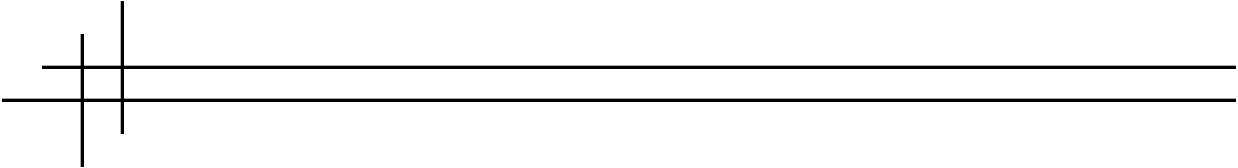


STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS

ANNUAL FINANCIAL REPORT
June 30, 2015

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



STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
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DEXTER CONSOLIDATED SCHOOLS
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STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
Official Roster
June 30, 2015

BOARD OF EDUCATION

Orlando R Chavez	President
Bobby Vaughn	Vice-President
Dan Lathrop	Secretary
Amanda Bogle	Member
Mike Gomez	Member

SCHOOL OFFICIALS

Lesla Dodd	Superintendent
Jeannie Harris	Business Manager

De'Aun Willoughby CPA, PC

Certified Public Accountant

225 Innsdale Terrace Clovis, NM 88101

(855) 253-4313

Independent Auditor's Report

Mr. Tim Keller
State Auditor of the State of New Mexico
Board Members of the Dexter Consolidated Schools

Mr. Keller and Members of the Board

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 major special revenue funds of Dexter Consolidated Schools (District), as of and for the year ended June 30, 2015, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental funds, and the budgetary comparisons for the major capital projects and debt service funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2015, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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, 2015, 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 nonmajor governmental fund of the District as of June 30, 2015, and the respective changes in financial position and the respective budgetary comparisons for the major capital projects and debt service funds and all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the Management's Discussion and Analysis which is required to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the District's financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The Schedule of Expenditures of Federal Awards as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and the other schedules required by 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 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 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Vendor Schedule 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 8, 2015, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

 De'Ann Willoughby CPA PC

Clovis, New Mexico
October 8, 2015

FINANCIAL SECTION

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
 Government-Wide Statement of Net Position
 June 30, 2015

	<u>Governmental Activities</u>
Assets	
Current Assets	
Cash and Cash Equivalents	\$ 1,983,151
Taxes Receivable	81,455
Due from Grantor	801,221
Inventory	19,913
Total Current Assets	<u>2,885,740</u>
Noncurrent Assets	
Capital Assets	42,443,314
Less: Accumulated Depreciation	(13,995,299)
Total Noncurrent Assets	<u>28,448,015</u>
Total Assets	<u>31,333,755</u>
Deferred Outflows of Resources	
Deferred Outflows Related to Pensions	1,267,937
Total Deferred Outflows of Resources	<u>1,267,937</u>
Liabilities	
Current Liabilities	
Accounts Payable	26,563
Accrued Salaries and Benefits	90,640
Accrued Interest	44,907
Compensated Absences	46,256
Current Portion of Long-Term Debt	560,000
Total Current Liabilities	<u>768,366</u>
Noncurrent Liabilities	
Bonds	2,990,000
Pension Liability	11,668,781
Total Noncurrent Liabilities	<u>14,658,781</u>
Total Liabilities	<u>15,427,147</u>
Deferred Inflows of Resources	
Deferred Inflows Related to Pensions	1,234,567
Total Deferred Inflows of Resources	<u>1,234,567</u>
Net Position	
Invested in Net Capital Assets	24,898,015
Restricted for:	
Capital Projects	433,933
Debt Service	901,690
Unrestricted	(10,293,660)
Total Net Position	<u>\$ 15,939,978</u>

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
 Government-Wide Statement of Activities
 For the Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
Instruction	\$ 7,427,975	\$ 54,748	\$ 703,785	\$ 0	\$ (6,669,442)
Support Services					
Students	925,397	57,077	103,386	0	(764,934)
Instruction	226,719	0	0	0	(226,719)
General Administration	268,687	0	10,588	0	(258,099)
School Administration	701,593	0	146,731	0	(554,862)
Central Services	596,452	0	58,268	0	(538,184)
Operation of Plant	1,492,721	0	0	456,569	(1,036,152)
Student Transportation	488,931	0	495,282	186,106	192,457
Other	9,985	0	0	0	(9,985)
Food Services	825,672	94,828	698,133	0	(32,711)
Interest Expense	110,867	0	0	0	(110,867)
Bond Issue Expense	30,581	0	0	0	(30,581)
Total Governmental Activities	\$ 13,105,580	\$ 206,653	\$ 2,216,173	\$ 642,675	(10,040,079)
General Revenues					
Taxes					
Property Taxes, Levied for General Purposes					
34,422					
Property Taxes, Levied for Capital Projects					
137,188					
Property Taxes, Levied for Debt Service					
770,840					
Federal and State aid not restricted to specific purpose					
General					
8,104,637					
Capital					
0					
Interest and investment earnings					
861					
Miscellaneous					
241,207					
Subtotal, General Revenues					
9,289,155					
Change in Net Position					
(750,924)					
Net Position - Beginning					
28,199,538					
Restatement					
(11,508,636)					
Restated Beginning Net Position					
16,690,902					
Net Position - Ending					
\$ 15,939,978					

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2015

	General Fund		
	Operational 11000	Transportation 13000	Instructional Materials 14000
Assets			
Cash and Cash Equivalents	\$ 506,629	\$ 0	\$ 107,147
Receivables			
Taxes	5,682	0	0
Due From Grantor	0	0	0
Interfund Balance	709,258	0	0
Inventory	0	0	0
Total Assets	\$ 1,221,569	\$ 0	\$ 107,147
Liabilities			
Accounts Payable	\$ 8,289	\$ 1,566	\$ 0
Accrued Salaries and Benefits	43,752	5,266	0
Interfund Balances	0	0	0
Total Liabilities	52,041	6,832	0
Deferred Inflows of Resources			
Unavailable Revenue	4,780	0	0
Total Deferred Inflows of Resources	4,780	0	0
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted for:			
Special Revenue Funds	0	0	0
Capital Projects	0	0	0
Debt Service	0	0	0
Unassigned	1,164,748	(6,832)	107,147
Total Fund Balances	1,164,748	(6,832)	107,147
Total Liabilities, Deferred Inflows and Fund Balances	\$ 1,221,569	\$ 0	\$ 107,147

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2015

	Special Revenue		Capital Projects
	K3 Plus 27166	School Bus 27178	Senate Bill Nine 31700
Assets			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	12,377
Due From Grantor	123,652	186,106	290,880
Interfund Balance	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 123,652</u>	<u>\$ 186,106</u>	<u>\$ 303,257</u>
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 16,668
Accrued Salaries and Benefits	27,404	0	0
Interfund Balances	96,248	186,106	213,267
Total Liabilities	<u>123,652</u>	<u>186,106</u>	<u>229,935</u>
Deferred Inflows of Resources			
Unavailable Revenue	0	0	8,047
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>8,047</u>
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted for:			
Special Revenue Funds	0	0	0
Capital Projects	0	0	65,275
Debt Service	0	0	0
Unassigned	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>65,275</u>
 Total Liabilities, Deferred Inflows and Fund Balances	 <u>\$ 123,652</u>	 <u>\$ 186,106</u>	 <u>\$ 303,257</u>

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2015

	Debt Service 41000	Other Governmental Funds	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
Assets			
Cash and Cash Equivalents	\$ 685,447	\$ 683,928	\$ 1,983,151
Receivables			
Taxes	55,224	8,172	81,455
Due From Grantor	0	200,583	801,221
Interfund Balance	0	0	709,258
Inventory	0	19,913	19,913
Total Assets	<u>\$ 740,671</u>	<u>\$ 912,596</u>	<u>\$ 3,594,998</u>
Liabilities			
Accounts Payable	\$ 0	\$ 40	\$ 26,563
Accrued Salaries and Benefits	0	14,218	90,640
Interfund Balances	0	213,637	709,258
Total Liabilities	<u>0</u>	<u>227,895</u>	<u>826,461</u>
Deferred Inflows of Resources			
Unavailable Revenue	<u>36,236</u>	<u>5,064</u>	<u>54,127</u>
Total Deferred Inflows of Resources	<u>36,236</u>	<u>5,064</u>	<u>54,127</u>
Fund Balances			
Nonspendable-Inventory	0	19,913	19,913
Restricted for:			
Special Revenue Funds	0	121,123	121,123
Capital Projects	0	368,658	433,933
Debt Service	704,435	197,255	901,690
Unassigned	0	(27,312)	1,237,751
Total Fund Balances	<u>704,435</u>	<u>679,637</u>	<u>2,714,410</u>
 Total Liabilities, Deferred Inflows and Fund Balances	 <u>\$ 740,671</u>	 <u>\$ 912,596</u>	 <u>\$ 3,594,998</u>

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
 Reconciliation of the Governmental Funds
 Balance Sheet to the Statement of Net Position
 June 30, 2015

Total Fund Balance - Governmental Funds \$ 2,714,410

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

Property taxes receivable will be collected after the period of availability, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds. 54,127

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.

Capital Assets	\$ 42,443,314	
Accumulated Depreciation	<u>(13,995,299)</u>	28,448,015

Deferred Outflows and Inflows Related to Pensions are the results of differences in expected and actual actuary experience and the difference in actuary projected and actual earnings. Also changes in proportion and differences between contributions and proportionate share of contributions.

Deferred Outflows Related to Pensions	1,267,937	
Deferred Inflows Related to Pensions	<u>(1,234,567)</u>	33,370

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

Bonds Payable	(3,550,000)	
Pension Liability	(11,668,781)	
Accrued Interest	(44,907)	
Compensated Absences	<u>(46,256)</u>	<u>(15,309,944)</u>

Total Net Position - Governmental Activities \$ 15,939,978

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and Changes
in Fund Balance
For the Year Ended June 30, 2015

	General Fund		
	Operational 11000	Transportation 13000	Instructional Materials 14000
Revenues			
Property Taxes	\$ 31,478	\$ 0	\$ 0
Interest Income	196	0	0
Fees	36,721	0	0
State & Local Grants	8,097,786	495,282	69,154
Federal Grants	1,916	0	0
Miscellaneous	241,207	0	0
Total Revenues	<u>8,409,304</u>	<u>495,282</u>	<u>69,154</u>
Expenditures			
Current			
Instruction	5,204,242	0	118,244
Support Services			
Students	751,798	0	0
Instruction	221,992	0	0
General Administration	243,233	0	0
School Administration	544,951	0	0
Central Services	523,508	0	0
Operation & Maintenance of Plant	1,052,323	0	0
Transportation	0	483,451	0
Other	9,985	0	0
Food Services	90,735	0	0
Capital Outlay	197,526	16,052	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Bond Issue Costs	0	0	0
Total Expenditures	<u>8,840,293</u>	<u>499,503</u>	<u>118,244</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(430,989)</u>	<u>(4,221)</u>	<u>(49,090)</u>
Other Financing Sources (Uses)			
Transfer In/(Out)	(2,751)	0	0
Total Other Sources (Uses)	<u>(2,751)</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	(433,740)	(4,221)	(49,090)
Fund Balances at Beginning of Year	<u>1,598,488</u>	<u>(2,611)</u>	<u>156,237</u>
Fund Balance End of Year	<u>\$ 1,164,748</u>	<u>\$ (6,832)</u>	<u>\$ 107,147</u>

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and Changes
in Fund Balance
For the Year Ended June 30, 2015

	Special Revenue		Capital Projects
	K3 Plus 27166	School Bus 27178	Senate Bill Nine 31700
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 150,029
Interest Income	0	0	0
Fees	0	0	0
State & Local Grants	150,266	186,106	456,569
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>150,266</u>	<u>186,106</u>	<u>606,598</u>
Expenditures			
Current			
Instruction	150,266		0
Support Services			
Students	0	0	0
Instruction	0	0	0
General Administration	0	0	1,255
School Administration	0	0	0
Central Services	0	0	0
Operation & Maintenance of Plant	0	0	348,403
Transportation	0	0	0
Other	0	0	0
Food Services	0	0	0
Capital Outlay	0	186,106	243,261
Debt Service			
Principal	0	0	0
Interest	0	0	0
Bond Issue Costs	0	0	0
Total Expenditures	<u>150,266</u>	<u>186,106</u>	<u>592,919</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>13,679</u>
Other Financing Sources (Uses)			
Transfer In/(Out)	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	0	0	13,679
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>51,596</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 65,275</u>

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and Changes
in Fund Balance
For the Year Ended June 30, 2015

	Debt Service 41000	Other Governmental Funds	Total Governmental Funds
Revenues			
Property Taxes	\$ 662,508	\$ 104,083	\$ 948,098
Interest Income	0	665	861
Fees	0	169,932	206,653
State & Local Grants	0	209,472	9,664,635
Federal Grants	0	1,296,934	1,298,850
Miscellaneous	0	0	241,207
Total Revenues	<u>662,508</u>	<u>1,781,086</u>	<u>12,360,304</u>
Expenditures			
Current			
Instruction	0	914,495	6,387,247
Support Services			
Students	0	165,196	916,994
Instruction	0	2,751	224,743
General Administration	5,533	11,483	261,504
School Administration	0	146,731	691,682
Central Services	0	65,926	589,434
Operation & Maintenance of Plant	0	87,128	1,487,854
Transportation	0	0	483,451
Other	0	0	9,985
Food Services	0	729,613	820,348
Capital Outlay	0	124,845	767,790
Debt Service			
Principal	590,000	120,000	710,000
Interest	109,352	5,790	115,142
Bond Issue Costs	0	30,581	30,581
Total Expenditures	<u>704,885</u>	<u>2,404,539</u>	<u>13,496,755</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(42,377)</u>	<u>(623,453)</u>	<u>(1,136,451)</u>
Other Financing Sources (Uses)			
Transfer In/(Out)	0	2,751	0
Total Other Sources (Uses)	<u>0</u>	<u>2,751</u>	<u>0</u>
Net Change in Fund Balance	(42,377)	(620,702)	(1,136,451)
Fund Balances at Beginning of Year	<u>746,812</u>	<u>1,300,339</u>	<u>3,850,861</u>
Fund Balance End of Year	<u>\$ 704,435</u>	<u>\$ 679,637</u>	<u>\$ 2,714,410</u>

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
 Reconciliation of the Governmental Funds
 Statement of Revenues, Expenditures and Changes in Fund Balance
 To the Statement of Activities
 June 30, 2015

Net Change in Fund Balance-Governmental Funds \$ (1,136,451)

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

Some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered "available" revenues in the governmental funds, and are instead reported as deferred revenues. They are however, recorded as revenues in the Statement of Activities.

Property Taxes, June 30, 2014	\$ (59,775)	
Property Taxes, June 30, 2015	<u>54,127</u>	(5,648)

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 depreciation exceeds capital outlays in the period.

Depreciation expense	(962,554)	
Capital Outlays	<u>767,790</u>	(194,764)

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

710,000

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

Accrued Interest, June 30, 2014	49,182	
Accrued Interest, June 30, 2015	<u>(44,907)</u>	4,275

Some expenses reported in the Statement of Activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated Absences, June 30, 2014	44,695	
Compensated Absences, June 30, 2015	<u>(46,256)</u>	<u>(1,561)</u>

Pension contributions are reported as expenses in the government funds but are deferred outflows in the Statement of Net Position. Pension expense is reported in the Statement of Activities but not in the governmental funds.

Pension Contributions	832,318	
Pension Expense	<u>(959,093)</u>	<u>(126,775)</u>

Changes in Net Position of Governmental Activities \$ (750,924)

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
GENERAL FUND-OPERATIONAL-11000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ 29,964	\$ 29,964	\$ 31,412	\$ 1,448
Interest	200	200	196	(4)
Fees	9,358	9,358	36,721	27,363
State Grant	8,095,820	8,095,820	8,097,786	1,966
Federal Grant	0	109	1,916	1,807
Miscellaneous	200,124	200,124	241,208	41,084
Total Revenues	<u>8,335,466</u>	<u>8,335,575</u>	<u>8,409,239</u>	<u>73,664</u>
Expenditures				
Instruction				
Personnel Services	3,735,300	3,731,074	3,511,840	219,234
Employee Benefits	1,344,100	1,348,435	1,257,593	90,842
Professional & Tech Services	111,418	111,418	55,165	56,253
Purchased Property Services	25,000	25,000	32,243	(7,243)
Other Purchased Services	138,630	138,630	104,940	33,690
Supplies	177,513	177,513	176,544	969
Fixed Assets	0	0	197,526	(197,526)
Supply Assets	80,000	80,000	74,375	5,625
Total Instruction	<u>5,611,961</u>	<u>5,612,070</u>	<u>5,410,226</u>	<u>201,844</u>
Support Services				
Students				
Personnel Services	365,000	365,000	321,448	43,552
Employee Benefits	131,147	131,147	133,182	(2,035)
Professional & Tech Services	310,675	310,675	294,381	16,294
Purchased Property Services	0	0	972	(972)
Other Purchased Services	7,850	7,850	308	7,542
Supplies	3,300	3,300	0	3,300
Supply Assets	0	0	1,506	(1,506)
Total Students	<u>817,972</u>	<u>817,972</u>	<u>751,797</u>	<u>66,175</u>
Instruction				
Personnel Services	112,000	112,000	97,441	14,559
Employee Benefits	56,463	56,463	43,085	13,378
Professional & Tech Services	3,300	3,300	2,364	936
Purchased Property Services	7,450	7,450	4,852	2,598
Other Purchased Services	1,100	1,100	18,307	(17,207)
Supplies	53,500	53,500	55,943	(2,443)
Total Instruction	<u>\$ 233,813</u>	<u>\$ 233,813</u>	<u>\$ 221,992</u>	<u>\$ 11,821</u>

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
GENERAL FUND-OPERATIONAL-11000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
General Administration				
Personnel Services	\$ 136,319	\$ 136,319	\$ 136,427	\$ (108)
Employee Benefits	36,976	36,976	37,689	(713)
Professional & Tech Services	53,700	53,700	27,927	25,773
Purchased Property Services	13,900	13,900	10,808	3,092
Other Purchased Services	23,900	23,900	13,081	10,819
Supplies	22,300	22,300	14,866	7,434
Supply Assets	3,000	3,000	1,504	1,496
Total General Administration	<u>290,095</u>	<u>290,095</u>	<u>242,303</u>	<u>47,792</u>
School Administration				
Personnel Services	394,046	394,046	382,302	11,744
Employee Benefits	154,720	154,720	136,197	18,523
Professional & Tech Services	6,600	6,600	9,897	(3,297)
Purchased Property Services	25,600	25,600	20,566	5,034
Other Purchased Services	1,000	1,000	0	1,000
Supplies	4,000	4,000	2,604	1,396
Total School Administration	<u>585,966</u>	<u>585,966</u>	<u>551,565</u>	<u>34,401</u>
Central Services				
Personnel Services	347,000	347,000	323,571	23,429
Employee Benefits	124,311	124,311	114,352	9,959
Professional & Tech Services	15,600	15,600	9,286	6,314
Purchased Property Services	0	0	3,799	(3,799)
Other Purchased Services	28,900	28,900	22,450	6,450
Supplies	79,100	79,100	53,336	25,764
Supply Assets	7,000	7,000	0	7,000
Total Central Services	<u>601,911</u>	<u>601,911</u>	<u>526,794</u>	<u>75,117</u>
Operation of Plant				
Personnel Services	403,000	403,000	365,885	37,115
Employee Benefits	246,518	246,518	162,706	83,812
Professional & Tech Services	6,500	6,500	1,298	5,202
Purchased Property Services	411,529	411,529	263,434	148,095
Other Purchased Services	341,050	341,050	230,245	110,805
Supplies	42,800	42,800	26,746	16,054
Supply Assets	10,000	10,000	0	10,000
Total Operation of Plant	<u>1,461,397</u>	<u>1,461,397</u>	<u>1,050,315</u>	<u>411,082</u>
Student Transportation				
Professional & Tech Services	1,000	1,000	0	1,000
Other Purchased Services	1,000	1,000	0	1,000
Total Student Transportation	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 0</u>	<u>\$ 2,000</u>

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
GENERAL FUND-OPERATIONAL-11000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Other Support Services				
Other	\$ 48,876	\$ 48,876	\$ 9,985	\$ 38,891
Total Other Support Services	<u>48,876</u>	<u>48,876</u>	<u>9,985</u>	<u>38,891</u>
Total Support Services	<u>4,042,030</u>	<u>4,042,030</u>	<u>3,354,751</u>	<u>687,279</u>
Food Service				
Personnel Services	0	0	60,714	(60,714)
Employee Benefits	14	14	17,360	(17,346)
Professional & Tech Services	0	0	3,279	(3,279)
Supplies	<u>175,000</u>	<u>175,000</u>	<u>13,456</u>	<u>161,544</u>
Total Food Service	<u>175,014</u>	<u>175,014</u>	<u>94,809</u>	<u>80,205</u>
Total Expenditures	<u>9,829,005</u>	<u>9,829,114</u>	<u>8,859,786</u>	<u>969,328</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,493,539)</u>	<u>(1,493,539)</u>	<u>(450,547)</u>	<u>1,042,992</u>
Other Financing Sources (Uses)				
Transfers	<u>0</u>	<u>0</u>	<u>(2,751)</u>	<u>(2,751)</u>
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>(2,751)</u>	<u>(2,751)</u>
Net Change in Cash Balance	(1,493,539)	(1,493,539)	(453,298)	1,040,241
Cash Balance Beginning of Year	<u>1,669,185</u>	<u>1,669,185</u>	<u>1,669,185</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 175,646</u>	<u>\$ 175,646</u>	<u>\$ 1,215,887</u>	<u>\$ 1,040,241</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ (453,298)	
Net Change in Taxes Receivable			3,010	
Net Change in Accounts Payable			15,895	
Net Change in Salaries and Benefits			3,597	
Net Change in Unavailable Revenue			(2,944)	
Net Change in Fund Balance			<u>\$ (433,740)</u>	

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
GENERAL FUND-TRANSPORTATION-13000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
State Grant	\$ 498,279	\$ 495,282	\$ 495,282	\$ 0
Total Revenues	<u>498,279</u>	<u>495,282</u>	<u>495,282</u>	<u>0</u>
Expenditures				
Support Services				
Student Transportation				
Personnel Services	202,000	270,277	270,278	(1)
Employee Benefits	46,400	88,011	88,011	(0)
Professional & Tech Services	7,262	4,109	4,109	(0)
Purchased Property Services	33,517	36,674	36,674	0
Other Purchased Services	24,100	20,006	20,006	0
Supplies	160,000	70,755	70,754	1
Capital Outlay	25,000	5,450	4,000	1,450
Supply Assets	0	0	1,450	(1,450)
Total Student Transportation	<u>498,279</u>	<u>495,282</u>	<u>495,282</u>	<u>0</u>
Total Support Services	<u>498,279</u>	<u>495,282</u>	<u>495,282</u>	<u>0</u>
Total Expenditures	<u>498,279</u>	<u>495,282</u>	<u>495,282</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Net Change in Accounts Payable			(1,566)	
Net Change in Salaries and Benefits			(2,655)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (4,221)</u>	

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
GENERAL FUND-INSTRUCTIONAL MATERIALS-14000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
State Grant	\$ 49,633	\$ 49,633	\$ 69,154	\$ 19,521
Total Revenues	<u>49,633</u>	<u>49,633</u>	<u>69,154</u>	<u>19,521</u>
Expenditures				
Instruction				
Supplies	129,216	129,216	118,244	10,972
Total Instruction	<u>129,216</u>	<u>129,216</u>	<u>118,244</u>	<u>10,972</u>
Total Expenditures	<u>129,216</u>	<u>129,216</u>	<u>118,244</u>	<u>10,972</u>
Excess (Deficiency) of Revenues Over Expenditures	(79,583)	(79,583)	(49,090)	30,493
Cash Balance Beginning of Year	<u>156,237</u>	<u>156,237</u>	<u>156,237</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 76,654</u>	<u>\$ 76,654</u>	<u>\$ 107,147</u>	<u>\$ 30,493</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>(49,090)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>(49,090)</u>	

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
SPECIAL REVENUE FUND-K3 PLUS-27166
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Federal Grant	\$ 92,683	\$ 188,287	\$ 92,038	\$ (96,249)
Total Revenues	<u>92,683</u>	<u>188,287</u>	<u>92,038</u>	<u>(96,249)</u>
Expenditures				
Instruction				
Personnel Services	23,052	84,660	84,608	52
Employee Benefits	4,973	19,455	19,506	(51)
Professional & Tech Services	0	88	88	0
Other Purchased Services	4,951	2,588	2,588	0
Supply	0	17,287	17,287	0
Supply Assets	0	4,502	4,502	0
Total Instruction	<u>32,976</u>	<u>128,580</u>	<u>128,579</u>	<u>1</u>
Total Expenditures	<u>32,976</u>	<u>128,580</u>	<u>128,579</u>	<u>1</u>
Excess (Deficiency) of Revenues Over Expenditures	59,707	59,707	(36,541)	(96,248)
Cash Balance Beginning of Year	<u>(59,707)</u>	<u>(59,707)</u>	<u>(59,707)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (96,248)</u>	<u>\$ (96,248)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (36,541)	
Net Change in Due from Grantor			58,228	
Net Change in Salaries and Benefits			(21,687)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO

DEXTER CONSOLIDATED SCHOOLS

SPECIAL REVENUE FUND-SCHOOL BUS REPLACEMENT-27178

Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 186,106	\$ 0	\$ (186,106)
Total Revenues	<u>0</u>	<u>186,106</u>	<u>0</u>	<u>(186,106)</u>
Expenditures				
Student Transportation				
Capital Outlay	0	186,106	186,106	0
Total Student Transportation	<u>0</u>	<u>186,106</u>	<u>186,106</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>186,106</u>	<u>186,106</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(186,106)	(186,106)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (186,106)</u>	<u>\$ (186,106)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (186,106)	
Net Change in Due from Grantor			<u>186,106</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
Statement of Fiduciary Assets and Liabilities-Agency Funds
June 30, 2015

	<u>Agency Funds</u>
Assets	
Cash and Cash Equivalents	\$ 296,434
Total Assets	<u>\$ 296,434</u>
Liabilities	
Deposits Held for Others	\$ 296,434
Total Liabilities	<u>\$ 296,434</u>

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

Summary of Significant Accounting Policies

The financial statements of the Dexter Consolidated Schools (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

Financial Reporting Entity

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

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

The District has no component units, defined by GASB Statement No. 14 as other legally separate organizations for which the elected District members are financially accountable. There are no other primary governments with which the School Board Members are financially accountable. There are no other primary governments with which the District has a significant relationship.

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

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

Governmental Funds

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

General Fund - The General Fund is the general operating fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds.

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

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

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

Fiduciary Fund Type

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

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

Major Funds

The District reports the following major governmental funds:

General Fund (11000)(13000)(14000)

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

Science Instructional Materials (27176). To account for revenues and expenditures to purchase science kits. The fund was created by state grant provisions.

School Bus Replacement (27178). To account for a state grant used to purchase a school bus. The fund was created by the authority of state grant provisions.

Senate Bill Nine (31700). The revenues are derived from a district tax levy and matched by the state. Expenditures are restricted to capital improvements.

Debt Service Fund (41000). To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The resources of this fund are generated by a tax levy based upon property values. Expenditures are restricted to debt reduction.

Measurement Focus and Basis of Accounting
Government-Wide Financial Statements (GWFS)

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

In the Government-Wide Statement of Net Position, the governmental activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in three parts - invested in net capital assets, restricted net position and unrestricted net position.

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

Program Revenues

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

Fund Financial Statements (FFS)

Governmental Funds

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

Revenues

Taxes. Ad valorem taxes are susceptible to full accrual on the government wide financial statements. Property Tax revenues recognize revenues net of estimated refunds and uncollectible accounts in the period for which the taxes are levied.

Grants. Government mandated nonexchange transaction and voluntary nonexchange transactions. Recipients should recognize revenues in the period when all applicable eligibility requirements have been met and the resources are available.

Revenue Recognition for Grants.

Eligibility requirements for government-mandated and voluntary nonexchange transaction comprise one or more of the following:

1. Required characteristics of recipients. The recipient has the characteristics specified by the provider (are required to be school districts).
2. Time requirements. Time requirements specified by enabling legislation or the provider have been met (period when the resources are required to be used).
3. Reimbursements. The provider offers resources on a reimbursement ("expenditure-driven") basis and the recipient has incurred allowable costs under the applicable program.
4. Contingencies. The provider's offer of resources is contingent upon a specified action of the recipient and that action has occurred (the recipient has raised the matching funds).

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

Expenditures

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

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, etc.) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Basis of Budgeting

Formal budgetary integration is employed as a management control device during the year.

Budgets for the General, Special Revenue, Debt Service and Capital Projects Funds are adopted on a basis inconsistent with generally accepted accounting principles (GAAP). These budgets are prepared using the cash basis of accounting. Budgetary comparisons for the various funds in this report are on the non-GAAP budgetary basis.

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

1. Prior to April 15, (unless a later date is fixed by the Secretary of Education) the local school board submits to the School Budget and Finance Analysis Unit (SBFAU) of the New Mexico Public Education Department an estimated budget for the District for the ensuing fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the New Mexico Public Education Department (PED) by the district shall contain headings and details as prescribed by law.
2. Prior to June 20, of each year, the proposed "operating" budget will be reviewed and approved by the SBFAU and certified and approved by the local school board at the public hearing of which notice has been published by the local school board which fixed the estimated budget for the district for the ensuing fiscal year.
3. The "operating" budget will be used by the District until they have been notified that the budget has been approved by the SBFAU and the local school board. The budget shall be integrated formally in to the accounting system. Encumbrances shall be used as an element for control and shall be integrated into the budget system.
4. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the SBFAU.
5. No school board or officer or employee of the District shall make any expenditures or incur any obligation for the expenditures of public funds unless such expenditure or contractual obligation is made in accordance with an operating budget approved by the division. But this does not prohibit the transfer of funds between line items within a series of a budget.
6. Budget change requests are processed in accordance with Supplement I (Budget Preparation and Maintenance) of the *Manual of Procedures Public School Accounting and Budgeting*. Such changes are initiated by the District and approved by the SBFAU.
7. Legal budget control for expenditures is by function. Included in the 2000 function is sub-functions that can be over spent by function.
8. Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget of the District has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.

Cash and Cash Equivalents

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

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

Investments

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

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

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

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

Receivables and Payables

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

Property Taxes

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

Elimination and Reclassifications of Certain Receivables and Payables

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

Inventories and Prepaid Items

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

Capital Assets

Capital assets are recorded at historical costs and depreciated over their estimated useful lives (with no salvage value). Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000 (per Section 12-6-10 NMSA1978) and an estimated useful life in excess of one year. Donated capital assets are recorded at their estimated fair market value on the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

If there are any construction projects funded by the NM Public School Facilities Authority they are included in the appropriate capital projects fund and in the capital assets.

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

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

Capital Leases

Capital leases are recorded at the inception of the leases as expenditures and other financing sources in governmental fund financial statement at the present value of the future minimum lease payments, using the stated or implicit interest rate in the leases. Lease payments are recorded as expenditures on the due date. Capital leases are recorded as a liability in the government-wide financial statement at the time of inception and the corresponding asset is recorded in the capital asset section on the balance sheet.

Long-Term Liabilities

For district-wide reporting, the costs associated with the bonds are recognized over the life of the bond. As permitted by GASB Statement No. 34 the amortization of the costs of bonds will be amortized prospectively from the date of adoption of GASB Statement No. 34.

Restricted Net Position

For the Government-Wide Statement of Net Position, net position is reported as restricted when constraints are placed on the use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available it will first be applied to restricted resources.

Fund Balances of Fund Financial Statements

Nonspendable fund balance indicates that portion of fund equity is not spendable such as inventory.

The restricted fund balance category includes amounts that can be spent only for specific purposes stipulated by constitution, external resources providers, or through enabling legislation.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.

Unassigned fund balance is the residual amount that is not restricted or committed.

Interfund Transfers

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

Deferred Inflows of Resources

In addition to liabilities, the balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Revenue must be susceptible to accrual (measurable and available to finance available. The District has recorded \$54,127 related to property taxes considered "unavailable."

Compensated Absences

The liability for compensated absences reported in the government-wide statements consist of unpaid sick leave balances. The liability has been calculated by a vesting method, in which leave amounts from both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon separation of employment are included. The plan is a deferred sick leave plan. The plan is funded from the fund that the employee is paid from. The funds are transferred to a deferred sick leave fund and the monies are invested until they are required to be paid out.

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

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

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

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

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

Estimates

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

A. Deposits and Investments

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

<u>Name of Account</u>	Balance Per Bank 6/30/15	Reconciled Balance	<u>Type</u>	
Activity Fund	\$ 263,432	\$ 256,434	Checking	Non-Interest
General Operations	1,310,222	871,951	Checking	Non-Interest
Athletic Funds	116,179	116,179	Checking	Interest
Deferred Sick Leave	60,000	60,000	Investment-Bonds	Interest
Deferred Sick Leave	728	728	Investment-Bonds	Interest
Dexter CS	934,293	934,293	Investment-MMMF	Interest
Activity CD	40,000	40,000	CD	Interest
TOTAL Deposited	<u>2,724,854</u>	<u>\$ 2,279,585</u>		
Less: FDIC Coverage	<u>(290,000)</u>			
Uninsured Amount	2,434,854			
50% collateral requirement	1,217,427			
Pledged securities	960,280			
Over (Under) requirement	<u>\$ (257,147)</u>			

The following securities are pledged at Wells Fargo:

<u>Description</u>	<u>CUSIP #</u>	<u>Market Value</u>	<u>Maturity Date</u>	<u>Location</u>
FNMA FNRM	3136AHRP7	\$ 225,204	01/25/44	Mellon, NY
FNMA FNMS	3138AMN35	6,270	11/01/41	Mellon, NY
FNMA FNMS	3138NYVR3	500,591	01/01/43	Mellon, NY
FNMA FNMS	3138W9A34	97,530	07/01/43	Mellon, NY
FNMA FNMS	3138WQAY8	99,754	05/01/43	Mellon, NY
FNMA FNMS	31417DAK9	5,467	09/01/42	Mellon, NY
FNMA FNMS	31417YXX0	19,648	03/01/41	Mellon, NY
FNMA FNMS	31419CZDB	5,816	09/01/40	Mellon, NY
		<u>\$ 960,280</u>		

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

Custodial Credit Risk-Deposits

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ 290,000
Collateralized:	
Collateral held by the pledging bank in District's name	960,280
Uninsured and uncollateralized	1,474,574
Total Deposits	<u>\$ 2,724,854</u>

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2015 \$1,474,574 of the District's bank balance of \$2,724,854 was exposed to custodial credit risk.

B. Receivables

Following is a schedule of property taxes receivable as of June 30, 2015:

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	General 11000	Senate Bill Nine 31700	Debt Service 41000	Other Governmental
Property Taxes Receivable:				
Available	\$ 902	\$ 4,330	\$ 18,988	\$ 3,108
Unavailable	4,780	8,047	36,236	5,064
Total Property Taxes Receivable	<u>\$ 5,682</u>	<u>\$ 12,377</u>	<u>\$ 55,224</u>	<u>\$ 8,172</u>

Amounts due from other agencies and units of government were as follows as of June 30, 2014:

Federal Agencies	\$ 150,696
State Agencies	650,525
Total	<u>\$ 801,221</u>

C. Interfund Receivables, Payables and Transfers

The composition of interfund balances is as follows:

Receivable Fund	Payable Funds			
	K3 Plus 27166	School Bus 27178	Senate Bill Nine 31700	Other Governmental Funds
General Fund	<u>\$ 96,248</u>	<u>\$ 186,106</u>	<u>\$ 213,267</u>	<u>\$ 213,637</u>

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

D. Capital Assets

Capital Assets Balances and Activity for the Year Ended June 30, 2015, is as follows:

	Balance 6/30/14	Additions	Deletions	Balance 6/30/15
Governmental Activities				
Capital Assets not being Depreciated				
Land	\$ 36,491	\$ 31,066	\$ 0	\$ 67,557
Construction in Progress	0	0	0	0
Total Capital Assets not being Depreciated	<u>36,491</u>	<u>31,066</u>	<u>0</u>	<u>67,557</u>
Capital Assets, being Depreciated				
Buildings & Improvement	35,269,804	205,479	0	35,475,283
Equipment and Vehicles	6,369,228	531,246	0	6,900,474
Total Capital Assets being Depreciated	<u>41,040,879</u>	<u>736,725</u>	<u>0</u>	<u>42,375,757</u>
Total Capital Assets	<u>\$ 41,077,370</u>	<u>\$ 767,791</u>	<u>\$ 0</u>	<u>\$ 42,443,314</u>
Less Accumulated Depreciation				
Buildings & Improvements	\$ 8,566,848	\$ 711,044	\$ 0	\$ 9,277,892
Equipment and Vehicles	4,465,897	251,510	0	4,717,407
Total Accumulated Depreciation	<u>12,107,380</u>	<u>962,554</u>	<u>0</u>	<u>13,995,299</u>

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2019	340,000	66,094	406,094
2020	315,000	54,313	369,313
2021-2025	1,220,000	94,323	1,314,323
2026-2027	85,000	3,340	88,340
	<u>\$ 3,550,000</u>	<u>\$ 489,771</u>	<u>\$ 4,039,771</u>

F. Commitments

The District is in the process of completing construction projects district wide.

G. Retirement Plan

Summary of Significant Accounting Policies

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

General Information about the Pension Plan

Plan description. ERB was created by the state's Educational Retirement Act, Section 22-11-1 through 22-11-52, NMSA 1978, as amended, to administer the New Mexico Educational Employees' Retirement Plan (Plan). The Plan is a cost-sharing, multiple employer plan established to provide retirement and disability benefits for certified teachers and other employees of the state's public schools, institutions of higher learning, and agencies providing educational programs. The Plan is a pension trust fund of the State of New Mexico. The New Mexico legislature has the authority to set or amend contribution rates.

ERB issues a publicly available financial report and a comprehensive annual financial report that can be obtained at www.nmerb.org.

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

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

Chapter 288, Laws of 2009 changed the eligibility requirements for new members first employed on or after July 1, 2010. The eligibility for a member who either becomes a new member on or after July 1, 2010, or at any time prior to that date refunded all member contributions and then became, or becomes, reemployed after that date is as follows: the member's age and earned service credit add up to the sum of 80 or more; the member is at least sixty-seven years of age and has five or more years of earned service credit; or the member has service credit totaling 30 years or more.

The benefit is paid as a monthly life annuity with a guarantee that, if the payments made do not exceed the member's accumulated contributions plus accumulated interest, determined as of the date of retirement, the balance will be paid in a lump sum to the member's surviving beneficiary. There are three benefit options available: single life annuity; single life annuity monthly benefit reduced to provide for a 100% survivor's benefit; or single life annuity monthly benefit is reduced to provide for a 50% survivor's benefit.

Retired members and surviving beneficiaries receiving benefits receive an automatic cost of living adjustment (COLA) to their benefit each July 1, beginning in the year the member attains or would have attained age 65 or on July 1 of the year following the member's retirement date, whichever is later. Prior to June 30, 2013 the COLA adjustment was equal to one-half the change in the Consumer Price Index (CPI), except that the COLA shall not exceed 4% nor be less than 2%, unless the change in CPI is less than 2%, in which case, the COLA would equal the change in the CPI, but never less than zero. As of July 1, 2013, for current and future retirees the COLA was immediately reduced until the plan is 100% funded. The COLA reduction was based on the median retirement benefit of all retirees excluding disability retirements. Retirees with benefits at or below the median and with 25 or more years of service credit will have a 10% COLA reduction; their average COLA will be 1.8%. All other retirees will have a 20% COLA reduction; their average COLA will be 1.6%. Once the funding is greater than 90%, the COLA reductions will decrease. The retirees with benefits at or below the median and with 25 or more years of service credit will have a 5% COLA reduction; their average COLA will be 1.9%. All other retirees will have a 10% COLA reduction; their average will be 1.8%. Members on disability retirement are entitled to a COLA commencing on July 1 of the third full year following disability retirement. A member on regular retirement who can prove retirement because of a disability may qualify for a COLA beginning July 1 in the third full year of retirement.

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

Contributions. The contribution requirements of 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, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from the District were \$832,318 for the year ended June 30, 2015.

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Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, the District reported a liability of \$11,668,781 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, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, the District proportion was .20451 percent, which was a increase of .00935 percent from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, the District recognized pension expense of \$959,093. At the June 30, 2015, the District reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	\$	\$
Differences between expected and actual experience	0	173,824
Changes of assumptions	0	0
Net difference between projected and actual earnings on pension plan investments	0	1,060,743
Changes in proportion and differences between (name of employer) contributions and proportionate share of contributions	435,619	
District's contributions subsequent to the measurement date	832,318	0
Total	<u>\$ 1,267,937</u>	<u>\$ 1,234,567</u>

\$832,918 reported as deferred outflows of resources related to pensions resulting from District's contributions subsequent to the measurement date June 30, 2014 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 ended June 30:	
2016	\$ (174,286)
2017	(174,286)
2018	(175,194)
2019	(275,182)
Total	<u>\$ (798,948)</u>

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

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

For the purposes of projecting future benefits, it is assumed that the full COLA is paid in all future years. The actuarial methods and assumptions used to determine contribution 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
Inflation	3.00%
Salary Increases	Composition: 3% inflation, plus 1.25% productivity increase rate, plus step rate promotional increases for members with less than 10 years of service
Investment Rate of Return	7.75%
Retirement Age	Experience based table of age and service rates
Mortality	90% of RP-2000 Combined Mortality Table with White Collar Adjustment projected to 2014 using Scale AA (one year setback for females)

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

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

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
Notes to the Financial Statements
June 30, 2015

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The District's proportionate share of the net pension liability	\$ 15,876,725	\$ 11,668,781	\$ 8,153,988

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, 2014 and 2013 which are publicly available at www.nmerb.org.

Payables to the pension plan. Employers should disclose the amount of payables to the Plan with a description of what gave rise to the payable per GASB Statement 68, paragraphs 122 and 124.

**H. Retiree Health Care
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 the event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years.

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

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

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were 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, 2015, 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, 2015, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2014, 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 is not a member of the enhanced retirement plan.

The District's contributions to the RHCA for the years ended June 30, 2015, 2014 and 2013 were \$119,815, \$112,820 and \$106,720 respectively, which equal the required contributions for each year.

I. Reconciliation of Budgetary Basis to GAAP Basis Statements

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

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

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

Reconciliations are located at the bottom of each budget actual.

J. Risk Management

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

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

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

K. Joint Powers Agreements

The District is a member of a joint powers agreement with the Pecos Valley Regional Education Center No. 8 (PVREC). The joint powers agreement includes Loving, Hagerman, Dexter, and Lake Arthur school districts. The purpose of the agreement is to form an organization to establish and maintain cooperative programs of various federal and state grants.

The financial statements were prepared by another IPA. The audit report is available at the PVREC located in Artesia, New Mexico.

The Dexter Consolidated Schools is a member of a joint powers agreement with ten other school districts in the Southeastern New Mexico Education Resources Center (SNMERC). Pecos Valley Regional Center Cooperative is the fiscal agent for this group.

The District is a member of the Cooperative Educational Services. The joint powers agreement was entered into July 1, 1984. The purpose of the agreement is to pool efforts in order to bring additional, necessary educational services to their respective school districts at an affordable cost. The term of the agreement shall continue until it is rescinded or terminated by a majority vote of the participating School Districts.

L. Subsequent Events

Subsequent events were evaluated through October 31, 2015, which is the date the financial statements were available to be issued.

M. Deficit Fund Balance

Food Service Fund 21000 had a deficit fund balance of \$(7,399) and Transportation 13000 or \$(6,832).

N. Restatement

The Net Position was restated \$(11,508,636) for the pension liability.

**SUPPLEMENTAL INFORMATION RELATED TO
MAJOR FUNDS**

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
CAPITAL PROJECT FUND-SENATE BILL NINE-31700
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ 143,888	\$ 143,888	\$ 149,506	\$ 5,618
State Grant	0	169,951	165,690	(4,261)
Total Revenues	<u>143,888</u>	<u>313,839</u>	<u>315,196</u>	<u>1,357</u>
Expenditures				
Support Services				
General Administration				
Professional & Tech Services	1,500	1,500	1,255	245
Total General Administration	<u>1,500</u>	<u>1,500</u>	<u>1,255</u>	<u>245</u>
Total Support Services	<u>1,500</u>	<u>1,500</u>	<u>1,255</u>	<u>245</u>
Capital Outlay				
Purchased Property Services	477,159	276,160	245,730	30,430
Supplies	100,000	125,000	86,454	38,546
Fixed Assets	0	0	243,261	(243,261)
Supply Assets	0	345,920	4,934	340,986
Total Capital Outlay	<u>577,159</u>	<u>747,080</u>	<u>580,379</u>	<u>166,701</u>
Total Expenditures	<u>578,659</u>	<u>748,580</u>	<u>581,634</u>	<u>166,946</u>
Excess (Deficiency) of Revenues Over Expenditures	(434,771)	(434,741)	(266,438)	168,303
Cash Balance Beginning of Year	<u>53,171</u>	<u>53,171</u>	<u>53,171</u>	<u>0</u>
Cash Balance End of Year	<u>\$ (381,600)</u>	<u>\$ (381,570)</u>	<u>\$ (213,267)</u>	<u>\$ 168,303</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (266,438)	
Net Change in Taxes Receivable			(12,318)	
Net Change in Due from Grantor			290,880	
Net Change in Accounts Payable			(11,286)	
Net Change in Unavailable Revenue			12,841	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 13,679</u>	

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

STATE OF NEW MEXICO

DEXTER CONSOLIDATED SCHOOLS

DEBT SERVICE-41000

Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ 704,158	\$ 704,158	\$ 661,081	\$ (43,077)
Total Revenues	<u>704,158</u>	<u>704,158</u>	<u>661,081</u>	<u>(43,077)</u>
Expenditures				
Support Services				
General Administration				
Professional & Tech Services	6,500	6,500	5,533	967
Total General Administration	<u>6,500</u>	<u>6,500</u>	<u>5,533</u>	<u>967</u>
Total Support Services	<u>6,500</u>	<u>6,500</u>	<u>5,533</u>	<u>967</u>
Debt Service				
Principal	1,201,840	1,201,840	590,000	611,840
Interest	0	0	109,352	(109,352)
Total Debt Service	<u>1,201,840</u>	<u>1,201,840</u>	<u>699,352</u>	<u>502,488</u>
Total Expenditures	<u>1,208,340</u>	<u>1,208,340</u>	<u>704,885</u>	<u>503,455</u>
Excess (Deficiency) of Revenues Over Expenditures	(504,182)	(504,182)	(43,804)	460,378
Cash Balance Beginning of Year	<u>729,251</u>	<u>729,251</u>	<u>729,251</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 225,069</u>	<u>\$ 225,069</u>	<u>\$ 685,447</u>	<u>\$ 460,378</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (43,804)	
Net Change in Taxes Receivable			6,644	
Net Change in Unavailable Revenue			(5,217)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (42,377)</u>	

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

**SUPPLEMENTAL INFORMATION RELATED TO
NON MAJOR FUNDS**

Food Services (21000). To account for revenue and expenditures associated with the school breakfast and lunch program. Funding is provided from fees from patrons and USDA food reimbursements. Authority for creation of this fund is NMSA 22-13-13.

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

Title I (24101) To account for revenues and expenditures for a collaborative consortium of education, health, culture enrichment and social support system in rural communities. The fund was created by grant provisions.

Title I Migrant (24103). To account for a program funded by a federal grant whose purpose is to implement school wide bilingual education programs of special alternative instruction programs to improve, reform and upgrade relevant programs and operations within an entire local educational agency, that serve a significant number of children and youth of limited English proficiency in local educational agencies with significant concentrations of such children and youth. The fund was created by the authority of federal grant provisions. (Title VII, Section 7115 of the ESEA (20USC 7425)).

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

Autism Spectrum Disorder Project (24108). To account for revenue and expenditures for assistance with an autism student. Funding authorized by the Individuals with Disabilities Education Act, Part B, Section 619, as amended, Public Laws 94-142, 99-457, 100-630, 101-497, 101-476, and 102-119. The fund was created by the authority of federal grant provisions.

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

IDEA B Risk Pool (24120). To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by the Individuals with Disabilities Education Act, Part B, Sections 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100-639, and 101-476, 20 U. S. C. 1411-1420. The fund was created by the authority of federal grant provisions.

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

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

Carl Perkins (24180)(24182) To account for funds distributed by the U. S. Department of Education through the State Department of Education to provide services which impact school district vocational programs, educators, and students. This fund was created by the authority of the Carl D. Perkins Vocational. and Applied Technology Education Amendments of 1998, Title I, Part B and C and Sections 115 and 116, and Workforce Investment Act, Section 503.

USDA Equipment Assistance (24183). To account for funds distributed by the U. S. Department of Agriculture to provide funds to purchase equipment needed for the preparation of meals for students. The fund was created by the authority of federal grant provisions.

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

Dual Credit Instructional Materials (27103). To provide financial assistance to purchased instructional materials for the college classes offered to students who are taking them for dual credits. The fund was created by the authority of state grant provisions.

2012 GO Students Library (27107). To account for revenues and expenditures from a state grant to provide for public school and juvenile detention libraries. The funding made available to update and expand library collections in order to circulate and provide access of materials to students and teachers. Funding provided by the State of New Mexico.

NM Reads to Lead K-3 (27114). To account for revenue and expenditures received from a state grant for the purpose of improving skills of young students in the area of reading. The fund was created by the authority of state grant provisions.

Pre K Initiative (27149). To account for revenues and expenditures from a state grant provided for the running of the Pre K program.. The fund was created by state grant provisions.

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

Top Growth School (27171). To account for revenues and expenditures received for most improved District in assessments tests. The fund was created by state grant provisions.

Next Generation Assessments (27185). To account for a state grant used to purchase computer equipment for the science classroom. The fund was created by the authority of state grant provisions.

Solar Farm (29135). To account for revenue from the solar farm in lieu of property taxes. The fund was created by definition.

Bond Building (31100). The revenues are derived from a School Building Bond Issue. The expenditures are restricted to major capital improvements.

Ed Tech Equipment (31900). To account for proceeds received from the issuance of Educational Technology Notes to be used for the acquisition of education technology equipment for use in classrooms and library and media centers. Authority for the creation of this fund is NMSA 1978, 6-15A-1 through 6-15A-16.

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
June 30, 2015

Deferred Sick Leave Fund (42000). To account for the transfers from other funds. The expenditures are restricted to paying terminated employees their sick leave.

Ed Tech Debt Service (43000). To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The resources of this fund are generated by a tax levy based upon property values.

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2015

	Special Revenue Funds		
	Food Service 21000	Athletics 22000	Title I 24101
Assets			
Cash and Cash Equivalents	\$ 0	\$ 116,179	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	16,257	0	78,292
Inventory	19,913	0	0
Total Assets	\$ 36,170	\$ 116,179	\$ 78,292
Liabilities			
Accounts Payable	\$ 40	\$ 0	\$ 0
Accrued Salaries and Benefits	6,187	0	4,945
Interfund Balances	37,342	0	73,347
Total Liabilities	43,569	0	78,292
Deferred Inflows of Resources			
Unavailable Revenue	0	0	0
Total Deferred Inflows of Resources	0	0	0
Fund Balance			
Nonspendable-Inventory	19,913	0	0
Restricted for:			
Special Revenue Funds	0	116,179	0
Capital Projects	0	0	0
Debt Service	0	0	0
Unassigned	(27,312)	0	0
Total Fund Balance	(7,399)	116,179	0
Total Liabilities, Deferred Inflows and Fund Balance	\$ 36,170	\$ 116,179	\$ 78,292

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2015

	Special Revenue Funds		
	Title I Migrant 24103	IDEA B Entitlement 24106	NM Autism Project 24108
Assets			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	6,348	7,299	2,678
Inventory	0	0	0
Total Assets	\$ 6,348	\$ 7,299	\$ 2,678
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Accrued Salaries and Benefits	912	826	0
Interfund Balances	5,436	6,473	2,678
Total Liabilities	6,348	7,299	2,678
Deferred Inflows of Resources			
Unavailable Revenue	0	0	0
Total Deferred Inflows of Resources	0	0	0
Fund Balance			
Nonspendable-Inventory	0	0	0
Restricted for:			
Special Revenue Funds	0	0	0
Capital Projects	0	0	0
Debt Service	0	0	0
Unassigned	0	0	0
Total Fund Balance	0	0	0
Total Liabilities, Deferred Inflows and Fund Balance	\$ 6,348	\$ 7,299	\$ 2,678

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2015

	Special Revenue Funds		
	IDEA Preschool 24109	IDEA B Risk Pool 24120	English Language Acquisition 24153
Assets			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	3,450	202	11,383
Inventory	0	0	0
Total Assets	\$ 3,450	\$ 202	\$ 11,383
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Accrued Salaries and Benefits	765	0	583
Interfund Balances	2,685	202	10,800
Total Liabilities	3,450	202	11,383
Deferred Inflows of Resources			
Unavailable Revenue	0	0	0
Total Deferred Inflows of Resources	0	0	0
Fund Balance			
Nonspendable-Inventory	0	0	0
Restricted for:			
Special Revenue Funds	0	0	0
Capital Projects	0	0	0
Debt Service	0	0	0
Unassigned	0	0	0
Total Fund Balance	0	0	0
Total Liabilities, Deferred Inflows and Fund Balance	\$ 3,450	\$ 202	\$ 11,383

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2015

	Special Revenue Funds		
	Improving Teacher Quality 24154	Carl Perkins 24180	Carl Perkins HSTW Redistribution 24182
Assets			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	9,377	0	2,910
Inventory	0	0	0
Total Assets	<u>\$ 9,377</u>	<u>\$ 0</u>	<u>\$ 2,910</u>
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Accrued Salaries and Benefits	0	0	0
Interfund Balances	9,377	0	2,910
Total Liabilities	<u>9,377</u>	<u>0</u>	<u>2,910</u>
Deferred Inflows of Resources			
Unavailable Revenue	0	0	0
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance			
Nonspendable-Inventory	0	0	0
Restricted for:			
Special Revenue Funds	0	0	0
Capital Projects	0	0	0
Debt Service	0	0	0
Unassigned	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 9,377</u>	<u>\$ 0</u>	<u>\$ 2,910</u>

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2015

	Special Revenue Funds		
	USDA Equipment Assistance 24183	Medicaid 25153	Dual Credit Instructional Materials 27103
Assets			
Cash and Cash Equivalents	\$ 0	\$ 9	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	12,500	0	0
Inventory	0	0	0
Total Assets	<u>\$ 12,500</u>	<u>\$ 9</u>	<u>\$ 0</u>
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Accrued Salaries and Benefits	0	0	0
Interfund Balances	12,500	0	0
Total Liabilities	<u>12,500</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources			
Unavailable Revenue	0	0	0
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance			
Nonspendable-Inventory	0	0	0
Restricted for:			
Special Revenue Funds	0	9	0
Capital Projects	0	0	0
Debt Service	0	0	0
Unassigned	0	0	0
Total Fund Balance	<u>0</u>	<u>9</u>	<u>0</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 12,500</u>	<u>\$ 9</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2015

	Special Revenue Funds		
	2012 GO Student Library 27107	NM Reads to Lead 27114	Pre-K Initiative 27149
Assets			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	49,887
Inventory	0	0	0
Total Assets	\$ 0	\$ 0	\$ 49,887
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Accrued Salaries and Benefits	0	0	0
Interfund Balances	0	0	49,887
Total Liabilities	0	0	49,887
Deferred Inflows of Resources			
Unavailable Revenue	0	0	0
Total Deferred Inflows of Resources	0	0	0
Fund Balance			
Nonspendable-Inventory	0	0	0
Restricted for:			
Special Revenue Funds	0	0	0
Capital Projects	0	0	0
Debt Service	0	0	0
Unassigned	0	0	0
Total Fund Balance	0	0	0
Total Liabilities, Deferred Inflows and Fund Balance	\$ 0	\$ 0	\$ 49,887

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2015

	Special Revenue Funds		
	Breakfast for Elementary 27155	Top Growth School 27171	Next Generation Assessment 27185
Assets			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Accrued Salaries and Benefits	0	0	0
Interfund Balances	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources			
Unavailable Revenue	0	0	0
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance			
Nonspendable-Inventory	0	0	0
Restricted for:			
Special Revenue Funds	0	0	0
Capital Projects	0	0	0
Debt Service	0	0	0
Unassigned	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2015

	Special Revenue	Capital Outlay	
	Solar Farm 29135	Bond Building 31100	Ed Tech Equipment 31900
Assets			
Cash and Cash Equivalents	\$ 4,935	\$ 293,953	\$ 74,705
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 4,935</u>	<u>\$ 293,953</u>	<u>\$ 74,705</u>
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Accrued Salaries and Benefits	0	0	0
Interfund Balances	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources			
Unavailable Revenue	0	0	0
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance			
Nonspendable-Inventory	0	0	0
Restricted for:			
Special Revenue Funds	4,935	0	0
Capital Projects	0	293,953	74,705
Debt Service	0	0	0
Unassigned	0	0	0
Total Fund Balance	<u>4,935</u>	<u>293,953</u>	<u>74,705</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 4,935</u>	<u>\$ 293,953</u>	<u>\$ 74,705</u>

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2015

	Debt Service		Total
	Deferred Sick Leave Fund 42000	Ed Tech Debt Service 43000	
Assets			
Cash and Cash Equivalents	\$ 60,831	\$ 133,316	\$ 683,928
Receivables			
Taxes	0	8,172	8,172
Due From Grantor	0	0	200,583
Inventory	0	0	19,913
Total Assets	<u>\$ 60,831</u>	<u>\$ 141,488</u>	<u>\$ 912,596</u>
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 40
Accrued Salaries and Benefits	0	0	14,218
Interfund Balances	0	0	213,637
Total Liabilities	<u>0</u>	<u>0</u>	<u>227,895</u>
Deferred Inflows of Resources			
Unavailable Revenue	0	5,064	5,064
Total Deferred Inflows of Resources	<u>0</u>	<u>5,064</u>	<u>5,064</u>
Fund Balance			
Nonspendable-Inventory	0	0	19,913
Restricted for:			
Special Revenue Funds	0	0	121,123
Capital Projects	0	0	368,658
Debt Service	60,831	136,424	197,255
Unassigned	0	0	(27,312)
Total Fund Balance	<u>60,831</u>	<u>136,424</u>	<u>679,637</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 60,831</u>	<u>\$ 141,488</u>	<u>\$ 912,596</u>

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2015

	Special Revenue Funds		
	Food Service 21000	Athletics 22000	Title I 24101
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	227	0
Fees	94,828	18,027	0
State & Local Grants	0	0	0
Federal Grants	661,724	0	208,716
Total Revenues	<u>756,552</u>	<u>18,254</u>	<u>208,716</u>
Expenditures			
Current			
Instruction	0	16,164	153,149
Support Services			
Students	0	0	2,852
Instruction	0	0	0
General Administration	0	0	7,968
School Administration	0	0	0
Central Services	0	0	44,747
Operation & Maintenance of Plant	0	0	0
Food Service	705,704	0	0
Capital Outlay	0	29,227	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Bond Issue Costs	0	0	0
Total Expenditures	<u>705,704</u>	<u>45,391</u>	<u>208,716</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>50,848</u>	<u>(27,137)</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfer In/(Out)	0	0	0
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	50,848	(27,137)	0
Fund Balance Beginning of Year	<u>(58,247)</u>	<u>143,316</u>	<u>0</u>
Fund Balance End of Year	<u>\$ (7,399)</u>	<u>\$ 116,179</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2015

	Special Revenue Funds		
	Title I Migrant 24103	IDEA B Entitlement 24106	NM Autism Project 24108
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State & Local Grants	0	0	0
Federal Grants	51,614	288,562	9,817
Total Revenues	<u>51,614</u>	<u>288,562</u>	<u>9,817</u>
Expenditures			
Current			
Instruction	31,358	57,043	9,817
Support Services			
Students	0	91,341	0
Instruction	0	0	0
General Administration	2,414	0	0
School Administration	4,321	140,178	0
Central Services	13,521	0	0
Operation & Maintenance of Plant	0	0	0
Food Service	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Bond Issue Costs	0	0	0
Total Expenditures	<u>51,614</u>	<u>288,562</u>	<u>9,817</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfer In/(Out)	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2015

	Special Revenue Funds		
	IDEA Preschool 24109	IDEA B Risk Pool 24120	English Language Acquisition 24153
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State & Local Grants	0	0	0
Federal Grants	12,276	202	14,747
Total Revenues	<u>12,276</u>	<u>202</u>	<u>14,747</u>
Expenditures			
Current			
Instruction	3,083	202	13,041
Support Services			
Students	9,193	0	0
Instruction	0	0	0
General Administration	0	0	206
School Administration	0	0	1,500
Central Services	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Service	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Bond Issue Costs	0	0	0
Total Expenditures	<u>12,276</u>	<u>202</u>	<u>14,747</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfer In/(Out)	0	0	0
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2015

	Special Revenue Funds		
	Improving Teacher Quality 24154	Carl Perkins 24180	Carl Perkins HSTW Redistribution 24182
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees		0	0
State & Local Grants	0	0	0
Federal Grants	33,866	0	2,910
Total Revenues	33,866	0	2,910
Expenditures			
Current			
Instruction	33,866	0	2,178
Support Services			
Students	0	0	0
Instruction	0	0	0
General Administration	0	0	0
School Administration	0	0	732
Central Services	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Service	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Bond Issue Costs	0	0	0
Total Expenditures	33,866	0	2,910
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Other Financing Sources (Uses)			
Transfer In/(Out)	0	0	0
Total Other Sources (Uses)	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	\$ 0	\$ 0	\$ 0

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2015

	Special Revenue Funds		
	USDA Equipment Assistance 24183	Medicaid 25153	Dual Credit Instructional Materials 27103
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	57,077	0
State & Local Grants	0	0	6,644
Federal Grants	12,500	0	0
Total Revenues	12,500	57,077	6,644
Expenditures			
Current			
Instruction	0	0	6,644
Support Services			
Students	0	61,810	0
Instruction	0	0	0
General Administration	0	0	0
School Administration	0	0	0
Central Services	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Service	0	0	0
Capital Outlay	12,500	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Bond Issue Costs	0	0	0
Total Expenditures	12,500	61,810	6,644
Excess (Deficiency) of Revenues Over Expenditures	0	(4,733)	0
Other Financing Sources (Uses)			
Transfer In/(Out)	0	0	0
Total Other Sources (Uses)	0	0	0
Net Change in Fund Balance	0	(4,733)	0
Fund Balance Beginning of Year	0	4,742	0
Fund Balance End of Year	\$ 0	\$ 9	\$ 0

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2015

	Special Revenue Funds		
	2012 GO Student Library 27107	NM Reads to Lead 27114	Pre-K Initiative 27149
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State & Local Grants	0	50,000	123,984
Federal Grants	0	0	0
Total Revenues	<u>0</u>	<u>50,000</u>	<u>123,984</u>
Expenditures			
Current			
Instruction	0	50,000	123,984
Support Services			
Students	0	0	0
Instruction	2,751	0	0
General Administration	0	0	0
School Administration	0	0	0
Central Services	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Service	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Bond Issue Costs	0	0	0
Total Expenditures	<u>2,751</u>	<u>50,000</u>	<u>123,984</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(2,751)</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfer In/(Out)	<u>2,751</u>	<u>0</u>	<u>0</u>
Total Other Sources (Uses)	<u>2,751</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2015

	Special Revenue Funds		
	Breakfast for Elementary 27155	Top Growth School 27171	Next Generation Assessment 27185
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State & Local Grants	23,909	0	0
Federal Grants	0	0	0
Total Revenues	<u>23,909</u>	<u>0</u>	<u>0</u>
Expenditures			
Current			
Instruction	0	0	0
Support Services			
Students	0	0	0
Instruction	0	0	0
General Administration	0	0	0
School Administration	0	0	0
Central Services	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Service	23,909	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Bond Issue Costs	0	0	0
Total Expenditures	<u>23,909</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfer In/(Out)	0	0	0
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2015

	Special		
	Revenue	Capital Outlay	
	Solar Farm 29135	Bond Building 31100	Ed Tech Equipment 31900
Revenues			
Property Taxes	\$ 0	\$	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State & Local Grants	4,935	0	0
Federal Grants	0	0	0
Total Revenues	4,935	0	0
Expenditures			
Current			
Instruction	0	55,265	358,701
Support Services			
Students	0	0	0
Instruction	0	0	0
General Administration	0	0	0
School Administration	0	0	0
Central Services	0	0	0
Operation & Maintenance of Plant	0	87,128	0
Food Service	0	0	0
Capital Outlay	0	83,118	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Bond Issue Costs	0	30,581	0
Total Expenditures	0	256,092	358,701
Excess (Deficiency) of Revenues Over Expenditures	4,935	(256,092)	(358,701)
Other Financing Sources (Uses)			
Transfer In/(Out)	0	0	0
Total Other Sources (Uses)	0	0	0
Net Change in Fund Balance	4,935	(256,092)	(358,701)
Fund Balance Beginning of Year	0	550,045	433,406
Fund Balance End of Year	\$ 4,935	\$ 293,953	\$ 74,705

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2015

	Debt Service		Total
	Deferred Sick Leave Fund 42000	Ed Tech Debt Service 43000	
Revenues			
Property Taxes	\$ 0	\$ 104,083	\$ 104,083
Interest Income	438	0	665
Fees	0	0	169,932
State & Local Grants	0	0	209,472
Federal Grants	0	0	1,296,934
Total Revenues	438	104,083	1,781,086
Expenditures			
Current			
Instruction	0	0	914,495
Support Services			
Students	0	0	165,196
Instruction	0	0	2,751
General Administration	0	895	11,483
School Administration	0	0	146,731
Central Services	7,658	0	65,926
Operation & Maintenance of Plant	0	0	87,128
Food Service	0	0	729,613
Capital Outlay	0	0	124,845
Debt Service			
Principal	0	120,000	120,000
Interest	0	5,790	5,790
Bond Issue Costs	0	0	30,581
Total Expenditures	7,658	126,685	2,404,539
Excess (Deficiency) of Revenues Over Expenditures	(7,220)	(22,602)	(623,453)
Other Financing Sources (Uses)			
Transfer In/(Out)	0	0	2,751
Total Other Sources (Uses)	0	0	2,751
Net Change in Fund Balance	(7,220)	(22,602)	(620,702)
Fund Balance Beginning of Year	68,051	159,026	1,300,339
Fund Balance End of Year	\$ 60,831	\$ 136,424	\$ 679,637

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
SPECIAL REVENUE FUND-FOOD SERVICE-21000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Fees	\$ 83,250	\$ 83,250	\$ 94,828	\$ 11,578
Federal Grant	701,000	701,000	601,631	(99,369)
Total Revenues	<u>784,250</u>	<u>784,250</u>	<u>696,459</u>	<u>(87,791)</u>
Expenditures				
Food Service				
Personnel Services	262,500	262,500	196,321	66,180
Employee Benefits	97,538	97,538	88,067	9,471
Professional & Tech Services	3,180	3,180	901	2,279
Other Purchased Services	6,202	6,202	5,732	470
Supplies	493,825	493,825	373,020	120,805
Supply Assets	0	0	0	0
Total Food Service	<u>863,245</u>	<u>863,245</u>	<u>664,041</u>	<u>199,204</u>
Total Expenditures	<u>863,245</u>	<u>863,245</u>	<u>664,041</u>	<u>199,204</u>
Excess (Deficiency) of Revenues Over Expenditures	(78,995)	(78,995)	32,418	111,413
Cash Balance Beginning of Year	<u>(69,760)</u>	<u>(69,760)</u>	<u>(69,760)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ (148,755)</u>	<u>\$ (148,755)</u>	<u>\$ (37,342)</u>	<u>\$ 111,413</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 32,418	
Net Change in Receivables			16,257	
Net Change in Inventory			2,081	
Net Change in Accounts Payable			(40)	
Net Change in Salaries and Benefits			132	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 50,848</u>	

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
SPECIAL REVENUE FUND-ATHLETICS-22000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Interest Income	\$ 0	\$ 0	\$ 227	\$ 227
Fees	0	0	18,027	18,027
Total Revenues	<u>0</u>	<u>0</u>	<u>18,254</u>	<u>18,254</u>
Expenditures				
Instruction				
Supplies	0	25,000	14,429	10,571
Fixed Assets	0	118,316	29,227	89,089
Supply Assets	0	0	1,735	(1,735)
Total Instruction	<u>0</u>	<u>143,316</u>	<u>45,391</u>	<u>97,925</u>
Total Expenditures	<u>0</u>	<u>143,316</u>	<u>45,391</u>	<u>97,925</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(143,316)	(27,137)	116,179
Cash Balance Beginning of Year	<u>143,316</u>	<u>143,316</u>	<u>143,316</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 143,316</u>	<u>\$ 0</u>	<u>\$ 116,179</u>	<u>\$ 116,179</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ (27,137)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (27,137)</u>	

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
SPECIAL REVENUE FUND-TITLE I-24101
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Federal Grant	\$ 247,226	\$ 270,647	\$ 185,943	\$ (84,704)
Total Revenues	<u>247,226</u>	<u>270,647</u>	<u>185,943</u>	<u>(84,704)</u>
Expenditures				
Instruction				
Personnel Services	82,207	82,721	93,198	(10,477)
Employee Benefits	41,008	38,729	40,259	(1,530)
Professional & Tech Services	20,000	21,919	6,475	15,444
Other Purchased Services	2,700	9,944	2,250	7,694
Supplies	1,107	6,056	6,023	33
Total Instruction	<u>147,022</u>	<u>159,369</u>	<u>148,205</u>	<u>11,164</u>
Support Services				
Students				
Other Purchased Services	0	2,854	2,852	2
Total Students	<u>0</u>	<u>2,854</u>	<u>2,852</u>	<u>2</u>
General Administration				
Professional & Tech Services	0	7,969	7,968	1
Total General Administration	<u>0</u>	<u>7,969</u>	<u>7,968</u>	<u>1</u>
School Administration				
Professional & Tech Services	0	182	0	182
Total School Administration	<u>0</u>	<u>182</u>	<u>0</u>	<u>182</u>
Central Services				
Personnel Services	32,545	32,545	32,544	1
Employee Benefits	12,141	8,926	8,920	6
Professional & Tech Services	0	3,284	3,283	1
Total Central Services	<u>44,686</u>	<u>44,755</u>	<u>44,747</u>	<u>8</u>
Total Support Services	<u>44,686</u>	<u>55,760</u>	<u>55,567</u>	<u>193</u>
Total Expenditures	<u>191,708</u>	<u>215,129</u>	<u>203,772</u>	<u>11,357</u>
Excess (Deficiency) of Revenues Over Expenditures	55,518	55,518	(17,829)	(73,347)
Cash Balance Beginning of Year	<u>(55,518)</u>	<u>(55,518)</u>	<u>(55,518)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (73,347)</u>	<u>\$ (73,347)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (17,829)	
Net Change in Due from Grantor			22,773	
Net Change in Salaries and Benefits			(4,944)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO

DEXTER CONSOLIDATED SCHOOLS

SPECIAL REVENUE FUND-TITLE I MIGRANT-24103

Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Federal Grant	\$ 40,957	\$ 55,659	\$ 50,222	\$ (5,437)
Total Revenues	<u>40,957</u>	<u>55,659</u>	<u>50,222</u>	<u>(5,437)</u>
Expenditures				
Instruction				
Personnel Services	13,858	13,985	15,751	(1,766)
Employee Benefits	8,990	8,923	7,153	1,770
Professional & Tech Services	0	2,044	2,044	0
Supplies	0	5,494	5,497	(3)
Total Instruction	<u>22,848</u>	<u>30,446</u>	<u>30,445</u>	<u>1</u>
Support Services				
General Administration				
Professional & Tech Services	1,305	2,414	2,414	0
Total General Administration	<u>1,305</u>	<u>2,414</u>	<u>2,414</u>	<u>0</u>
School Administration				
Professional & Tech Services	0	4,321	4,321	0
Total School Administration	<u>0</u>	<u>4,321</u>	<u>4,321</u>	<u>0</u>
Central Services				
Personnel Services	9,457	10,640	10,640	0
Employee Benefits	2,390	2,881	2,881	0
Total Central Services	<u>11,847</u>	<u>13,521</u>	<u>13,521</u>	<u>0</u>
Total Support Services	<u>13,152</u>	<u>20,256</u>	<u>20,256</u>	<u>0</u>
Total Expenditures	<u>36,000</u>	<u>50,702</u>	<u>50,701</u>	<u>1</u>
Excess (Deficiency) of Revenues Over Expenditures	4,957	4,957	(479)	(5,436)
Cash Balance Beginning of Year	<u>(4,957)</u>	<u>(4,957)</u>	<u>(4,957)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (5,436)</u>	<u>\$ (5,436)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (479)	
Net Change in Due from Grantor			1,391	
Net Change in Salaries and Benefits			(912)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
SPECIAL REVENUE FUND-IDEA B ENTITLEMENT-24106
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Federal Grant	\$ 319,682	\$ 394,629	\$ 346,645	\$ (47,984)
Total Revenues	<u>319,682</u>	<u>394,629</u>	<u>346,645</u>	<u>(47,984)</u>
Expenditures				
Instruction				
Personnel Services	20,635	27,406	28,659	(1,253)
Employee Benefits	13,298	13,814	14,046	(232)
Professional & Tech Services	0	2,500	0	2,500
Other Purchased Services	0	38,903	13,512	25,391
Supplies	0	2,245	0	2,245
Total Instruction	<u>33,933</u>	<u>84,868</u>	<u>56,217</u>	<u>28,651</u>
Support Services				
Students				
Personnel Services	44,017	43,865	39,376	4,489
Employee Benefits	18,414	10,914	9,151	1,763
Professional & Tech Services	0	6,138	4,669	1,469
Other Purchased Services	26,633	38,145	38,145	0
Total Students	<u>89,064</u>	<u>99,062</u>	<u>91,341</u>	<u>7,721</u>
School Administration				
Personnel Services	96,919	106,619	106,560	59
Employee Benefits	34,384	36,198	32,347	3,851
Professional & Tech Services	0	2,500	1,271	1,229
Total School Administration	<u>131,303</u>	<u>145,317</u>	<u>140,178</u>	<u>5,139</u>
Total Support Services	<u>220,367</u>	<u>244,379</u>	<u>231,519</u>	<u>12,860</u>
Total Expenditures	<u>254,300</u>	<u>329,247</u>	<u>287,736</u>	<u>41,511</u>
Excess (Deficiency) of Revenues Over Expenditures	65,382	65,382	58,909	(6,473)
Cash Balance Beginning of Year	<u>(65,382)</u>	<u>(65,382)</u>	<u>(65,382)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (6,473)</u>	<u>\$ (6,473)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ 58,909	
Net Change in Due from Grantor			(58,083)	
Net Change in Salaries and Benefits			(826)	
Net Change in Fund Balance			<u>\$ 0</u>	

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

STATE OF NEW MEXICO

DEXTER CONSOLIDATED SCHOOLS

SPECIAL REVENUE FUND-NM AUTISM PROJECT-24108

Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 10,558	\$ 7,139	\$ (3,419)
Total Revenues	<u>0</u>	<u>10,558</u>	<u>7,139</u>	<u>(3,419)</u>
Expenditures				
Instruction				
Personnel Services	0	32	32	0
Employee Benefits	0	2	2	0
Professional & Tech Services	0	4,146	4,145	1
Other Purchased Services	0	3,041	2,671	370
Supplies	0	3,337	2,967	370
Total Instruction	<u>0</u>	<u>10,558</u>	<u>9,817</u>	<u>741</u>
Total Expenditures	<u>0</u>	<u>10,558</u>	<u>9,817</u>	<u>741</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(2,678)	(4,160)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (2,678)</u>	<u>\$ (4,160)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (2,678)	
Net Change in Due from Grantor			<u>2,678</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO

DEXTER CONSOLIDATED SCHOOLS

SPECIAL REVENUE FUND-IDEA PRESCHOOL-24109

Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Federal Grant	\$ 15,564	\$ 21,038	\$ 13,059	\$ (7,979)
Total Revenues	<u>15,564</u>	<u>21,038</u>	<u>13,059</u>	<u>(7,979)</u>
Expenditures				
Instruction				
Personnel Services	0	1,858	1,858	0
Employee Benefits	0	440	437	3
Other Purchased Services	0	100	20	80
Supplies	4,123	1,825	3	1,822
Total Instruction	<u>4,123</u>	<u>4,223</u>	<u>2,318</u>	<u>1,905</u>
Support Services				
Students				
Personnel Services	4,453	4,453	3,768	685
Employee Benefits	1,054	2,197	891	1,306
Professional & Tech Services	0	2,835	2,834	1
Other Purchased Services	1,700	1,700	1,699	1
Supplies	0	1,396	0	1,396
Total Support Services	<u>7,207</u>	<u>12,581</u>	<u>9,192</u>	<u>3,389</u>
Total Expenditures	<u>11,330</u>	<u>16,804</u>	<u>11,510</u>	<u>5,294</u>
Excess (Deficiency) of Revenues Over Expenditures	4,234	4,234	1,549	(13,273)
Cash Balance Beginning of Year	<u>(4,234)</u>	<u>(4,234)</u>	<u>(4,234)</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>(2,685)</u>	\$ <u>(13,273)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 1,549	
Net Change in Due from Grantor			<u>(1,549)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
SPECIAL REVENUE FUND-IDEA B RISK POOL-24120
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 202	\$ 0	\$ (202)
Total Revenues	<u>0</u>	<u>202</u>	<u>0</u>	<u>(202)</u>
Expenditures				
Instruction				
Supplies	0	202	202	0
Total Instruction	<u>0</u>	<u>202</u>	<u>202</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>202</u>	<u>202</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(202)	(202)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (202)</u>	<u>\$ (202)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (202)	
Net Change in Due from Grantor			<u>202</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
SPECIAL REVENUE FUND-ENGLISH LANGUAGE ACQUISITION-24153
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Federal Grant	\$ 16,524	\$ 19,178	\$ 7,261	\$ (11,917)
Total Revenues	<u>16,524</u>	<u>19,178</u>	<u>7,261</u>	<u>(11,917)</u>
Expenditures				
Instruction				
Personnel Services	4,200	4,894	3,144	1,750
Employee Benefits	599	599	781	(182)
Professional & Tech Services	4,769	6,063	7,866	(1,803)
Other Purchased Services	60	60	0	60
Supplies	0	1,960	668	1,292
Total Instruction	<u>9,628</u>	<u>13,576</u>	<u>12,459</u>	<u>1,117</u>
Support Services				
General Administration				
Professional & Tech Services	0	206	206	0
Total General Administration	<u>0</u>	<u>206</u>	<u>206</u>	<u>0</u>
School Administration				
Professional & Tech Services	3,000	1,500	1,500	0
Total School Administration	<u>3,000</u>	<u>1,500</u>	<u>1,500</u>	<u>0</u>
Total Support Services	<u>3,000</u>	<u>1,706</u>	<u>1,706</u>	<u>0</u>
Total Expenditures	<u>12,628</u>	<u>15,282</u>	<u>14,165</u>	<u>1,117</u>
Excess (Deficiency) of Revenues Over Expenditures	3,896	3,896	(6,904)	(10,800)
Cash Balance Beginning of Year	<u>(3,896)</u>	<u>(3,896)</u>	<u>(3,896)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (10,800)</u>	<u>\$ (10,800)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (6,904)	
Net Change in Receivables			7,487	
Net Change in Salaries and Benefits			(583)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
SPECIAL REVENUE FUND-IMPROVING TEACHER QUALITY-24154
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Federal Grant	\$ 35,951	\$ 41,668	\$ 32,291	\$ (9,377)
Total Revenues	<u>35,951</u>	<u>41,668</u>	<u>32,291</u>	<u>(9,377)</u>
Expenditures				
Instruction				
Personnel Services	23,000	27,662	27,662	0
Employee Benefits	5,149	6,204	6,204	0
Total Instruction	<u>28,149</u>	<u>33,866</u>	<u>33,866</u>	<u>0</u>
Total Expenditures	<u>28,149</u>	<u>33,866</u>	<u>33,866</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	7,802	7,802	(1,575)	(9,377)
Cash Balance Beginning of Year	<u>(7,802)</u>	<u>(7,802)</u>	<u>(7,802)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (9,377)</u>	<u>\$ (9,377)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (1,575)	
Net Change in Due from Grantor			<u>1,575</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
SPECIAL REVENUE FUND-CARL PERKINS-24180
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Federal Grant	\$ 20,474	\$ 20,474	\$ 20,474	\$ 0
Total Revenues	<u>20,474</u>	<u>20,474</u>	<u>20,474</u>	<u>0</u>
Expenditures				
Instruction				
Other Purchased Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	20,474	20,474	20,474	0
Cash Balance Beginning of Year	<u>(20,474)</u>	<u>(20,474)</u>	<u>(20,474)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 20,474	
Net Change in Due from Grantor			<u>(20,474)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
SPECIAL REVENUE FUND-CARL PERKINS HSTW-REDISTRIBUTION-24182
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 9,163	\$ 0	\$ (9,163)
Total Revenues	<u>0</u>	<u>9,163</u>	<u>0</u>	<u>(9,163)</u>
Expenditures				
Instruction				
Professional & Tech Services	0	7,008	2,178	4,830
Total Instruction	<u>0</u>	<u>7,008</u>	<u>2,178</u>	<u>4,830</u>
Support Services				
School Administration				
Professional & Tech Services	0	2,155	732	1,423
Total Support Services	<u>0</u>	<u>2,155</u>	<u>732</u>	<u>1,423</u>
Total Expenditures	<u>0</u>	<u>9,163</u>	<u>2,910</u>	<u>6,253</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(2,910)	(2,910)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (2,910)</u>	<u>\$ (2,910)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (2,910)	
Net Change in Due from Grantor			<u>2,910</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO

DEXTER CONSOLIDATED SCHOOLS

SPECIAL REVENUE FUND-USDA EQUIPMENT ASSISTANCE-24183

Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 12,500	\$ 0	\$ (12,500)
Total Revenues	<u>0</u>	<u>12,500</u>	<u>0</u>	<u>(12,500)</u>
Expenditures				
Food Service				
Supplies	0	12,500	12,500	0
Total Food Service	<u>0</u>	<u>12,500</u>	<u>12,500</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>12,500</u>	<u>12,500</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(12,500)	(12,500)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (12,500)</u>	<u>\$ (12,500)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (12,500)	
Net Change in Due from Grantor			<u>12,500</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
SPECIAL REVENUE FUND-MEDICAID-25153
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Fees	\$ 71,175	\$ 71,175	\$ 57,077	\$ (14,098)
Total Revenues	<u>71,175</u>	<u>71,175</u>	<u>57,077</u>	<u>(14,098)</u>
Expenditures				
Support Services				
Students				
Personnel Services	55,000	55,000	49,891	5,109
Employee Benefits	<u>20,917</u>	<u>20,917</u>	<u>11,919</u>	<u>8,998</u>
Total Students	<u>75,917</u>	<u>75,917</u>	<u>61,810</u>	<u>14,107</u>
Total Support Services	<u>75,917</u>	<u>75,917</u>	<u>61,810</u>	<u>14,107</u>
Total Expenditures	<u>75,917</u>	<u>75,917</u>	<u>61,810</u>	<u>14,107</u>
Excess (Deficiency) of Revenues Over Expenditures	(4,742)	(4,742)	(4,733)	9
Cash Balance Beginning of Year	<u>4,742</u>	<u>4,742</u>	<u>4,742</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 9</u>	<u>\$ 9</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (4,733)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (4,733)</u>	

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

STATE OF NEW MEXICO

DEXTER CONSOLIDATED SCHOOLS

SPECIAL REVENUE FUND-DUAL CREDIT INSTRUCTIONAL MATERIALS-27103

Statement of Revenues, Expenditures, and Changes in Cash Balance -

Budget and Actual (Non-GAAP-Budgetary Basis)

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 8,578	\$ 6,644	\$ (1,934)
Total Revenues	<u>0</u>	<u>8,578</u>	<u>6,644</u>	<u>(1,934)</u>
Expenditures				
Instruction				
Supplies	0	8,578	6,644	1,934
Total Instruction	<u>0</u>	<u>8,578</u>	<u>6,644</u>	<u>1,934</u>
Total Expenditures	<u>0</u>	<u>8,578</u>	<u>6,644</u>	<u>1,934</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
SPECIAL REVENUE FUND-2012 GO STUDENT LIBRARY-27107
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
State Grant	\$ 8,052	\$ 8,052	\$ 8,052	\$ 0
Total Revenues	<u>8,052</u>	<u>8,052</u>	<u>8,052</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	2,751	2,751	2,751	0
Total Instruction	<u>2,751</u>	<u>2,751</u>	<u>2,751</u>	<u>0</u>
Total Expenditures	<u>2,751</u>	<u>2,751</u>	<u>2,751</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	5,301	5,301	5,301	0
Cash Balance Beginning of Year	<u>(5,301)</u>	<u>(5,301)</u>	<u>(5,301)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 5,301	
Net Change in Due from Grantor			<u>(5,301)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO

DEXTER CONSOLIDATED SCHOOLS

SPECIAL REVENUE FUND-NM READS TO LEAD-27114

Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
State Grant	\$ 58,202	\$ 58,202	\$ 58,202	\$ 0
Total Revenues	<u>58,202</u>	<u>58,202</u>	<u>58,202</u>	<u>0</u>
Expenditures				
Instruction				
Personnel Services	37,000	34,349	34,353	(4)
Employee Benefits	13,000	12,179	12,175	4
Supplies	<u>0</u>	<u>3,472</u>	<u>3,472</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>50,000</u>	<u>50,000</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>50,000</u>	<u>50,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	58,202	8,202	8,202	0
Cash Balance Beginning of Year	<u>(8,202)</u>	<u>(8,202)</u>	<u>(8,202)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 50,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 8,202	
Net Change in Due from Grantor			<u>(8,202)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO

DEXTER CONSOLIDATED SCHOOLS

SPECIAL REVENUE FUND-PRE-K INITIATIVE-27149

Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
State Grant	\$ 157,171	\$ 169,171	\$ 119,076	\$ (50,095)
Total Revenues	<u>157,171</u>	<u>169,171</u>	<u>119,076</u>	<u>(50,095)</u>
Expenditures				
Instruction				
Personnel Services	54,306	54,860	54,860	(0)
Employee Benefits	22,519	28,530	28,528	2
Professional & Tech Services	473	711	711	0
Other Purchased Services	29,108	29,108	28,416	692
Supplies	5,000	3,391	709	2,682
Supply Assets	786	7,592	10,761	(3,169)
Total Instruction	<u>112,192</u>	<u>124,192</u>	<u>123,984</u>	<u>208</u>
Total Expenditures	<u>112,192</u>	<u>124,192</u>	<u>123,984</u>	<u>208</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>44,979</u>	<u>44,979</u>	<u>(4,908)</u>	<u>(49,887)</u>
Cash Balance Beginning of Year	<u>(44,979)</u>	<u>(44,979)</u>	<u>(44,979)</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>(49,887)</u>	\$ <u>(49,887)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (4,908)	
Net Change in Due from Grantor			<u>4,908</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
SPECIAL REVENUE FUND-BREAKFAST FOR ELEMENTARY-27155
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 23,909	\$ 23,909	\$ 0
Total Revenues	<u>0</u>	<u>23,909</u>	<u>23,909</u>	<u>0</u>
Expenditures				
Food Service				
Supplies	0	23,909	23,909	0
Total Food Service	<u>0</u>	<u>23,909</u>	<u>23,909</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>23,909</u>	<u>23,909</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
SPECIAL REVENUE FUND-TOP GROWTH SCHOOL-27171
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
State Grant	\$ 431	\$ 431	\$ 431	\$ 0
Total Revenues	<u>431</u>	<u>431</u>	<u>431</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	431	431	431	0
Cash Balance Beginning of Year	<u>(431)</u>	<u>(431)</u>	<u>(431)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 431	
Net Change in Due from Grantor			<u>(431)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
SPECIAL REVENUE FUND-NEXT GENERATION ASSESSMENT-27185
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
State Grant	\$ 39,830	\$ 39,830	\$ 39,830	\$ 0
Total Revenues	<u>39,830</u>	<u>39,830</u>	<u>39,830</u>	<u>0</u>
Expenditures				
Support Services				
Instruction				
Supply Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Support Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	39,830	39,830	39,830	0
Cash Balance Beginning of Year	<u>(39,830)</u>	<u>(39,830)</u>	<u>(39,830)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 39,830	
Net Change in Due from Grantor			<u>(39,830)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
SPECIAL REVENUE FUND-SOLAR FARM-29135
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
State Grant	\$ 4,886	\$ 4,886	\$ 4,935	\$ 49
Total Revenues	<u>4,886</u>	<u>4,886</u>	<u>4,935</u>	<u>49</u>
Expenditures				
Instruction				
Supply Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	4,886	4,886	4,935	49
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 4,886</u>	<u>\$ 4,886</u>	<u>\$ 4,935</u>	<u>\$ 49</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 4,935</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 4,935</u>	

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
CAPITAL PROJECT FUND-BOND BUILDING-31100
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Bond Proceeds	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Capital Outlay				
Professional & Tech Services	0	200,000	66,385	133,615
Purchased Property Services	168,822	168,822	6,231	162,591
Supplies	0	15,000	14,511	489
Land Improvements	0	285,000	56,619	228,381
Fixed Assets	0	0	26,500	(26,500)
Supply Assets	0	0	55,265	(55,265)
Bond Issue Costs	0	0	30,581	(30,581)
Total Capital Outlay	<u>168,822</u>	<u>668,822</u>	<u>256,092</u>	<u>412,730</u>
Total Expenditures	<u>168,822</u>	<u>668,822</u>	<u>256,092</u>	<u>412,730</u>
Excess (Deficiency) of Revenues Over Expenditures	(168,822)	(668,822)	(256,092)	412,730
Cash Balance Beginning of Year	<u>550,045</u>	<u>550,045</u>	<u>550,045</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 381,223</u>	<u>\$ (118,777)</u>	<u>\$ 293,953</u>	<u>\$ 412,730</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ (256,092)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (256,092)</u>	

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
 CAPITAL PROJECT FUND-ED TECH EQUIPMENT-31900
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Non-GAAP-Budgetary Basis)
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Bond Proceeds	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Supply Assets	80,000	80,000	0	80,000
Total Instruction	<u>80,000</u>	<u>80,000</u>	<u>0</u>	<u>80,000</u>
Capital Outlay				
Supply Assets	450,000	450,000	358,701	91,299
Total Capital Outlay	<u>450,000</u>	<u>450,000</u>	<u>358,701</u>	<u>91,299</u>
Total Expenditures	<u>530,000</u>	<u>530,000</u>	<u>358,701</u>	<u>171,299</u>
Excess (Deficiency) of Revenues Over Expenditures	(530,000)	(530,000)	(358,701)	171,299
Cash Balance Beginning of Year	<u>433,406</u>	<u>433,406</u>	<u>433,406</u>	<u>0</u>
Cash Balance End of Year	\$ <u>(96,594)</u>	\$ <u>(96,594)</u>	\$ <u>74,705</u>	\$ <u>171,299</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>(358,701)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>(358,701)</u>	

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
DEBT SERVICE FUND-DEFERRED SICK LEAVE FUND-42000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Interest Income	\$ 100	\$ 100	\$ 438	\$ 338
Total Revenues	<u>100</u>	<u>100</u>	<u>438</u>	<u>338</u>
Expenditures				
Central Services				
Employee Benefits	68,038	68,038	7,658	60,380
Total Central Services	<u>68,038</u>	<u>68,038</u>	<u>7,658</u>	<u>60,380</u>
Total Expenditures	<u>68,038</u>	<u>68,038</u>	<u>7,658</u>	<u>60,380</u>
Excess (Deficiency) of Revenues Over Expenditures	(67,938)	(67,938)	(7,220)	60,718
Cash Balance Beginning of Year	<u>68,051</u>	<u>68,051</u>	<u>68,051</u>	<u>0</u>
Cash Balance End of Year	\$ <u>113</u>	\$ <u>113</u>	\$ <u>60,831</u>	\$ <u>60,718</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>(7,220)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>(7,220)</u>	

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
DEBT SERVICE FUND-ED TECH DEBT SERVICE-43000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ 127,061	\$ 127,061	\$ 102,627	\$ (24,434)
Total Revenues	<u>127,061</u>	<u>127,061</u>	<u>102,627</u>	<u>(24,434)</u>
Expenditures				
Support Services				
General Administration				
Professional & Tech Services	1,200	1,200	894	306
Total General Administration	<u>1,200</u>	<u>1,200</u>	<u>894</u>	<u>306</u>
Total Support Services	<u>1,200</u>	<u>1,200</u>	<u>894</u>	<u>306</u>
Debt Service				
Principal	265,305	265,305	120,000	145,305
Interest	0	0	5,790	5,790
Total Debt Service	<u>265,305</u>	<u>265,305</u>	<u>125,790</u>	<u>151,095</u>
Total Expenditures	<u>266,505</u>	<u>266,505</u>	<u>126,684</u>	<u>151,401</u>
Excess (Deficiency) of Revenues Over Expenditures	(139,444)	(139,444)	(24,057)	115,387
Cash Balance Beginning of Year	<u>157,373</u>	<u>157,373</u>	<u>157,373</u>	<u>0</u>
Cash Balance End of Year	\$ <u>17,929</u>	\$ <u>17,929</u>	\$ <u>133,316</u>	\$ <u>115,387</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (24,057)	
Net Change in Taxes Receivable			486	
Net Change in Unavailable Revenue			969	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>(22,602)</u>	

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

REQUIRED SUPPLEMENTAL INFORMATION

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
Schedules of Required Supplementary Information for Pension Plan

Schedule of the District's Proportionate Share of the Net Pension Liability

Last 10 Fiscal Years*

	<u>2015</u>
District's proportion of the net pension liability	0.20451%
District's proportionate share of the net pension liability	\$ 11,668,781
District's covered-employee payroll	\$ 5,637,034
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	48.31%
Plan fiduciary net position as a percentage of the total pension liability	66.54%

*The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

Schedule of District's Contributions

Last 10 Fiscal Years*

	<u>2015</u>
Contractually required contribution	\$ 832,318
Contributions in relation to the contractually required contribution	<u>832,318</u>
Contribution deficiency (excess)	<u>\$ 0</u>
District's covered-employee payroll	\$ 5,637,034
Contributions as a percentage of covered-employee payroll	14.77%

* These schedules are 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.

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

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 General Information on the Pension

Changes of Assumptions

ERB conducts an actuarial experience study for the Plan on a biennial basis. Based on the six-year actuarial experience study presented to the Board of Trustees on April 26, 2013, ERB implemented the following changes in assumptions for fiscal years 2014 and 2013.

1. Fiscal year 2014 and 2013 valuation assumptions that changed based on this study:

- a. Lower wage inflation from 4.75% to 4.25%
- b. Lower payroll growth from 3.75% to 3.50%
- c. Minor changes to demographic assumptions
- d. Population growth per year from 0.75% to 0.50%

2. Assumptions that were not changed:

- a. Investment return will remain at 7.75%
- b. Inflation will remain at 3.00%

See also the Actuarial Assumptions subsection of the financial statement note disclosure General Information on the Pension Plan.

OTHER SUPPLEMENTAL INFORMATION

AGENCY FUND

Activity Trust Fund

To account for funds of various student groups that are custodial in nature.

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
 AGENCY FUNDS - ACTIVITY
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For the Year Ended June 30, 2015

	Beginning Balance 6/30/14	Additions	Deductions	Ending Balance 6/30/15
Assets				
23001 Book Fees	\$ 0	\$ 216	\$ 0	\$ 216
23002 Bus Fund	15,735	116,151	18,388	113,498
23003 Community Evening Class	3,463	0	0	3,463
23004 RIF	1,367	3,675	637	4,405
23005 Battle of the books	81	0	81	0
23006 Library Book Fund	1,042	822	1,199	665
23007 Crossfit	392	0	0	392
23009 Previous Senior Classes	1,184	277	0	1,461
23010 Misc Fund (Interest)	7,287	428	421	7,293
23011 RT Bible Scholarship	13,373	305	0	13,678
23012 Mehlhop Family Scholarship	28,584	0	0	28,584
23013 Administration	566	1,218	1,678	105
23014 Quiroz Memorial	550	0	0	550
23019 John Reid Memorial	120	0	0	120
	<u>73,744</u>	<u>123,092</u>	<u>22,405</u>	<u>174,431</u>
23100 Silva	267	514	777	5
23101 Duran	521	4,249	3,785	986
23102 Granados	460	1,094	871	683
23103 Regalado	152	962	604	511
23104 Saenz	183	1,108	813	478
23105 A Cobos	869	1,237	1,114	992
23110 B Jacquez	99	174	273	0
23111 Wagner	234	127	172	188
23112 Northrup	114	191	289	16
23113 Prudencio	60	243	298	5
23120 Henington	1,377	1,955	1,899	1,434
23121 Miranda	396	3,329	2,071	1,654
23122 Salayandia	50	677	491	236
23123 Perez	328	417	257	488
23131 Campos	688	610	920	378
23132 Gomez	34	2,535	1,888	680
23133 Tenorio	579	2,900	3,256	224
23134 Third Grade	1,519	0	1,519	0
23140 Blanco	342	999	1,099	242
23141 Quiroz Memorial	278	1,395	1,441	231
23142 Pena	808	779	1,585	2
23143 Chavez	0	1,374	1,215	160
23150 Contreras	426	2,290	2,282	433
23151 Deyoung	132	2,374	2,269	237
23152 Montoya	0	2,333	1,981	353
23153 Acosta	1,065	1,291	2,152	204
23154 Reyes	192	3,115	3,051	255
23160 Elementary Office	3,527	12,115	13,646	1,996
23161 Elementary Miscellaneous	243	0	129	114
23162 Elementary Library	\$ 1,251	\$ 13,195	\$ 11,641	\$ 2,804

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
 AGENCY FUNDS - ACTIVITY
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For the Year Ended June 30, 2015

	Beginning Balance 6/30/14	Additions	Deductions	Ending Balance 6/30/15
23163 Miller	\$ 65	\$ 0	\$ 0	\$ 65
23164 Ellis	605	827	187	1,245
23165 Luikens	1,772	604	735	1,640
23166 Garcia	1,522	0	1,522	0
23167 Velasco	117	0	0	117
23168 Fine Arts	155	17	0	172
23169 May Celebration	1,831	4,269	2,911	3,188
23170 Intervention	0	736	69	667
23171 PTO	0	161	0	161
	<u>22,258</u>	<u>70,195</u>	<u>69,211</u>	<u>23,242</u>
2320 Office	2,739	393	2,857	275
23202 Miscellaneous	205	1,679	1,831	53
23203 Library	336	1,708	1,670	374
23204 Sixth Grade Team	352	0	0	352
23205 Seventh Grade Team	114	0	0	114
23206 Eighth Grade Team	1,997	1,138	1,699	1,436
23207 Drama Gifted	1,673	11,349	7,428	5,593
23208 Student Council	423	0	423	0
23209 PE	3	0	3	0
23211 NM Outdoor Grant	374	0	0	374
23212 Spanish Club	1,908	0	0	1,908
23213 Professional Development	100	0	100	0
	<u>10,223</u>	<u>16,266</u>	<u>16,011</u>	<u>10,478</u>
23301 High School Office	1,383	803	1,130	1,055
23302 High School Library	735	1,073	1,263	545
23303 High School Student	1,025	440	1,427	38
23304 Close-up	576	0	0	576
23305 National Honor Society	24	1,427	1,104	346
23306 Auto (VICA)	17	4,224	764	3,477
23307 Yearbook	3,297	4,523	4,205	3,615
23309 BPA	3,710	5,478	4,916	4,272
23310 Art Club	1,461	0	83	1,378
Class of 2014	277	0	277	0
23311 Class of 2015	6,326	0	6,028	298
23312 Class of 2016	3,635	11,149	10,878	3,906
23313 Class of 2017	0	6,287	2,329	3,958
23314 Class of 2018	0	0	0	0
23315 Spanish Club	4,306	970	5,266	10
23316 FFA	3,950	31,396	27,940	7,405
23317 Community Calendar	32	0	32	0
23318 Gifted	106	1	108	0
23319 Project Celebration	1,788	10,640	10,536	1,893
23320 Teens Needing Teens	14,190	14,675	9,005	19,861
23321 Life Skills	50	0	50	0
23322 High School Business Class	0	3,022	2,091	931
23323 Science Department	\$ 327	\$ 0	\$ 0	\$ 327

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
 AGENCY FUNDS - ACTIVITY
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For the Year Ended June 30, 2015

	Beginning Balance 6/30/14	Additions	Deductions	Ending Balance 6/30/15
23326 Integrated Fine Arts	\$ 414	\$ 0	\$ 341	\$ 74
23329 Band	4,178	2,054	2,485	3,748
23331 Letter Jackets	110	1,450	0	1,560
23334 Auto Skills Golf Tournament	82	0	82	0
	<u>51,999</u>	<u>99,611</u>	<u>92,337</u>	<u>59,274</u>
23401 Athletic Playoffs	3,672	5,874	7,458	2,088
23402 Football	1,446	12,400	12,234	1,611
23403 Volleyball	2,935	5,719	7,584	1,070
23404 Boys Basketball	4,525	8,344	13,844	(975)
23405 Girls Basketball	0	2,643	2,300	343
23406 Baseball	6,670	15,612	16,453	5,829
23407 Softball	7,184	11,103	11,085	7,202
23408 Track	3,791	17,463	17,313	3,941
23409 Golf	573	994	1,065	502
23410 Varsity Cheerleaders	418	7,214	7,005	627
23411 Tournament Fund	5,080	5,803	9,736	1,148
23413 District 4-3A	4,650	4,967	3,995	5,623
	<u>40,944</u>	<u>98,136</u>	<u>110,071</u>	<u>29,009</u>
Total Assets	<u>\$ 199,168</u>	<u>\$ 407,300</u>	<u>\$ 310,034</u>	<u>\$ 296,434</u>
Liabilities				
Deposits Held for Others	<u>\$ 199,168</u>	<u>\$ 407,300</u>	<u>\$ 310,034</u>	<u>\$ 296,434</u>
Total Liabilities	<u>\$ 199,168</u>	<u>\$ 407,300</u>	<u>\$ 310,034</u>	<u>\$ 296,434</u>

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
Cash Reconciliations - All Funds
For the Year Ended June 30, 2015

		Beginning Cash 6/30/14	Revenues	Expenditures	Transfer/ Loans/Income	Ending Cash 6/30/15
Operational	11000	\$ 1,669,185	\$ 8,409,238	\$ 8,859,784	\$ (2,751)	\$ 1,215,888
Transportation	13000	0	495,282	495,282		0
Instructional Materials	14000	156,237	69,154	118,244		107,147
Food Services	21000	(69,759)	696,459	664,041		(37,341)
Athletics	22000	143,316	18,254	45,391		116,179
Agency Funds	23000	199,168	407,300	310,034		296,434
Federal Flowthrough	24000	(162,262)	663,034	627,180		(126,408)
Federal Direct	25000	4,742	57,077	61,810		9
State Flowthrough	27000	(158,450)	340,131	521,973	8,052	(332,240)
Local Grants	29000	0	4,935	0		4,935
Bond Building	31100	550,045	0	256,091		293,954
Senate Bill Nine	31700	53,171	315,195	581,634		(213,268)
Ed Tech Capital Projects	31900	433,406	0	358,701		74,705
Debt Service	41000	729,250	661,081	704,885		685,446
Deferred Sick Leave	42000	68,050	438	7,658		60,830
Ed Tech Debt Service	43000	157,373	102,627	126,684		133,316
Total		\$ <u>3,773,472</u>	\$ <u>12,240,205</u>	\$ <u>13,739,392</u>	\$ <u>5,301</u>	\$ <u>2,279,586</u>

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

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
 Vendor Schedule
 For the Year Ended June 30, 2015

<i>RFB#/RFP#</i>	<i>Type of Procurement</i>	<i>Awarded Vendor</i>	<i>\$ Amount of Awarded Contract</i>	<i>\$ Amount of Amended Contract</i>	<i>Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded</i>	<i>In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)</i>	<i>Was the vendor in-state and chose Veteran's preference (Y or N) For federal funds answer N/A</i>	<i>Brief Description of the Scope of Work</i>
12-001	RFP	Ciro Speech Therapy	110,000	105,999.67	Jennifer Campbell, 9 Sycamore Ct, Roswell, NM 88201	In-State	N	Speech therapy services
					Ciro's Speech Therapy, 500 N Main, Ste 400, Roswell, NM 88201	In-State	N	Speech therapy services

FEDERAL COMPLIANCE

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2015

Federal Agency/Pass Through Grantor/Program Title	Federal CFDA Number	State ID Number	Total Federal Awards Expended
<u>U. S. Department of Agriculture</u>			
Pass-through State Public Education Department:			
School Breakfast Program	10.553	21000	\$ 230,041
National School Lunch Program	10.555	21000	387,847
USDA Equipment Assistance	10.579	24183	12,500
Pass-through State Department of Human Services:			
Commodity Supplemental Food Program	10.565	21000	(1) 43,836
Direct Program			
Rural Development , Forestry, and Communities	10.670	11000	1,916
Total U. S. Department of Agriculture			<u>676,140</u>
<u>U. S. Department of Education</u>			
Pass-through State Public Education Department:			
Special Education Cluster			
Entitlement	84.027	24106	288,562
Risk Pool	84.027	24120	202
Preschool	84.173	24109	12,276
Total Special Education Cluster			<u>301,040</u>
Title I	84.010	24101	208,716
Title I Migrant	84.011	24103	51,614
Autism Spectrum Disorder Project	84.010	24108	9,817
English Language Acquisition	84.340	24153	14,747
Improving Teacher Quality	84.332	24154	33,866
Career and Technical Education	85.048	24182	2,910
Total U. S. Department of Education			<u>622,710</u>
Total Federal Assistance			\$ <u>1,298,850</u>

(1) Non-cash assistance

See accompanying notes to the Schedule of Expenditures of Federal Awards

STATE OF NEW MEXICO

DEXTER CONSOLIDATED SCHOOLS

Notes to the Schedule of Expenditures of Federal Awards

June 30, 2015

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

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

Note 2: Insurance Requirements

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

Note 3: Loans or Loan Guarantees

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

De'Aun Willoughby CPA, PC

Certified Public Accountant

225 Innsdale Terrace Clovis, NM 88101

(855) 253-4313

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

Independent Auditor's Report

Mr. Tim Keller
State Auditor of the State of New Mexico
Board Members of the Dexter Consolidated Schools

Mr. Keller and Members of the Board

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 the Dexter Consolidated Schools (District) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and the combining and individual funds and related budgetary comparisons of the District, presented as supplemental information, and have issued our report thereon dated October 8, 2015

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be significant deficiencies. 2010-003, 2013-004, 2014-001, 2014-002, 2014-003, 2015-001, 2015-002, 2015-003, 2015-004, 2015-005, 2015-006.

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 it's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2010-003, 2013-004, 2014-001, 2014-002, 2014-003, 2015-001, 2015-002, 2015-003, 2015-004, 2015-005, 2015-006.

District's Responses to Findings

The District's responses to the findings identified in our audit as described in the accompanying Schedule of Findings and Questioned Cost. responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

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

 CPA PC

Clovis, New Mexico
October 8, 2015

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

Independent Auditor's Report

Mr. Tim Keller
State Auditor of the State of New Mexico
Board Members of the Dexter Consolidated Schools

Mr. Keller and Members of the Board

Compliance

We have audited Dexter Consolidated Schools (District) compliance with the types of compliance requirements described in the *OMB A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2015. The District's major federal programs are identified in the summary of 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

De'Ann Willoughby, CPA PC

Clovis, New Mexico
October 8, 2015

STATE OF NEW MEXICO
DEXTER CONSOLIDATED SCHOOLS
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2015

A. SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting

* Material weaknesses identified? No

* Significant deficiencies identified? Yes

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

* Material weaknesses identified? No

* Significant deficiencies identified? No

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

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

Identification of major programs:

<u>CFDA Numbers)</u>	<u>Name of Federal Program of Cluster</u>
10.553	Child Nutrition Cluster
10.555	School Breakfast Program
	National School Lunch Program

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

Audited qualified as low risk Auditee Yes

Federal Compliance Findings

Prior Year Audit Findings	None
Current Year Audit Findings	None

Financial Statements Findings

Prior Year Audit Findings

	<u>Status</u>
2010-003 PED Cash Reports	Repeated & Modified
2013-001 Expenditures Over Budget	Resolved
2013-004 Lack of Pledged Securities	Repeated & Modified
2014-001 Cash Appropriations in Excess of Available Cash Balances	Repeated & Modified
2014-002 New Mexico New Hire Reporting	Repeated & Modified
2014-003 941/State Unemployment	Repeated & Modified
2014-004 Expenditure Issues	Resolved

Current Year Audit Findings

2010-003 PED Cash Reports-Compliance and Internal Control-Significant Deficiency Condition

The District's submitted PED Cash Report at year end did not properly reflect the June 30, 2015 reconciled cash balances. The operational fund was more than reported by \$20.35 and activities was less than reported by \$40,000 and State Flow through Funds were less than reported by \$8,052.25.

Management is not making progress on this finding.

Criteria

6.20.2.11 (B) (6) NMAC and Regulation SBE-6 the reports sent to the New Mexico Public Education Department (PED) must agree to the District's general ledger and must be submitted quarterly and annually by July 31.

Cause

The bank reconciliations were not completed timely and there were variances on the reports. Failing to reconcile the bank accounts to the general ledger causes the PED report and audited cash balances to be different.

Effect

The District is not in compliance with NMAC 6.20.2.11 (b) (6) and Regulation SBE-6. Noncompliance may result in poor decision making by the District's governing board.

Recommendation

We recommend the bank reconciliations are prepared timely and correctly to provide data to correctly complete the PED report.

Response

We will reconcile the bank accounts timely and correctly. A \$40,000 CD was posted incorrectly by the District as revenue affecting the reported cash. The business manager is confident this finding will be resolved before the end of this fiscal year.

2013-004 Lack of Pledged Securities-Compliance and Internal Control-Significant Deficiency Condition

Wells Fargo has not pledged enough securities for the public monies held by the institution over the insured amount. The securities were under pledged by \$257,147.47.

Management is making progress on this finding

Criteria

Pursuant to Section 6-10-16, NMSA 1978 and Section 6-10-17, NMSA 1978 securities with an aggregate value equal to one-half the amount of public money deposited shall be provided by the depository.

Cause

Management depended upon the institution to adequately pledge securities to cover public funds. The institution completed the Bank Report disclosing the amount of deficiency but did not increase the amount of the pledge.

Effect

Under collateralization results in lack of guarantee of the District's money in case of institutional failure.

Recommendation

We recommend that the District monitor the Bank Report and request additional securities when necessary.

Response

We have made the request in prior years but are told we are wrong. This is the only bank in our Town that will accept public funds. Immediately following the auditor's visit, uncollateralized investments were liquidated and placed in a regular checking account which will have the appropriate pledged securities. The business manager is confident this finding has been resolved.

2014-001 Cash Appropriations in Excess of Available Cash Balances-Compliance and Internal Control-Significant Deficiency Condition

Condition

The District maintained a deficit budget in excess of available cash balance in the Senate Bill Nine (31700) of \$(381,570), Food Service (21000) of \$(148,755), Bond Building (31100) of \$(118,777), Capital Projects Ed Technology Equipment (31900) of \$(96,594).

Management is making progress on this finding

Criteria

Section 2.2.210. (P) (1), NMAC, requires all school district funds, with the exception of agency funds, to be budgeted by the local governing body and submitted to the PED for approval. Cash balances budgeted to make up the deficit budgeted revenues that do not cover the budgeted expenditures, cannot exceed the actual cash balance available at the end of the prior year.

Cause

The District does not have a procedure in place to ensure sufficient beginning cash balances exist to absorb budget deficits.

Effect

The District will have to supplement the budget deficit with other funds, which may lead to financial difficulties and deplete the budget in other funds.

Recommendation

BARS should be issued shortly after audited cash balances are confirmed if estimated cash balances are more and cash was used to balance the budget.

Response

BARS will be issued to adjust beginning cash to actual and reduce expenditures as necessary. The business manager is confident this finding will be resolved in this fiscal year.

2014-002 New Mexico New Hire Reporting - Compliance and Internal Control-Significant Deficiency Condition

Out of 7 new hires sampled we noted:

- 1) 2 were not reported timely.
- 2) 1 could not be confirmed if they were reported.

Management is making progress on this finding

Criteria

Under New Mexico law (§50-13-1 to 50-13-4) and Federal law (42 USC §653.a.(b)(1)(A)), all public, private, non-profit, and government employers are required to report all newly hired employees within 20 days of hire or rehire to the New Mexico New Hires Directory.

Cause

A change in personnel, lack of training and supervision caused the new hire reporting requirements process to fail.

Effect

Pursuant to federal law, states have the option of imposing civil monetary penalties on employers who fail to report new hires. The fine can be up to \$20 per newly hired employee, and if there is a conspiracy between the employer and employee not to report, the penalty can be up to \$500 per newly hired employee.

Recommendation

Training and supervision should occur to assure the new hire reporting requirements are met.

Response

We have reviewed the process and are confident these mistakes will not occur again. The business manager is confident this finding will be resolved in this fiscal year.

2014-003 941/State Unemployment - Compliance and Internal Control-Significant Deficiency Condition

Condition

During our audit process we noticed:

- 1) 9/30/14 Quarterly State Unemployment was not submitted timely. It was due 10/31/14 and submitted 11/13/14.
- 2) 12/31/14 941 Quarterly Report was not submitted timely. It was due 10/31/14 and submitted 3/26/15

Management is making progress on this finding

Criteria

irs.gov/Businesses/Small-Businesses-&-Self-Employed/Employment-Tax-Due-Dates states that for 941s are due by the end of the following month. New Mexico Department of Labor, Employment Security Division. State Unemployment (SUTA Form 903A) is due by the last day of the month following end of the quarter.

Cause

A change in personnel caused the issue.

Effect

Penalties and interest are assessed causing money to be spent on them rather than educating the students.

Recommendation

Written procedures should be readily available to cover positions should a key person leave the District.

Response

We will document procedures. The business manager is confident this finding will be resolved in this fiscal year.

2015-001 Payroll - Compliance and Internal Control-Significant Deficiency Condition

Of a sample size of 20 we noted the following:

7 tested were non-exempt employees. Of these 7 we noted the following:

1 worked 80 regular hours and 14.28 overtime hours, but was only paid for the 80 regular hours and 14 overtime hours causing the employee to be underpaid by \$75.61.

1 worked 79.5 regular hours and .52 overtime hours, but was only paid for the 80.42 regular hours causing the employee to be underpaid by \$2.24.

1 worked 79.42 regular hours and .09 overtime hours, but was paid for the 80 regular hours causing the employee to be overpaid by \$4.98.

1 was hired as a part-time cafeteria worker that works more than a .25 FTE (Employees working more than 25% of a Full Time Equivalent (.25 FTE) are considered ERA-covered employees.) but is not paying into ERB , RHCA & NMPSIA

1 timesheet had no employee or managers signature

5 timesheets had no employee signatures

4 timesheets had adjustments made to them without the signature of the supervisor or employee.

Criteria

Recordkeeping Requirements under the Fair Labor Standards Act (FLSA). Every covered employer must keep certain records for each non-exempt worker. The Act requires no particular form for the records, but does require that the records include certain identifying information about the employee and data about the hours worked and the wages earned. The law requires this information to be accurate. Each employer shall preserve for at least three years payroll records. Records on which wage computations are based should be retained for two years 29 CFR §516.6, i.e., time cards and piece work tickets, wage rate tables, work and time schedules, and records of additions to or deductions from wages.

Cause

A change in key personnel caused this issue. There was not adequate training for the new payroll clerk and secretary who are responsible for these tasks.

Effect

If the Department of Labor (DOL) finds that the District has willfully violated the FLSA, the DOL the Secretary of Labor may file suit for back wages and double damages. The DOL can also prosecute violations criminally with fines of up to \$10,000. Civil money penalties of up to \$1,100 per violation are also possible for willful and repeated violations.

Recommendation

We recommend training, supervision and review.

Response

All employees will be reviewed and correctly classified as FLSA exempt or non-exempt. Timesheets will be closely monitored by management to ensure the supervisors are not allowing overtime work. The business manager is confident this finding will be resolved before the end of this fiscal year.

2015-002 ERB and RHCA - Compliance and Internal Control-Significant Deficiency

Condition

During our testing of payroll we noted the following:

5 cafeteria workers were not paying into ERB and RHCA. The total wages were \$53,221.28 resulting in the amount owed to ERB totaling \$11,602.24; employee portion of \$4,204.48, employer portion of \$7,397.76 and the amount owed to RHCA totaling \$1,596.64; employee portion of \$532.21, employer portion of \$1,064.43.

Criteria

As per ERB handbook any employee working .25 FTE or more is covered by ERB's retirement program. Also, the Office of the State Auditor has added NMRHCA to their 2010 State Auditor Rule under State Compliance, Section 2.2.2.10 (G) (19). The rule states: "Retiree Health Care Authority Act (Section 10-7C-1 to 10-7C-19 NMSA 1978). Auditors should test to ensure 100% of payroll is reported to NMRHCA. RHCA employer and employee contributions are set forth in Section 10-7C-15 NMSA 1978.

Cause

The District was classifying these individuals as cafeteria subs/part-time rather than non-exempt workers.

Effect

Benefits were underpaid and the employee did not received credit for the earnings at ERB.

Recommendation

We recommend deducting ERB and RHCA as required.

Response

We have no choice but to deduct ERB and RHCA from the employees' wages. But we feel sure the employees will quit because their take home pay will be so low. The business manager is confident this finding will be resolved before the end of this fiscal year.

2015-003 I-9's-Compliance & Internal Control-Significant Deficiency

Condition

Out of 20 sampled we noted the following:

One I-9 was completed incorrectly. There was information in list A and B.

Criteria

NMAC 6.20.2.18 states the local board shall establish written policies and procedures which comply with state and federal regulations on payroll as well as maintaining strict internal controls, close supervision and financial accounting in accordance with GAAP. School district shall maintain and have available for inspection the following employee record documentation: employment contracts (including increments), personnel/payroll action forms, certification records, employment eligibility verification (federal form I-9 for citizenship certification), federal and state withholding allowance certificates, pay deduction authorizations, direct deposit authorizations, pay or position change notices and ERA plan application.

Cause

The I-9 was completed before training.

Effect

The District is subject to penalties. The penalties can include \$250 to \$3,000 for improper completion of the I-9 form. Improper completion, retention or making it available for inspection fines range from \$100 to \$1,100 for each I-9. Knowingly hiring or continuing to employ unauthorized workers fines range from \$250 up to \$11,000 per violation

Recommendation

We recommend additional training, supervision and review. All I-9 should be reviewed and updated as necessary.

Response

We will review all I-9s and update them as necessary. The business manager is confident this finding will be resolved before the end of this fiscal year.

2015-004 Checks that are actual ACH debits are not be disposed of correctly-Compliance and Internal Control-Significant Deficiency

Condition

We noted that checks were printed through the software program for payment, however ACH debits were submitted. The checks were left in folders not voided.

Criteria

Establishing and maintaining sound basic accounting practices in performance of duties and functions, NMAC 6.20.2.11.

Cause

The District was printing checks to said vendors in the condition paragraph and then having the money electronically withdrawn from the bank account. The checks were filed without voiding them. Management did not think it necessary to void the checks.

Effect

Someone could obtain the checks, alter them and try to negotiate them.

Recommendation

We recommend that the District tear the signatures from the checks and write void across the face of the checks.

Response

We will void and deface the checks. The business manager is confident this finding will be resolved before the end of this fiscal year.

2015-005 Bank Reconciliations not being performed in a timely manner-Compliance & Internal Control-Significant Deficiency

Condition

During our audit fieldwork we noted the following:

February 2015 bank reconciliation was not completed till 4/2/15

April 2015 bank reconciliation was not completed till 8/24/15

May 2015 bank reconciliation was not completed till 8/24/15

June 2015 bank reconciliation was not completed till 8/24/15

August 2015 bank reconciliation has not been started as of 10/7/15

Criteria

NMAC 2.2.5.8 (4) Bank reconciliations are to be performed timely and agreed to the general ledger.

Cause

The business manager is spending a lot of time training a new payroll clerk and her duties are falling behind.

Effect

When bank statements are not reconciled to the general ledger there is an opportunity for misappropriation of cash assets and incorrect financial reporting. Management decisions may be skewed by the incorrect financials.

Recommendation

Management might consider hiring a consultant to fill in the gaps caused by the additional training.

Response

We will consider your recommendations as well as explore other options. The business manager is confident this finding will be resolved before the end of this fiscal year.

2015-006 Timely Deposits of Activity Receipts-Compliance and Internal Control-Significant Deficiency Condition

The audit revealed that, out of a sample of twenty five activity receipts, only one activity receipt was deposited within twenty-four hours. In addition various receipt books were used by the same secretary rather than one single receipt book, and the receipts were used out of numerical order. Finally, the audit revealed that the receipts were issued to the specific organization rather than the individual paying the money.

Criteria

All funds shall be deposited within twenty-four hours, or one banking day, of receipt. NMAC 6-20-2-14(B).

Cause

Everyone district wide has become complacent in receipts and depositing funds timely.

Effect

Activity funds pose a high risk of fraud making the implementation of a strong internal control system very important. Without a strong working control system, activity funds could easily be misappropriated.

Recommendation

The District should undertake to provide the personnel responsible for handling activity receipts with sufficient training and supervision to ensure compliance with internal control systems.

Response

The District will implement procedures in order for all schools to comply with State regulations regarding receipting and depositing of activity funds. The business manager is confident this finding will be resolved before the end of this fiscal year.

Financial Statement Preparation

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

Exit Conference

An exit conference was held on October 8, 2015. Those present were Lesa Dodd-Superintendent, Mike Gomez-Board Member, Dan Lathrop-Board Member, Jeannie Harris-Business Manager and De'Aun Willoughby CPA.