESPONSIBLE PARTY:** Assistant Superintendent of Human Resources

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2016

Section III – Federal Findings

None



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
EXIT CONFERENCE  
FOR THE YEAR ENDED JUNE 30, 2016

The contents of this report were discussed on November 4, 2016. The following individuals were in attendance:

Clovis Municipal Schools

Justin Howalt - Board Member/Audit Committee Member  
Denise Wolf - Audit Committee Member

Jody Balch - Superintendent  
Joe Strickland - Deputy Superintendent of Instruction  
Carrie Bunce - Deputy Superintendent of Operations  
Kerry Parker - Assistant Superintendent of Human Resources  
Shawna Russell - Assistant Superintendent of Finance  
Renee Mestas - Deputy Director of Federal Programs  
Carlyn Hancock - Executive Director of Special Education  
Paul Klein - Director of Child Nutrition  
Bryan Jones - Chief Procurement Officer  
Heather Nieto - Executive Assistant to Finance  
Geri Schumpert - Finance  
Robbyn Runquist - Finance  
Gena Wilkerson - Finance  
Monica Jackson - Finance

Jaramillo Accounting Group (JAG)  
Audrey Jaramillo, CPA, CFE, Partner

*Jaramillo Accounting Group (JAG) assisted in the preparation of the financial statements presented in this report. The District's management has reviewed and approved the financial statements and related notes and they believe that their records adequately support the financial statements.*