

State of New Mexico
Jemez Valley Public School
District No. 31

ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2019



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INGRAM

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Jemez Valley Public School District No. 31
Official Roster
June 30, 2018

Primary Government

<u>Name</u>	<u>Board of Education</u>	<u>Title</u>
Michael G. Lucero		President
Peter Madalena		Vice President
Penelope Vigil		Secretary
Anthony Delgarito		Secretary
Mary Maloney		Member
	<u>School Officials</u>	
Dr. Susan Passel		Superintendent
Randi Cordova		Business Manager

Component Unit

<u>Name</u>	<u>Board of Education</u>	<u>Title</u>
Margie Creel		Chair
Teran Villa		Vice Chair
Bobbie Shendo		Secretary
Susan Baca		Member
Cornell Magdalena		Member
	<u>School Officials</u>	
Tony Archuleta		Principal
Whitney Galindo		Contract Business Manager

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Financial Section

INDEPENDENT AUDITORS' REPORT

Brian S. Colón, Esq.
New Mexico State Auditor and
The Board of Education
Jemez Valley Public School District No. 31
Office of Management and Budget
Jemez Pueblo, New Mexico

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, the aggregate remaining fund information, and the budgetary comparison for the general fund of Jemez Valley Public School District No. 31 (the "District"), as of and for the year ended June 30, 2019, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider 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, the discretely presented component unit, each major fund, the aggregate remaining fund information, and the respective budgetary comparisons for the general fund of Jemez Valley Public School District No. 31, as of June 30, 2019, and the respective changes in financial position 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 Discussion and Analysis* that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of 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.

Accounting principles generally accepted in the United States of America require the Educational Retirement Board (ERB) Pension Plan Schedules on pages 80 through 87 and the New Mexico Retiree Healthcare (NMRHCA) Plan Schedules on pages 88 through 91 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Department who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), Supporting Schedules required by 2.2.2 NMAC, and the other disclosures as listed in the table of contents are presented for the purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the Schedule of Expenditures of Federal Awards, and Supporting Schedules required by 2.2.2 NMAC as listed in the table of contents 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 auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the Schedule of Expenditures of Federal Awards, and Supporting Schedules required by 2.2.2 NMAC as listed in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2019, 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 solely 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 effectiveness of the District's 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.

Carr, Riggs & Ingram, L.L.C.

Carr, Riggs & Ingram, LLC
Albuquerque, NM
November 15, 2019

Basic Financial Statements

Jemez Valley Public School District No. 31
Statement of Net Position
June 30, 2019

	<u>Primary Government</u>	<u>Component Unit</u>
	<u>Governmental</u>	<u>San Diego</u>
	<u>Activities</u>	<u>Riverside Charter</u>
		<u>School</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 1,831,301	\$ 161,484
Receivables:		
Property taxes	157,144	-
Due from other governments	358,240	131,671
Other	5,176	-
Total current assets	2,351,861	293,155
Noncurrent assets		
Restricted assets		
Restricted cash and cash equivalents	1,730,463	-
Restricted investments	1,176,275	-
Capital assets, not being depreciated	162,011	190,266
Capital assets, being depreciated	25,240,597	765,399
Less: accumulated depreciation	(10,864,940)	(529,726)
Total noncurrent assets	17,444,406	425,939
Total assets	19,796,267	719,094
Deferred outflows of resources		
Related to pension	2,798,121	1,044,277
Related to OPEB	90,757	139,889
Total deferred outflows of resources	2,888,878	1,184,166
Total assets and deferred outflows of resources	\$ 22,685,145	\$ 1,903,260

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

	<u>Primary Government</u>	<u>Component Unit</u>
	<u>Governmental</u>	<u>San Diego</u>
	<u>Activities</u>	<u>Riverside Charter</u>
		<u>School</u>
Liabilities		
Current liabilities		
Accounts payable	\$ 84,889	\$ 5,046
Payable to charter school	65,377	-
Accrued payroll	114,479	126,039
Accrued interest	31,863	-
Accrued compensated absences	45,070	-
Current portion of bonds payable	695,000	-
Total current liabilities	1,036,678	131,085
Noncurrent liabilities		
Accrued compensated absences	2,991	-
Bonds payable	3,410,000	-
Bond premium, net of accumulated amortization of \$15,808	17,533	-
Net pension liability	10,849,650	3,130,382
OPEB liability	2,605,969	749,222
Total noncurrent liabilities	16,886,143	3,879,604
Total liabilities	17,922,821	4,010,689
Deferred inflows of resources		
Related to pension	446,049	89,983
Related to OPEB	673,333	193,585
Total deferred inflows of resources	1,119,382	283,568
Net position		
Net investment in capital assets	12,013,770	425,939
Restricted for:		
Debt service	1,485,079	-
Capital projects	109,255	-
Special revenue	656,768	224,251
Unrestricted	(10,621,930)	(3,041,187)
Total net position	3,642,942	(2,390,997)
Total liabilities, deferred inflows of resources, and net position	\$ 22,685,145	\$ 1,903,260

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

Jemez Valley Public School District No. 31
Statement of Activities
For the Year Ended June 30, 2019

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
Instruction	\$ 3,115,027	\$ 25,531	\$ 1,097,267	\$ -
Support services - students	715,249	5,862	251,946	-
Support services - instruction	134,122	1,099	47,244	-
Support services - general administration	536,986	4,401	189,153	-
Support services - school administration	417,439	3,421	147,043	-
Central services	1,348,769	11,054	475,103	-
Operation and maintenance of plant	1,254,527	10,282	441,907	25,617
Student transportation	456,628	-	297,928	-
Food services operations	204,384	3,180	182,210	-
Interest and other charges	67,093	-	-	-
Total governmental activities	\$ 8,250,224	\$ 64,830	\$ 3,129,801	\$ 25,617
Component Unit Activities:				
San Diego Riverside Charter School	\$ 2,169,998	\$ 17,527	\$ 491,989	\$ 53,511

General revenues:

Taxes:
Property taxes, levied for operating programs
Property taxes, levied for debt services
Property taxes, levied for capital projects
State equalization guarantee
Investment income
Miscellaneous income
Loss on disposition of assets
Total general revenues
Change in net position
Net position, beginning
Net position, ending

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

Net (Expense) Revenue and Change in Net Position	
Primary Government	Component Unit
Government Activities	San Diego Riverside Charter School
\$ (1,992,229)	\$ -
(457,441)	-
(85,779)	-
(343,432)	-
(266,975)	-
(862,612)	-
(776,721)	-
(158,700)	-
(18,994)	-
(67,093)	-
<u>(5,029,976)</u>	<u>-</u>
	<u>(1,606,971)</u>
32,835	-
999,343	-
203,724	-
2,169,698	909,992
33,684	-
18,896	157,393
(23,144)	-
<u>3,435,036</u>	<u>1,067,385</u>
(1,594,940)	(539,586)
<u>5,237,882</u>	<u>(1,851,411)</u>
<u>\$ 3,642,942</u>	<u>\$ (2,390,997)</u>

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

Jemez Valley Public School District No. 31
Balance Sheet
Governmental Funds
June 30, 2019

	General Fund	Bond Building
	11000, 12000,	Capital Projects
	13000, 14000	Fund 31100
Assets		
Cash and cash equivalents	\$ 989,690	\$ 252,957
Investments	-	882,809
Receivables:		
Property taxes	4,493	-
Due from other governments	800	-
Other	5,176	-
Due from other funds	252,910	-
Total assets	\$ 1,253,069	\$ 1,135,766
Liabilities		
Accounts payable	\$ 38,596	\$ -
Due to charter school	-	-
Accrued payroll	101,419	-
Due to other funds	-	-
Total liabilities	140,015	-
Deferred inflows of resources		
Unavailable revenue - property taxes	3,670	-
Unavailable revenue - grant revenue	-	-
Total deferred inflows of resources	3,670	-
Fund balances		
Spendable:		
Restricted for:		
Teacherage	73,147	-
Transportation	59,804	-
Instructional materials	20,459	-
Food services	-	-
Extracurricular activities	-	-
Education	-	-
Capital acquisitions and improvements	-	1,135,766
Debt service	-	-
Committed for:		
Subsequent year's expenditures	871,438	-
Unassigned	84,536	-
Total fund balances	1,109,384	1,135,766
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,253,069	\$ 1,135,766

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

	Debt Service Fund 41000	Nonmajor Governmental Funds	Total		
\$	1,101,618	\$	1,217,499		
	-	293,466	\$	3,561,764	
	102,769	49,882		1,176,275	
	-	357,440		157,144	
	-	-		358,240	
	-	-		5,176	
	-	-		252,910	
\$	1,204,387	\$	1,918,287	\$	5,511,509
\$	-	\$	46,293	\$	84,889
	-	65,377		65,377	
	-	13,060		114,479	
	-	252,910		252,910	
	-	377,640		517,655	
	82,069	41,424		127,163	
	-	24,746		24,746	
	82,069	66,170		151,909	
	-	-		73,147	
	-	-		59,804	
	-	-		20,459	
	-	57,184		57,184	
	-	6,658		6,658	
	-	592,126		592,126	
	-	550,754		1,686,520	
	1,122,318	292,501		1,414,819	
	-	-		871,438	
	-	(24,746)		59,790	
	1,122,318	1,474,477		4,841,945	
\$	1,204,387	\$	1,918,287	\$	5,511,509

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

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Jemez Valley Public School District No. 31
Reconciliation of the Governmental Funds Balance Sheet to the
Statement of Net Position
June 30, 2019

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

Fund balances - total governmental funds	\$ 4,841,945
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds	14,537,668
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be unavailable revenue in the fund financial statements, but are considered revenue in the statement of activities	127,163
Grant revenues not collected within sixty days after year end are not considered "available" revenues and are considered to be unavailable revenue in the fund financial statements, but are considered revenue in the statement of activities	24,746
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and therefore, are not reported in funds:	
Deferred outflows related to pension	2,798,121
Deferred outflows related OPEB	90,757
Deferred inflows related to pension	(446,049)
Deferred inflows related to OPEB	(673,333)
Liabilities, including bonds payable, the net pension liability and the OPEB liability, are not due and payable in the current period and, therefore, are not reported in the funds:	
Accrued compensated absences not due and payable	(48,061)
Accrued interest payable	(31,863)
Bonds payable	(4,105,000)
Premium on bonds payable	(17,533)
Net pension liability	(10,849,650)
OPEB liability	(2,605,969)
Total net position - governmental activities	\$ 3,642,942

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

Jemez Valley Public School District No. 31
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2019

	General Fund 11000, 12000, 13000, 14000	Bond Building Capital Projects Fund 31100
Revenues		
Property taxes	\$ 32,742	\$ -
Intergovernmental revenue:		
Federal flowthrough	27,389	-
Federal direct	1,385,277	-
State equalization guarantee	2,169,698	-
State flowthrough	11,488	-
State direct	-	-
Transportation distribution	297,928	-
Charges for services	50,616	-
Investment income	-	25,461
Miscellaneous	18,896	-
Total revenues	3,994,034	25,461
Expenditures		
Current:		
Instruction	1,805,856	-
Support services - students	277,812	-
Support services - instruction	75,576	-
Support services - general administration	337,606	-
Support services - school administration	280,292	-
Central services	241,796	-
Operation and maintenance of plant	774,595	-
Student transportation	306,252	-
Food services operations	-	-
Capital outlay	232,402	71,263
Debt service:		
Principal	-	-
Interest	-	-
Total expenditures	4,332,187	71,263
Excess (deficiency) of revenues over expenditures	(338,153)	(45,802)
Net change in fund balances	(338,153)	(45,802)
Fund balances, beginning, as originally classified	1,447,537	1,578,677
Fund balances - reclassification (note 20)	-	(397,109)
Fund balances, beginning, as reclassified	1,447,537	1,181,568
Fund balances - end of year	\$ 1,109,384	\$ 1,135,766

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

	Debt Service Fund 41000	Nonmajor Governmental Funds	Total
\$	842,428	\$ 351,185	\$ 1,226,355
	-	406,947	434,336
	-	696,372	2,081,649
	-	-	2,169,698
	-	244,879	256,367
	-	85,138	85,138
	-	-	297,928
	-	14,214	64,830
	-	8,318	33,779
	-	-	18,896
	<u>842,428</u>	<u>1,807,053</u>	<u>6,668,976</u>
	-	480,278	2,286,134
	-	279,364	557,176
	-	16,043	91,619
	8,437	45,611	391,654
	-	8,846	289,138
	-	265,117	506,913
	-	304,854	1,079,449
	-	7,391	313,643
	-	197,198	197,198
	-	33,592	337,257
	555,000	115,000	670,000
	77,984	3,836	81,820
	<u>641,421</u>	<u>1,757,130</u>	<u>6,802,001</u>
	201,007	49,923	(133,025)
	201,007	49,923	(133,025)
	921,311	1,027,445	4,974,970
	-	397,109	-
	<u>921,311</u>	<u>1,424,554</u>	<u>4,974,970</u>
\$	<u>1,122,318</u>	\$ <u>1,474,477</u>	\$ <u>4,841,945</u>

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

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Jemez Valley Public School District No. 31
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2019

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

Net change in fund balances - total governmental funds	\$ (133,025)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital expenditures	337,257
Depreciation expense	(1,009,608)
Book value of capital assets disposed	2,754

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

Change in unavailable revenue related to property taxes receivable	9,547
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Governmental funds report district pension and OPEB contributions as expenditures. However, in the statement of activities, the cost of pension benefits and OPEB earned net of employee contributions is reported as pension and OPEB expense:

Pension contribution subsequent to the measurement date	363,807
Pension expense	(1,907,152)
OPEB contribution subsequent to the measurement date	53,115
OPEB expense	(5,344)

The issuance of long-term debt (e.g. bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:

Current year amortization of bond premium	3,449
Increase in accrued compensated absences not due and payable	8,982
Increase in accrued interest payable	11,278
Principal payments on bonds	670,000

Change in net position of governmental activities	\$ (1,594,940)
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The accompanying notes are an integral part of these financial statements.

Jemez Valley Public School District No. 31
General Fund - 11000, 12000, 13000, 14000
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
Revenues				
Property taxes	\$ 31,555	\$ 31,555	\$ 32,744	\$ 1,189
Intergovernmental revenue:				
Federal flowthrough	8,000	21,462	27,389	5,927
Federal direct	1,060,984	1,138,766	1,385,277	246,511
State equalization guarantee	2,407,410	2,407,410	2,188,269	(219,141)
State flowthrough	10,138	10,138	10,688	550
Transportation distribution	297,813	297,813	297,928	115
Charges for services	30,825	30,825	45,440	14,615
Miscellaneous	-	-	325	325
Total revenues	3,846,725	3,937,969	3,988,060	50,091
Expenditures				
Current:				
Instruction	1,974,557	2,122,422	1,867,000	255,422
Support services - students	363,848	378,526	274,534	103,992
Support services - instruction	88,042	88,342	74,833	13,509
Support services - general administration	319,161	405,613	326,107	79,506
Support services - school administration	280,652	288,115	279,866	8,249
Central services	255,102	310,447	229,560	80,887
Operation and maintenance of plant	887,768	1,090,819	718,795	372,024
Student transportation	297,813	331,977	305,833	26,144
Other support services	10,073	10,073	-	10,073
Capital Outlay	-	275,000	247,380	27,620
Total expenditures	4,477,016	5,301,334	4,323,908	977,426
Excess (deficiency) of revenues over expenditures	(630,291)	(1,363,365)	(335,848)	1,027,517
Other financing sources (uses)				
Designated cash (budgeted increase in cash)	630,291	1,363,365	-	(1,363,365)
Total other financing sources (uses)	630,291	1,363,365	-	(1,363,365)
Net change in fund balance	-	-	(335,848)	(335,848)
Fund balance - beginning of year	-	-	1,477,029	1,477,029
Fund balance - end of year	\$ -	\$ -	\$ 1,141,181	\$ 1,141,181
Net change in fund balance (Non-GAAP budgetary basis)				\$ (335,848)
Adjustments to revenues for taxes and state revenues				5,974
Adjustments to expenditures for supplies and payroll expenditures				(8,279)
Net change in fund balance (GAAP Basis)				\$ (338,153)

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

Jemez Valley Public School District No. 31
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2019

Current assets		
Cash and cash equivalents	\$	69,868
<hr/>		
Total assets	\$	69,868
<hr/> <hr/>		
Current liabilities		
Due to student organizations	\$	69,868
<hr/>		
Total liabilities	\$	69,868
<hr/> <hr/>		

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

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Jemez Valley Public School District No. 31 (the “District”) is a special purpose government corporation governed by an elected five-member Board of Education. The Board of Education is the basic level of government, which has oversight responsibility and control over all activities related to the public school education of the Jemez Pueblo and surrounding area. The District is responsible for all activities related to public elementary and secondary school education within its jurisdiction. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

The School Board is authorized to establish policies and regulations for its own government consistent with the laws of the State of New Mexico and the regulations of the Legislative Finance Committee. The School Board is comprised of five members who are elected for terms of four years. The District operates three schools and one charter school within the District. In conjunction with the regular educational programs, some of these schools offer special education. In addition, the School Board provides transportation and school food services for the students.

This summary of significant accounting policies of the District is presented to assist in the understanding of the District’s and the Charter School’s financial statements. The financial statements and notes are the representation of the District’s management that is responsible for the financial statements. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units.

During the year ended June 30, 2019, the District adopted GASB Statement No. 83, *Certain Asset Retirement Obligations*, and GASB Statement No. 88 *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. These two statements are required to be implemented as of June 30, 2019, if applicable.

The implementation of these statements did not have a significant impact on the District because the activities of the District were not affected by the statements in a material manner.

Financial Reporting Entity

In evaluating how to define the District, for financial reporting purposes, management has considered all component units. The decision to include any potential component unit in the financial reporting entity was made by applying the criteria set forth in GASB Statement No. 14, as amended by GASB Statement No. 39, GASB Statement No. 61, and GASB Statement No. 80. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body’s ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency.

Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Reporting Entity (Continued)

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters.

A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens.

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

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

Government-wide and Fund Financial Statements

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The District does not have any *business-type activities*.

In the government-wide statement of net position, the governmental activities column is presented on a consolidated basis by column, and is 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 – Net investment in capital assets, restricted net position; and unrestricted net position.

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide and Fund Financial Statements (Continued)

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period, subject to the availability criterion. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met, subject to the availability criterion.

All other revenue items are considered to be measurable and available only when cash is received by the government. The District had no tax abatements requiring separate disclosure under GASB Statement No. 77.

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The District reports the following major governmental funds:

The *General Fund* (11000, 12000, 13000 and 14000) is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenues are provided by the District's school tax levy, state equalization and transportation funds, state instructional material allocations, and earnings from investments. Expenditures include all costs associated with the daily operations of the school except for those items included in other funds. The General Fund includes the *Teacherage Fund*, which is used for the receipt of revenue from rental of school owned facilities and related expenses, *Pupil Transportation Fund*, which is used to account for transportation distribution received from the New Mexico Public Education Department which is used to pay for the costs associated with transporting school age children. It also includes the *Instructional Materials Fund*, which is used to account for the monies received from the New Mexico Public Education Department for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students.

The *Bond Building Capital Projects Fund (31100)* is used to account for bond proceeds plus any income earned thereon. The proceeds are restricted for the purpose of making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof, as approved by the voters of the District. Authority for the creation of this fund is the New Mexico Public Education Department.

The *Debt Service Fund (41000)* is used to account for financial resources accumulated and payments made for principal and interest on long-term general obligation of governmental funds. Authority for the creation of this fund is the New Mexico Public Education Department.

Additionally, the District reports the following fiduciary funds:

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

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

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

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity

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

State statutes authorize the District to invest in Certificates of Deposit, obligations of the U.S. Government, and the State Treasurer's Local Government Investment Pool (LGIP). The LGIP operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Restricted Assets: The Debt Service Fund and the Ed Tech Debt Service Fund are used to report resources set aside for the payment of long-term debt principal and interest.

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

The District receives monthly income from a tax levy in Sandoval County. The funds are collected by the County Treasurer and are remitted to the District the following month. Under the modified accrual method of accounting, the amount remitted by the County Treasurer in July and August 2019 is considered "measurable and available" and, accordingly, is recorded as revenue in the governmental fund statements during the year ended June 30, 2019. Period of availability is deemed to be sixty days subsequent to year end.

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

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (Continued)

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

Inventory in the Special Revenue Funds typically consists of U.S.D.A. commodities and other purchased food and non-food supplies. Commodities consumed during the year are reported as revenues and expenditures; unused commodities are reported as inventories. Neither the District nor the Charter School currently maintain inventory balances; all inventory items were consumed prior to year-end.

Capital Assets: Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District's policies as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Information Technology Equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.20.1.9 C (5). The District was a Phase III government for purposes of implementing GASB Statement No. 34.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Library books are not capitalized because they are considered to have a useful life of less than one year.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Construction projects paid for by the Public School Capital Outlay Council are included in the District's capital assets. No interest was included as part of the cost of capital assets under construction.

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

<u>Assets</u>	<u>Years</u>
Infrastructure	20-50
Buildings and improvements	20-50
Land improvements	20-50
Equipment and vehicles	5-10

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (Continued)

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 represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Revenue must be susceptible to accrual (measurable and available to finance expenditures of the current fiscal period) to be recognized. If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding balance for deferred inflows of resources. The District has two types of items which arise under the modified accrual basis of accounting that qualifies for reporting in this category.

Accordingly, the items, unavailable revenue - property taxes and unavailable revenue – grant revenue are reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The District has recorded \$127,163 related to property taxes considered “unavailable” and \$24,746 related to grant revenues considered “unavailable.” In addition, the District and Charter School each have two types of items present on the Statement of Net Position which arise due to the net pension liability. Accordingly, the items, changes in proportion of \$239,563 and differences between expected and actual experience of \$206,486 are reported on the Statement of Net Position for the District. Corresponding balances for the Charter School are changes in proportion of \$30,395 and differences between expected and actual experience of \$59,588 are reported on the Statement of Net Position for the Charter. In addition, the District and the Charter each have three types of items present on the Statement of Net Position which arise due to the implementation of GASB Statement No. 75 and the related OPEB liability. Accordingly, the items, the difference between expected and actual experience of \$154,290, changes in assumption of \$486,523, and the net difference between projected and actual investment earnings of \$32,520 are reported on the Statement of Net Position for the District. Corresponding balances for the Charter School are the difference between expected and actual experience of \$44,359, changes in assumption of \$139,876, and the net difference between projected and actual investment earnings of \$9,350, and are reported on the Statement of Net Position for the Charter. These amounts are deferred and recognized as inflows of resources in the period that the amounts become available.

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (Continued)

Deferred Outflows of Resources: In addition to assets, the balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element represents a use of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until that time. The District and the Charter School each have five types of items related to the net pension liability that qualify for reporting in this category. Accordingly, these items, changes in proportion of \$166,316, changes of assumptions of \$2,236,062, the difference between expected and actual experience of \$7,918, the net difference between projected and actual investment earnings of \$24,018, and employer contributions subsequent to measurement date in the amount of \$363,807, are reported on the Statement of Net Position for the District. Corresponding balances for the Charter School are changes in proportion of \$268,703, changes of assumptions of \$645,282, differences between expected and actual experience of \$2,285, the net difference between projected and actual investment earnings of \$6,931, and employer contributions subsequent to measurement date of \$121,076, and are reported on the Statement of Net Position for the Charter. In addition, the District and the Charter School each have two types of this item present on the Statement of Net Position which arises due to the implementation of GASB Statement No. 75 and the related OPEB liability. Accordingly, the items, employer contributions subsequent to measurement date in the amount of \$53,115 and changes in proportion in the amount of \$37,642 are reported on the Statement of Net Position for the District; the corresponding amounts for the Charter, \$16,864 and changes in proportion in the amount of \$123,025 are reported on the Statement of Net Position for the Charter. These amounts are deferred and recognized as outflows of resources in future periods.

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.

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

Compensated Absences: It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Twelve-month employees may accumulate up to 20 days of vacation leave; any leave beyond these limits must be used by June 30th of the current contract year.

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (Continued)

Qualified employees are entitled to accumulate sick leave. There is no limit to the amount of sick leave which an employee may accumulate; however, upon termination, sick leave is not paid out to the employee.

All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

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

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

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

Fund Balance Classification Policies and Procedures: The District has implemented GASB Statement No. 54 and has defined the various categories reported in fund balance. For committed fund balance, the District's highest level of decision-making authority is the Board of Education. The formal action that is required to be taken to establish a fund balance commitment is a resolution of the Board of Education.

For assigned fund balance, the Board of Education or an official or body to which the School Board of Education delegates the authority is authorized to assign amounts to a specific purpose. The authorization policy is in governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (Continued)

For the classification of fund balances, the District considers restricted or unrestricted amounts to have been spent when an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available. Also for the classification of fund balances, the District considers committed, assigned, or unassigned amounts to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Nonspendable Fund Balance: At June 30, 2019, neither the District nor the Charter School have any fund balance that is not in spendable form.

Restricted and Committed Fund Balance: At June 30, 2019, the restricted fund balance of the District on the governmental funds balance sheet is made up of \$809,378 restricted for providing teacherage, transportation, instructional materials, food services, extracurricular activities and education to the students of the District, \$1,686,520 restricted for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public schools, providing matching funds for capital outlay projects funded pursuant to the Public School Capital Outlay Act [22-24-1 NMSA 1978], or any combination of these purposes, and \$1,414,819 restricted for the payment of principal and interest of the future debt service requirements. The District has also committed fund balance in the amount of \$871,438 for expenditures in the subsequent year. At June 30, 2019, the restricted fund balance of the Charter School on the combining balance sheet - governmental funds balance is made up of \$149,756 restricted for providing instructional materials, food services, and education to the students of the Charter School. The Charter School has also committed fund balance in the amount of \$7,000 for expenditures in the subsequent year.

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

- a. Net investment in capital assets: Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The District includes unspent bond proceeds in the amount of \$1,598,635 in the calculation of net investment in capital assets.
- b. Restricted Net Position: Net position is reported as restricted when constraints are placed on the use either by: (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation. Descriptions for the related restrictions for net position restricted for "special revenue, capital projects, and debt service" are described on pages 31 and 97-101.
- c. Unrestricted Net Position: Net position that does not meet the definition of "Restricted" or "Net Investment in Capital Assets."

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (Continued)

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates for the District and Charter School are management's estimate of depreciation on assets over their estimated useful lives, the net pension liability and related amounts, the OPEB liability and related amounts, and the current portion of accrued compensated absences.

Revenues

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

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District and Charter School received \$2,169,698 and \$909,922, respectively, in state equalization guarantee distributions during the year ended June 30, 2019.

Tax Revenues: The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Property taxes are assessed on January 1st of each year and are payable in two equal installments, on November 10th of the year in which the tax bill is prepared and April 10th of the following year with the levies becoming delinquent 30 days (one month) thereafter. The District recognizes tax revenues in the period for which they are levied in the government-wide financial statements. The District records only the portion of the taxes considered 'measurable' and 'available' in the governmental fund financial statements. The District recognized \$1,235,902 in tax revenues in the government-wide financial statements during the year ended June 30, 2019. Descriptions of the individual debt service and capital outlay funds contained in these financial statements include information regarding the authority for the collection and use of these taxes.

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues (Continued)

Transportation Distribution: School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through 12 attending public school within the school district. The District received \$297,928 in transportation distributions during the year ended June 30, 2019.

Instructional Materials: The Public Education Department (Department) receives federal mineral leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, seventy percent is restricted to the requisition of materials listed in the State Board of Education "State Adopted Instructional Material" list, while thirty percent of each allocation is available for purchases directly from vendors. Allocations received from the State for the year ended June 30, 2019 totaled \$9,453 and \$3,496 for the District and the Charter School, respectively.

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

The District received \$25,619 in state SB-9 matching during the year ended June 30, 2019. The Charter School did not receive any state SB-9 matching during the year ended June 30, 2019.

Public School Capital Outlay: The public school capital outlay fund was created under the provisions of Chapter 22, Article 24, NMSA 1978. The money in the fund may be used for: capital expenditures deemed by the public school capital outlay council to be necessary for an adequate educational program per Section 22-24-4(B); core administrative functions of the public school facilities authority and for project management expenses upon approval of the council per Section 22-24-4(G); and for the purpose of demolishing abandoned school district facilities, upon application by a school district to the council, per Section 22-24-4(L).

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

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues (Continued)

The District did not receive any Public School Capital Outlay funds during the year ended June 30, 2019. The Charter School received \$53,511 in Public School Capital Outlay funds during the year ended June 30, 2019.

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

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

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

These budgets are prepared on a modified cash basis with payroll or held checks being accrued and expensed, therefore, fund balances on the budget statements do not reconcile to cash due to the District's accrued payroll which is presented on the accrual basis. Because the budget process in the State of New Mexico requires that the beginning cash balance be appropriated in the budget of the subsequent fiscal year, such appropriated balance is legally restricted and is therefore presented as restricted fund balance.

Actual expenditures may not exceed the budget at the function (or "series") level. Budgets may be amended in two ways. If a budget transfer is necessary within a major category called a "series" this may be accomplished with only local Board of Education approval. If a transfer between "series" or a budget increase is required, approval must also be obtained from Public School Finance Division.

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

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

Budgetary Information (Continued)

The District and Charter follow these procedures in establishing the budgetary data reflected in the financial statements:

1. In April or May, the local school board submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department (PED) a proposed operating budget for the ensuing fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets are submitted to the State of New Mexico Public Education Department.
2. In May or June of each year, the proposed “operating” budget will be reviewed and approved by the DBPU and certified and approved by the local school board at a public hearing of which notice has been published by the local school board which fixes the estimated budget for the school district for the ensuing fiscal year.
3. The school board meeting is open for the general public unless a closed meeting has been called.
4. The “operating” budget will be used by the District until they have been notified that the budget has been approved by the DBPU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system.
5. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the DBPU.
6. The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Public Education Department.
7. Budget change requests are processed in accordance with Supplement 1 (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the DBPU.
8. Legal budget control for expenditures is by function.

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

Budgetary Information (Continued)

9. 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 schedules included in the accompanying financial statements reflect the original budget and the final budget.
10. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds.

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

The appropriated budget for the year ended June 30, 2019, was properly amended by the District's Board of Education throughout the year. These amendments resulted in the following changes:

	Excess (deficiency) of Revenues over Expenditures	
	Original Budget	Final Budget
Budgeted funds:		
General Fund	\$ (630,291)	\$ (1,363,365)
Bond Building Capital Projects Fund	(95)	(95)
Debt Service Fund	(854,327)	(899,332)
Nonmajor governmental funds	(712,790)	(997,675)

The District is required to balance its budgets each year. Accordingly, amounts that are excess or deficient are presented as changes in cash designated for expenditures, not as an excess or deficiency of revenues over expenditures.

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

Budgetary Information (Continued)

The appropriated budget for the year ended June 30, 2019, was properly amended by the Charter School. These amendments resulted in the following changes:

	Excess (deficiency) of revenues over expenditures	
	Original Budget	Final Budget
Budgeted funds:		
General Fund	\$ (79,876)	\$ (107,042)
Food Service Fund	(14,472)	-
Impact Aid Indian Education Fund	20,891	(25,000)
Indian Education Act Fund	-	-
Teen Pregnancy Fund	(42,098)	2,080
Nonmajor governmental funds	(18,645)	(7,274)

The Charter School is required to balance its budgets each year. Accordingly, amounts that are excess or deficient are presented as changes in cash designated for expenditures, not as an excess or deficiency of revenues over expenditures.

The reconciliation between the Non-GAAP budgetary basis amounts and the financial statements on the GAAP basis for each governmental fund are included in each individual budgetary comparison.

NOTE 3: DEPOSITS AND INVESTMENTS

Section 22-8-40, NMSA 1978 authorizes the investment of District funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the District properly followed State investment requirements as of June 30, 2019.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the District. Deposits may be made to the extent that they are insured by an agency of the United States or collateralized as required by statute. The financial institution must provide pledged collateral for 50% of the deposit amount in excess of the deposit insurance.

The collateral pledged is listed in the Schedule of Collateral Pledged by Depository for Public Funds on page 168. The types of collateral allowed are limited to direct obligations of the United States Government, all bonds issued by any agency, District or political subdivision of the State of New Mexico, or revenue bonds that are underwritten by a member of the financial industry regulatory authority, known as FINRA, and are rated BAA or above by a nationally recognized bond rating service.

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

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

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

All of the District's accounts at an insured depository institution, including all noninterest-bearing transaction accounts, will be insured by the FDIC up to the standard maximum deposit insurance amount of \$250,000.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2019, \$3,331,160 of the District's bank balance of \$3,581,160 was exposed to custodial credit risk. \$3,331,160 was uninsured and collateralized by collateral held by the pledging bank's trust department not in the District's name. None of the District's bank balance was uninsured and uncollateralized.

	District
	New Mexico
	Bank & Trust
Amount of deposits	\$ 3,581,160
FDIC Coverage	(250,000)
Total uninsured public funds	3,331,160
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the District's name	3,331,160
Uninsured and uncollateralized	\$ -
Collateral requirement (50% of uninsured funds)	\$ 1,665,580
Pledged collateral	4,363,986
Over (Under) collateralized	\$ 2,698,406

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

The District utilizes internal pooled accounts for some of their programs and funds. Negative cash balances in individual funds that were part of the pooled accounts were reclassified as due to/from accounts in the combining balance sheet as of June 30, 2019. Funds 24101 through 25205 are federal funds and 27149 through 31700 are nonfederal funds. The following individual funds had negative cash balances as of June 30, 2019:

Title I IASA - 24101	\$	(26,876)
IDEA-B Entitlement - 24106		(34,525)
IDEA-B Preschool - 24109		(3,393)
CDC Healthy Schools - 24130		(2,943)
English Language Acquisition - 24153		(430)
Teacher/Principal Training/Recruiting - 24154		(290)
USDA School Equipment Grant - 24183		(24,746)
Gear Up - 25205		(52,724)
Pre-K Initiative - 27149		(22,406)
Indian Education Initiative - 27150		(23,493)
Kindergarten – Three Plus - 27166		(26,902)
NM Grown FVV - 27183		(2,738)
K3 Plus 4&5 Pilot - 27198		(7,006)
Capital Improvements SB-9 - 31700		(24,438)
Total	\$	(252,910)

Investments

Credit Risk

As of June 30, 2019, the District had the following investments and maturities:

Investment Type	Fair Value	Investment Maturity	
U.S. Treasury Notes	\$ 1,176,275	>365 days	
Investment Type	Weighted Average Maturities (F)	Fair Value	Rating
U.S. Treasury Notes	>365	\$ 1,176,275	Aaa*

* Based on Moody's Rating

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

The investments are listed in the Schedule of Deposits and Investment Accounts on page 157 of this report.

Concentration of Credit Risk – Investments. For an investment, concentration of credit risk is when any one issuer is 5% or more of the investment portfolio of the District. The investments in U.S. Treasury Notes represents 100% of the investment portfolio. Since the District only purchases investments with the highest credit rating, the additional concentration is not viewed to be an additional risk by the District. The District’s policy related to concentration of credit risk is to comply with the state statute as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978).

Reconciliation to the Statement of Net Position

The carrying amount of deposits shown above are included in the District’s statement of net position as follows:

Cash and cash equivalents - governmental activities	\$ 1,831,301
Restricted cash and cash equivalents - governmental activities	1,730,463
Restricted investments - governmental activities	1,176,275
<u>Statement of fiduciary assets and liabilities - cash and cash equivalents</u>	<u>69,868</u>
 Total cash and cash equivalents	 4,807,907
Plus: outstanding checks	289,415
Less: NMFA - U.S. treasury notes	(1,176,275)
<u>Less: NMFA cash - money market fund</u>	<u>(339,887)</u>
 <u>Bank balance of deposits</u>	 <u>\$ 3,581,160</u>

Fair Value Measurement

The fair value framework uses a hierarchy that prioritizes the inputs to the valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the District has the ability to access.

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

- Level 2 Inputs to the valuation methodology include:
- Quoted prices for similar assets or liabilities in active markets.
 - Quoted prices for identical or similar assets or liabilities in inactive markets.
 - Inputs other than quoted prices that are observable for the asset or liability.
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset’s or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. See above for discussion of valuation methodologies used to measure fair value of investments.

The valuation methodologies described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the District believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The District maintained a balance of \$1,176,275 in U.S. Treasury Notes at year end, which required fair value disclosure.

The following table sets forth by level within the fair value hierarchy, the District’s assets at fair value as of June 30, 2018:

Level 1	Level 2	Level 3	Total
\$ 1,176,275	\$ -	\$ -	\$ 1,176,275

Component Unit:

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Charter School’s deposits may not be returned to it. The Charter School does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2019, none of the Charter School’s bank balances of \$199,055 was exposed to custodial credit risk. None of the Charter School’s balance was uninsured and collateralized by collateral held by the pledging bank’s trust department not in the Charter School’s name. None of the Charter School’s bank balance was uninsured and uncollateralized.

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Component Unit (Continued):

		US Bank
Amount of deposits	\$	199,055
FDIC Coverage		(199,055)
Total uninsured public funds		-
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the Charter School's name		-
Uninsured and uncollateralized	\$	-
Collateral requirement (50% of uninsured funds)	\$	-
Pledged collateral		-
Over (under) collateralized	\$	-

The Charter School utilizes internal pooled accounts for some of their programs and funds. Negative cash balances in individual funds that were part of the pooled accounts were reclassified as due to/from accounts in the combining balance sheet as of June 30, 2019. Funds 24101 through 24153 are federal funds and 27107 through 31700 are nonfederal funds. The following individual funds had negative cash balances as of June 30, 2019:

Title I- IASA - 24101	\$	(13,175)
IDEA-B Entitlement - 24106		(17,569)
English Language Acquisition - 24153		(1,182)
Teacher/Principal Training - 24154		(3,085)
2012 G.O. Bond Student Library Fund - 27107		(3,750)
Indian Education Act - 27150		(47,068)
Breakfast for Elementary Students - 27155		(299)
Kindergarden 3 plus		(11,054)
K3 Plus 4&5 Pilot		(4,190)
Total	\$	(101,372)

As of June 30, 2019, the Charter School did not have any investment balances.

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Reconciliation to the Statement of Net Position

The carrying amount of deposits shown above are included in the Charter School's statement of net position as follows:

Cash and cash equivalents - Charter School	\$	161,484
Cash and cash equivalents - statement of fiduciary assets and liabilities		624
<hr/>		
Total cash and cash equivalents		162,108
 Add: outstanding checks		 36,947
<hr/>		
Bank balance of deposits	\$	199,055
<hr/> <hr/>		

NOTE 4: ACCOUNTS RECEIVABLE

Accounts receivable as of June 30, 2018, are as follows:

Primary Government:

	General Fund 11000, 12000, 13000, 14000	Debt Service Fund 41000	Total Nonmajor Governmental Funds	Total
Property taxes receivable	\$ 4,493	\$ 102,769	\$ 49,882	\$ 157,144
Due from other governments:				
Federal sources	800	-	213,127	213,927
State sources	-	-	144,313	144,313
Other receivables	5,176	-	-	5,176
<hr/>				
	\$ 10,469	\$ 102,769	\$ 407,322	\$ 520,560
<hr/> <hr/>				

In accordance with GASB Statement No. 33, property tax revenues and grant revenues for the District in the amounts of \$127,163 and \$24,746, respectively, were not collected within the period of availability and have been reclassified as deferred inflows for unavailable revenue in the governmental fund financial statements. All of the above receivables are deemed to be fully collectible.

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 4: ACCOUNTS RECEIVABLE (Continued)

Component Unit:

The Charter School had receivables due from other governments in the amounts of \$12,434 from federal sources, and \$53,860 from state and local sources. In addition, the Charter School has a receivable of \$65,377 due from the Primary Government. All receivables are considered 100% collectible.

NOTE 5: INTERFUND BALANCES

The District records temporary interfund receivables and payables to enable the funds to operate until grant monies are received. The composition of interfund balances during the year ended June 30, 2019 is as follows:

Primary Government:

Due from Other Funds	Due to Other Funds	Amount
General Fund - 11000	Title I IASA - 24101	\$ 26,876
General Fund - 11000	IDEA-B Entitlement - 24106	34,525
General Fund - 11000	IDEA-B Preschool - 24109	3,393
General Fund - 11000	CDC Healthy Schools - 24130	2,943
General Fund - 11000	English Language Acquisition - 24153	430
General Fund - 11000	Teacher/Principal Training/Recruiting - 24154	290
General Fund - 11000	USDA School Equipment Grant - 24183	24,746
General Fund - 11000	Gear Up - 25205	52,724
General Fund - 11000	Pre-K Initiative - 27149	22,406
General Fund - 11000	Indian Education Initiative - 27150	23,493
General Fund - 11000	Kindergarten – Three Plus - 27166	26,902
General Fund - 11000	NM Grown FVV - 27183	2,738
General Fund - 11000	K3 Plus 4&5 Pilot - 27198	7,006
General Fund - 11000	Capital Improvements SB-9 - 31700	24,438
	Total	\$ 252,910

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 5: INTERFUND BALANCES (Continued)

Component Unit:

Due from Other Funds	Due to Other Funds	Amount
General Fund - 11000	Title I- IASA Fund - 24101	\$ 13,175
General Fund - 11000	IDEA-B Entitlement Fund - 24106	17,569
General Fund - 11000	English Language Acquisition Fund - 24153	1,182
General Fund - 11000	Teacher / Principal Training Fund - 24154	3,085
General Fund - 11000	2012 G.O. Bond Student Library Fund - 27107	3,750
General Fund - 11000	Indian Education Act Fund - 27150	47,068
General Fund - 11000	Breakfast for Elementary Students Fund - 27155	299
General Fund - 11000	Kindergarden 3 Plus Fund - 27166	11,054
General Fund - 11000	K3 Plus 4&5 Pilot Fund - 27198	4,190
	Total	\$ 101,372

All interfund balances are intended to be repaid within one year.

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 6: CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2019, follows. Land is not subject to depreciation.

Capital assets, net of accumulated depreciation, at June 30, 2019 appear in the Statement of Net Position as follows:

	Balance June 30, 2018	Additions	Other Adjustments	Balance June 30, 2019
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 162,011	\$ -	\$ -	\$ 162,011
Total capital assets not being depreciated	162,011	-	-	162,011
Capital assets being depreciated:				
Infrastructure	2,810,447	-	(242)	2,810,205
Buildings and improvements	16,031,332	297,729	1,521	16,330,582
Land improvements	3,594,449	-	(28,055)	3,566,394
Equipment and vehicles	2,490,256	39,528	3,632	2,533,416
Total capital assets being depreciated	24,926,484	337,257	(23,144)	25,240,597
Total capital assets	25,088,495	337,257	(23,144)	25,402,608
Less accumulated depreciation:				
Infrastructure	634,094	152,925	144	787,163
Buildings and improvements	6,442,002	461,372	11,723	6,915,097
Land improvements	1,029,072	171,920	(27,876)	1,173,116
Equipment and vehicles	1,776,062	223,391	(9,889)	1,989,564
Total accumulated depreciation	9,881,230	1,009,608	(25,898)	10,864,940
Total capital assets, net of depreciation	\$ 15,207,265	\$ (672,351)	\$ 2,754	\$ 14,537,668

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 6: CAPITAL ASSETS (Continued)

Depreciation expense for the year ended June 30, 2019 was charged to the following functions:

Instruction	\$	8,563
Support services-students		2,421
Central services		785,445
Operation and maintenance of plant		132,303
Student transportation		73,690
Food services operations		7,186
<hr/>		
Total	\$	1,009,608
<hr/>		

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 6: CAPITAL ASSETS (Continued)

Component Unit:

A summary of capital assets and changes occurring during the year ended June 30, 2018 follows. Construction in progress is not subject to depreciation.

	Balance June 30, 2018	Additions	Other Adjustments	Balance June 30, 2019
Governmental activities:				
Capital assets not being depreciated:				
Construction in progress	\$ 190,266	\$ -	\$ -	\$ 190,266
Total capital assets not being depreciated	190,266	-	-	190,266
Capital assets being depreciated:				
Buildings and improvements	527,024	65,000		592,024
Equipment	159,617	13,758		173,375
Total capital assets being depreciated	686,641	78,758	-	765,399
Total capital assets	876,907	78,758	-	955,665
Less accumulated depreciation:				
Buildings and improvements	354,282	25,297	-	379,579
Equipment	143,898	6,249	-	150,147
Total accumulated depreciation	498,180	31,546	-	529,726
Total capital assets, net of depreciation	\$ 378,727	\$ 47,212	\$ -	\$ 425,939

The Charter School's current construction project is on hold as of June 30, 2019 while the Charter Schools obtains contracts for completion.

Depreciation expense for the year ended June 30, 2019 was charged to the following functions:

Instruction	\$ 11,568
Support services-students	1,908
Support services-school administration	18,070
Total	\$ 31,546

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 7: LONG-TERM DEBT

General obligation bonds are secured by and payable solely from the Debt Service Fund and the Ed Tech Debt Service Fund.

General obligation bonds are direct obligations and pledge the full faith and credit of the District. These bonds are issued with varying terms and varying amounts of principal maturing each year. All general obligation bonds as of June 30, 2019 are for governmental activities.

Bonds outstanding at June 30, 2019 are comprised of the following:

	Series 2006	Series 2013	Series 2014	Series 2017	Ed Tech 2017
Original Issue:	\$ 750,000	\$ 3,000,000	\$ 2,000,000	\$ 1,200,000	\$ 420,000
Principal:	August 1	August 1	August 1	August 1	August 1
Interest:	August 1	August 1	August 1	August 1	August 1
	February 1	February 1	February 1	February 1	February 1
Interest Rates:	3.72%-4.42%	1.15%-2.00%	2.00%	1.20-2.39%	1.25-1.65%
Maturity Date:	August 2019	August 2024	August 2024	August 2029	August 2021

During the year ended June 30, 2019, the following changes occurred in the liabilities reported in the government-wide Statement of Net Position:

	Balance June 30, 2018	Additions	Retirements	Balance June 30, 2019	Due Within One Year
General Obligation Bonds					
Series 2006	\$ 200,000	\$ -	\$ 100,000	\$ 100,000	\$ 100,000
General Obligation Bonds					
Series 2013	1,750,000	-	185,000	1,565,000	210,000
General Obligation					
Series 2014	1,205,000	-	200,000	1,005,000	200,000
General Obligation					
Series 2017	1,200,000	-	70,000	1,130,000	70,000
General Obligation					
Education Technology 2017	420,000	-	115,000	305,000	115,000
Total bonds	4,775,000	-	670,000	4,105,000	695,000
Compensated absences	57,043	36,088	45,070	48,061	45,070
Total long-term debt	\$ 4,832,043	\$ 36,088	\$ 715,070	\$ 4,153,061	\$ 740,070

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 7: LONG-TERM DEBT (Continued)

The general obligation bonds are secured by and payable from the Debt Service Fund and Ed Tech Debt Fund.

The annual requirements to amortize the general obligation bonds outstanding as of June 30, 2019, including interest payments, are as follows:

Fiscal Year					Total Debt
Ending June 30,	Principal		Interest		Service
2020	\$ 695,000	\$	69,749	\$	764,749
2021	655,000		57,896		712,896
2022	685,000		46,967		731,967
2023	480,000		36,754		516,754
2024	480,000		27,652		507,652
2025-2029	985,000		48,949		1,033,949
2030	125,000		1,250		126,250
	\$ 4,105,000	\$	289,217	\$	4,394,217

Compensated Absences – Administrative employees of the District are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2019, compensated absences decreased \$8,982 from the prior year accrual. In prior years, the general fund was typically used to liquidate such long-term liabilities. See Note 1 for more details.

Component Unit:

Compensated Absences – Administrative employees of the Charter School are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2019, there was no change to the liability for compensated absences, which remained at \$0. In prior years, the general fund was typically used to liquidate such long-term liabilities. See Note 1 for more details.

NOTE 8: RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; error omissions; and natural disasters, for which the District is a member of the New Mexico Public School Insurance Authority (NMPSIA). The Authority was created to provide comprehensive core insurance programs by expanding the pool of subscribers to maximize cost containment opportunities for required insurance coverage. The District pays an annual premium to the NMPSIA based on claim experience and the status of the pool. The Risk Management Program includes Workers Compensation, General and Automobile Liability, Automobile Physical Damage, and Property and Crime coverage. Also included under the risk management program are Boiler, Machinery and Student Accident Insurance.

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 8: RISK MANAGEMENT (Continued)

The NMPSIA provides coverage for up to a maximum of \$500,000,000 for each property damage claim with a \$15,000 deductible per occurrence with a maximum annual deductible of \$60,000. General liability coverage is afforded to all employees, volunteers and school board members and the limit is subject to the NMSA Tort Claims Act on a per occurrence basis. The automobile and property liability limit is subject to the provisions of the Tort Claims Act.

The crime limit is \$250,000 per occurrence for Faithful Performance. A limit of \$250,000 applies to Depositor's Forgery, Credit Card Forgery, and Money Orders. A limit of \$100,000 applies to Money and Securities, which include a \$750 deductible.

In case the NMPSIA's assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. As of June 30, 2019, there have been no claims that have exceeded insurance coverage.

NOTE 9: PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

General Information about the Pension Plan

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

The Plan is included in NMERB's comprehensive annual financial report. The report can be found on NMERB's Web site at https://www.nmerb.org/Annual_reports.html.

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

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

Jemez Valley Public School District No. 31
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NOTE 9: PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (Continued)

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

Summary of Plan Provisions for Retirement Eligibility. For members employed before July 1, 2010, a member is eligible to retire when one of the following events occurs:

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

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

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

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

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

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

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 9: PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (Continued)

Benefit Options. The Plan has three benefit options available.

- **Option A – Straight Life Benefit.** The single life annuity option has no reductions to the monthly benefit, and there is no continuing benefit due to a beneficiary or estate, except the balance, if any, of member contributions plus interest less benefits paid prior to the member's death.
- **Option B – Joint 100% Survivor Benefit.** The single life annuity monthly benefit is reduced to provide for a 100% survivor's benefit. The reduced benefit is payable during the life of the member, with the provision that, upon death, the same benefit is paid to the beneficiary for his or her lifetime. If the beneficiary predeceases the member, the member's monthly benefit is increased to the amount the member would have received under Option A Straight Life benefit. The member's increased monthly benefit commences in the month following the beneficiary's death.
- **Option C – Joint 50% Survivor Benefit.** The single life annuity monthly benefit is reduced to provide for a 50% survivor's benefit. The reduced benefit is payable during the life of the member, with the provision that, upon death, the reduced 50% benefit is paid to the beneficiary for his or her lifetime. If the beneficiary predeceases the member, the member's monthly benefit is increased to the amount the member would have received under Option A Straight Life benefit. The member's increased monthly benefit commences in the month following the beneficiary's death.

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

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

- Tier 1 membership is comprised of employees who became members prior to July 1, 2010
- Tier 2 membership is comprised of employees who became members after July 1, 2010, but prior to July 1, 2013
- Tier 3 membership is comprised of employees who became members on or after July 1, 2013

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

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 9: PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (Continued)

Once the funding is greater than 90%, the COLA reductions will decrease. The retirees with benefits at or below the median and with 25 or more years of service credit will have a 5% COLA reduction; their average COLA will be 1.7%.

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

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

Contributions. For the fiscal years ended June 30, 2018 and 2017 educational employers contributed to the Plan based on the following rate schedule:

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

The contribution requirements are established in statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the New Mexico Legislature. For the fiscal years ended June 30, 2019 and 2018, the District paid employer contributions of \$363,807 and \$352,912, which equal the amount of the required contributions for each fiscal year. The Charter School paid employer contributions of \$121,076 and \$102,261, which equal the amount of the required contributions for each fiscal year.

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 9: PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2019, the District reported a liability of \$10,849,650 for its proportionate share of the net pension liability. The Charter School reported a liability of \$3,130,382 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2018 using generally accepted actuarial principles. The roll-forward incorporates the impact of the new assumptions adopted by the Board on April 21, 2017. There were no other significant events of changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2018.

Therefore, the employer’s portion was established as of the measurement date of June 30, 2018. The District’s and the Charter School’s proportion of the net pension liability was based on a projection of the District’s and Charter School’s long-term share of contributions to the pension plan relative to the projected contributions of all participating educational institutions, actuarially determined. At June 30, 2018, the District’s proportion was 0.09124%, which was an increase of 0.00214% from its proportion measured as of June 30, 2017. At June 30, 2019, the Charter School’s proportion was 0.02633%, which was an increase of 0.00438% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the District and Charter School recognized pension expense of \$1,907,152 and \$670,414, respectively.

As of June 30, 2019, the District reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 7,918	\$ 206,486
Net difference between expected and actual investments on pension plan investments	24,018	-
Changes of assumptions	2,236,062	-
Changes in proportion	166,316	239,563
District's contributions subsequent to the measurement date	363,807	-
Total	\$ 2,798,121	\$ 446,049

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 9: PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (Continued)

\$363,807 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date of June 30, 2018 will be recognized as a reduction of the net pension liability in the year ended June 30, 2020.

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

Year ended June 30:	
2019	\$ (1,211,205)
2020	(764,681)
2021	(12,063)
2022	(316)
2023	-
Thereafter	-

As of June 30, 2019, the Charter School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 2,285	\$ 59,588
Net difference between projected and actual earnings on pension plan investments	6,931	-
Changes of assumptions	645,282	-
Changes in proportion	268,703	30,395
Charter School's contributions subsequent to the measurement date	121,076	-
Total	\$ 1,044,277	\$ 89,983

\$121,076 reported as deferred outflows of resources related to pensions resulting from Charter School contributions subsequent to the measurement date of June 30, 2018, will be recognized as a reduction of the net pension liability in the year ended June 30, 2020.

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 9: PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (Continued)

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

Year ended June 30:		
2019	\$	(461,455)
2020		(320,715)
2021		(50,957)
2022		(91)
2023		-
Thereafter		-

Actuarial assumptions. The total pension liability in the June 30, 2017 actuarial valuation was determined using the following significant actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%	
Salary increases	3.25% composed of 2.50% inflation, plus a 0.75% productivity increase rate, plus a step-rate promotional increase for members with less than 10 years of service.	
Investment rate of return	7.25% compounded annually, net of expenses. This is made up of a 2.50% inflation rate and a 4.75 real rate of return.	
Average of Expected Remaining Service Lives	Fiscal year	<u>2017</u> <u>2016</u> <u>2015</u> <u>2014</u>
	Service life in years	3.35 3.77 3.92 3.88

Mortality

Healthy males: Based on the RP-2000 Combined Healthy Mortality Table with White Collar adjustments, not set back. Generational mortality improvements with Scale BB from the table’s base year of 2000.

Healthy females: Based on GRS Southwest Region Teacher Mortality Table, set back one year. Generational mortality improvements in accordance with Scale BB from the table’s base year of 2012.

Disabled males: RP-2000 Disabled Mortality Table for males, set back three years, projected to 2016 with Scale BB.

Disabled females : RP-2000 Disabled Mortality Table for females, no set back, projected to 2016 with Scale BB.

Active members: RP-2000 Employee Mortality Tables, with males set back two years and scaled at 80%, and females set back five years and scaled at 70%. Static mortality improvement from the table’s base year of 2000 to the year 2016 in accordance with Scale BB. No future improvement was assumed for preretirement mortality.

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 9: PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (Continued)

Actuarial assumptions. (continued)

Retirement Age	Experience-based table rates based on age and service, adopted by the Board on April 21, 2017 in conjunction with the six-year experience study for the period ending June 30, 2016.
Cost-of-living increases	1.90% per year, compounded annually; increases deferred until July 1 following the year a member retires, or the year in which a member attains the age of 65 (67 for Tier 3), whichever is later or, for disabled retirees, until July 1 of the third year following retirement.
Payroll growth	3.00% per year (with no allowance for membership growth).
Contribution accumulation	The accumulated member account balance with interest is estimated at the valuation date by assuming that member contributions increased 5.50% per year for all years prior to the valuation date. Contributions are credited with 4.00% interest, compounded annually, applicable to the account balances in the past as well as the
Disability incidence	Approved rates are applied to eligible members with at least 10 years of service.

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

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 9: PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (Continued)

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

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

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Equities	33%	
Fixed income	26	
Alternatives	40	
Cash	1	
Total	100%	7.25%

Discount rate. A single discount rate of 5.9% was used to measure the total pension liability as of June 30, 2018. This single discount rate was based on a long-term expected rate of return on pension plan investments of 7.25%, and a municipal bond rate of 3.56%, net of expense. Based on the stated assumptions and the projection of cash flows, the plan’s fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2053. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the 2053 fiscal year, and the municipal bond rate was applied to all benefit payments after that date.

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

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 9: PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (Continued)

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

	1% Decrease (4.69%)	Current Discount Rate (5.69%)	1% Increase (6.69%)
District's proportionate share of the net pension liability	\$ 14,100,390	\$ 10,849,650	\$ 8,197,250

Sensitivity of the Charter School's proportionate share of the net pension liability to changes in the discount rate. The following presents the Charter School's proportionate share of the net pension liability calculated using the discount rate of 5.69 percent, as well as what the employer name's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.69 percent) or 1-percentage-point higher (6.69 percent) than the current rate:

	1% Decrease (4.69%)	Current Discount Rate (5.69%)	1% Increase (6.69%)
Charter School's proportionate share of the net pension liability	\$ 4,069,085	\$ 3,130,382	\$ 2,365,559

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in separately issued NMERB'S financial reports. The reports can be found on NMERB's Web site at https://www.nmerb.org/Annual_reports.html.

Discount rate: A single discount rate of 7.75% was used to measure the total ERB pension liability as

Payables to the pension plan. The Jemez Valley School District remits the legally required employer and employee contributions on a monthly basis to ERB. The ERB requires that the contributions be remitted by the 15th day of the month following the month for which contributions are withheld. At June 30, 2018, the District and Charter owed the ERB \$130,877 and \$37,825, respectively for the contributions withheld in the month of June 2019.

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 10: POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN

General Information about the OPEB

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

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

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

Employees covered by benefit terms. At June 30, 2019, the Fund’s measurement date, the following employees were covered by the benefit terms:

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

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 10: POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN (Continued)

Contributions – Employer and employee contributions to the Fund total 3% for non-enhanced retirement plans and 3.75% of enhanced retirement plans of each participating employee’s salary as required by Section 10-7C-15 NMSA 1978. The contributions are established by statute and are not based on an actuarial calculation. All employer and employee contributions are non-refundable under any circumstance, including termination of the employer’s participation in the Fund. Contributions to the Fund from the District and the Charter School were \$53,115 and \$16,864 respectively for the year ended June 30, 2019.

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

At June 30, 2019, the District reported a liability of \$2,605,969 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2017. The total OPEB liability was rolled-forward from the valuation date to the plan year ending June 30, 2018 using generally accepted actuarial principles. The District’s proportion of the net OPEB liability was based on actual contributions provided to the Fund for the year ending June 30, 2018. At June 30, 2019, the District’s proportion was 0.05993 percent, an increase of .0082 percent from the prior year.

For the year ended June 30, 2019, the District recognized OPEB expense of \$5,344. At June 30, 2019 the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ -	\$ 486,523
Net difference between projected and actual earnings on pension plan investments	-	32,520
Changes in proportion and differences between contributions and proportionate share of contributions	37,642	-
Charter School's contributions subsequent to the measurement date	53,115	-
Difference between expected and actual experience	-	154,290
Total	\$ 90,757	\$ 673,333

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 10: POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN (Continued)

Deferred outflows of resources totaling \$53,115 represent the District’s contributions to the Fund made subsequent to the measurement date and will be recognized as a reduction of net OPEB liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

Year ended June 30:		
2019	\$	163,105
2020		163,105
2021		163,105
2022		124,142
2023		22,234
Total	\$	635,691

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

At June 30, 2019, the Charter School reported a liability of \$749,222 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2017. The total OPEB liability was rolled-forward from the valuation date to the plan year ending June 30, 2018 using generally accepted actuarial principles. The Charter’s proportion of the net OPEB liability was based on actual contributions provided to the Fund for the year ending June 30, 2018. At June 30, 2019, the Charter’s proportion was 0.01723 percent, an increase of .00268 percent from the prior year.

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 10: POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN (Continued)

For the year ended June 30, 2018, the Charter School recognized OPEB expense of \$25,071. At June 30, 2018 the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience		
Changes of assumptions	\$ -	\$ 139,876
Net difference between projected and actual earnings on pension plan investments	-	9,350
Changes in proportion and differences between contributions and proportionate share of contributions	123,025	-
Charter School's contributions subsequent to the measurement date	16,864	-
Difference between expected and actual experience	-	44,359
Total	\$ 139,889	\$ 193,585

Deferred outflows of resources totaling \$16,864 represent the Charter's contributions to the Fund made subsequent to the measurement date and will be recognized as a reduction of net OPEB liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

Year ended June 30:	
2019	\$ 23,121
2020	23,121
2021	23,121
2022	11,919
2023	(10,722)
Total	\$ 70,560

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 10: POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN (Continued)

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

Actuarial valuation date	June 30, 2017
Actuarial cost method	Entry age normal, level percent of pay, calculated on individual employee basis
Asset valuation method	Market value of assets
Actuarial assumptions:	
Inflation	2.50% for ERB; 2.25% for PERA
Projected payroll increases	3.25% to 12.50%, based on years of service, including inflation
Investment rate of return	7.25%, net of OPEB plan investment expense and margin for adverse deviation including inflation
Health care cost trend rate	8% graded down to 4.5% over 14 years for NonMedicare medical plan costs and 7.5% graded down to 4.5% over 12 years for Medicare medical plan costs
Mortality	ERB members: RP-2000 Combined Healthy Mortality Table with White Collar Adjustment (males) and GRS Southwest Region Teacher Mortality Table (females) PERA members: RP-2000 Combined Healthy Mortality

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

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 10: POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN (Continued)

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

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

Discount Rate. The discount rate used to measure the Fund’s total OPEB liability is 3.81% as of June 30, 2018. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates proportional to the actuary determined contribution rates. For this purpose, employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries are not included. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members through the fiscal year ending June 30, 2028. Thus, the 7.25% discount rate was used to calculate the net OPEB liability through 2029. Beyond 2029, the index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher. Thus, 3.81% is the blended discount rate.

Sensitivity of the Districts net OPEB liability to changes in the discount rate and healthcare cost trend rates. The following presents the net OPEB liability of the District, as well as what the District’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.08 percent) or 1-percentage-point higher (5.08 percent) than the current discount rate:

1% Decrease (3.08%)	Current Discount Rate (4.08%)	1% Increase (5.08%)
\$ 3,153,836	\$ 2,605,969	\$ 2,174,128

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 10: POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN (Continued)

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

1% Decrease ²	Current Trend Rates	1% Increase
\$ 2,202,957	\$ 2,605,969	\$ 2,921,939

Sensitivity of the Charter School’s net OPEB liability to changes in the discount rate and healthcare cost trend rates. The following presents the net OPEB liability of the Charter School, as well as what the Charter School’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.08 percent) or 1-percentage-point higher (5.08 percent) than the current discount rate:

1% Decrease (3.08%)	Current Discount Rate (4.08%)	1% Increase (5.08%)
\$ 906,734	\$ 749,222	\$ 625,066

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

1% Decrease ²	Current Trend Rates	1% Increase
\$ 633,355	\$ 749,222	\$ 840,064

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

Payable Changes in the Net OPEB Liability. The Jemez Valley School District remits the legally required employer and employee contributions on a monthly basis to RHC. At June 30, 2018, the District and Charter owed the NMRHCA \$16,011 and \$4,601, respectively for the contributions withheld in the month of June 2018.

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 11: CONTINGENT LIABILITIES

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

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

NOTE 12: OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

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

- A. Deficit fund balance of individual funds. The District and Charter School had funds with deficit fund balances at June 30, 2018, as follows:

District	
Nonmajor Fund	
Fund 24183 - USDA School Equipment Grant	\$ (24,746)
<hr/>	
Total - District	\$ (24,746)
<hr/> <hr/>	
Charter School	
Nonmajor Funds	
Fund 23000 - Non Instructional Support	\$ (170)
Fund 27107 - 2012 G.O Bond Student Library	(2,516)
Fund 27155 - Elementary Breakfast in Classroom	(299)
<hr/>	
Total - Charter School	\$ (2,985)
<hr/> <hr/>	

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 12: OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES (Continued)

- B. Excess of expenditures over appropriations. The District had no funds in which line item expenditures were in excess of the budgeted appropriations for the year ended June 30, 2019. The Charter over expended its budget in the following funds and functions:

Charter School

Nonmajor Funds

Operational - Operation of Non-Instructional Services	\$ 17,129
<hr/>	
Total - Charter School	\$ 17,129
<hr/> <hr/>	

- C. Designated cash appropriations in excess of available balance. No funds had designated cash appropriations in excess of available balances for the year ended June 30, 2019.

NOTE 13: PAYROLL RELATED EXPENDITURES

The District and Charter School’s expenditures are budgeted on a cash basis, with the exception of those expenditures related to payroll. Payroll expenditures are budgeted on the accrual basis and the beginning fund balance and current year actual expenditures are budgeted on the budgetary comparisons in those funds that have accrued payroll at year end have been adjusted to account for this requirement.

NOTE 14: CONCENTRATIONS

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

NOTE 15: COMMITMENTS

Neither the District nor the Charter School had any construction projects or any other commitments ongoing as of the year ended June 30, 2019.

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 16: JOINT POWERS AGREEMENTS

Central Region Educational District

Participants – Central Region Educational District (CREC)
Jemez Valley Public Schools

Responsible party – Central Region Educational District and Jemez Valley Public Schools

Description – CREC will provide related service providers to the district as required based on district need.

Beginning Date – August 1, 2018

Ending Date – June 30, 2019

Estimated amount of project – Administrative costs per Council decision. Not to exceed \$110,500.

Audit responsibility – Jemez Valley Public Schools

Fiscal agent – Central Region Educational District and Jemez Valley Public Schools

NOTE 17: RESTRICTED NET POSITION

The government-wide statement of net position for the District and the Charter School reports \$2,251,102 and \$224,251 respectively, of restricted net position, all of which is restricted by enabling legislation. For descriptions of the related restrictions for net position restricted for special revenue, debt service and capital projects, see pages 31 and 97-101.

NOTE 18: SUBSEQUENT EVENTS

On October 15, 2019, the District authorized a lease-purchase agreement with NMFA for the purchase and financing of education technology equipment totaling \$420,000. Leasing costs associated with this agreement total \$40,000.

The date to which events occurring after June 30, 2019, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosures is November 15, 2019, which is the date on which the financial statements were issued.

NOTE 19: SUBSEQUENT PRONOUNCEMENTS

In January 2017, GASB Statement No. 84, *Fiduciary Activities*, was issued. Effective Date: The requirements of this statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. The District is still evaluating how this pronouncement will affect the financial statements.

In June 2017, GASB Statement No. 87, *Leases*, was issued. Effective Date: The requirements of this statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The District is still evaluating how this pronouncement will affect the financial statements.

Jemez Valley Public School District No. 31
Notes to Financial Statements
June 30, 2019

NOTE 19: SUBSEQUENT PRONOUNCEMENTS (Continued)

In June 2018, GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, was issued. The requirements of this statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The District is still evaluating how this pronouncement will affect the financial statements.

In June 2018, GASB Statement No. 90, *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61*, was issued. Effective Date: The requirements of this statement are effective for reporting periods beginning after December 15, 2018. Earlier Application is encouraged. The District is still evaluating how this pronouncement will affect the financial statements.

In May 2019, GASB Statement No. 91, *Conduit Debt Obligations*, was issued. The requirements of this statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged. The District is still evaluating how this pronouncement will affect the financial statements.

NOTE 20: RECLASSIFICATION OF FUND BALANCE

The District reclassified beginning fund balance at June 30, 2018 to account for NMFA cash in the funds used to account for related debt. Cash of \$397,109 related to the Education Technology Bond associated with the Education Technology Equipment Act Fund was recorded in the Bond Building Capital Projects Fund. The result of the reclassification is as follows:

	Bond Building Capital Projects Fund 31100	Education Technology Equipment Act Fund 31900
Fund balance, June 30, 2018, as originally classified	\$ 1,578,677	\$ 124,263
Reclassification of NMFA cash	(397,109)	397,109
Fund balance, June 30, 2018, as reclassified	\$ 1,181,568	\$ 521,372

See pages 22-23 and 112-121 for detail of the reclassification presented in the Statement of Revenues, Expenditures, and Changes in Fund Balances.

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Required Supplementary Information

Jemez Valley Public School District No. 31
Schedule of Proportionate Share of the Net Pension Liability
Educational Retirement Board (ERB) Pension Plan
Last 10 Fiscal Years*

	2019	2018
	Measurement	Measurement
	Date	Date
	(As of and for	(As of and for
	the Year Ended	the Year Ended
	June 30, 2018)	June 30, 2017)
Jemez Valley Public School District's proportion of the net pension liability (asset)	0.09124%	0.08910%
Jemez Valley Public School District's proportionate share of the net pension liability (asset)	\$ 10,849,650	\$ 9,902,100
Jemez Valley Public School District's covered payroll	\$ 2,538,304	\$ 2,535,098
Jemez Valley Public School District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	427%	391%
Plan fiduciary net position as a percentage of the total pension liability	52.17%	52.95%

* 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, Jemez Valley Public School District No. 31 will present information for those years for which information is available.

See independent auditors' report.
See notes to required supplementary information.

2017 Measurement Date (As of and for the Year Ended June 30, 2016)	2016 Measurement Date (As of and for the Year Ended June 30, 2015)	2015 Measurement Date (As of and for the Year Ended June 30, 2014)
0.0971%	0.0938%	0.0852%
\$ 6,984,858	\$ 6,073,733	\$ 4,863,556
2,767,762	2,666,187	2,349,544
252%	228%	207%
61.58%	63.97%	66.54%

*See independent auditors' report.
See notes to required supplementary information.*

**Jemez Valley Public School District No. 31
San Diego Riverside Charter School
Schedule of Proportionate Share of the Net Pension Liability
Educational Retirement Board (ERB) Pension Plan
Last 10 Fiscal Years***

	2019 Measurement Date (As of and for the Year Ended June 30, 2018)	2018 Measurement Date (As of and for the Year Ended June 30, 2017)
San Diego Riverside Charter School's proportion of the net pension liability (asset)	0.02633%	0.02195%
San Diego Riverside Charter School's proportionate share of the net pension liability (asset)	\$ 3,130,382	\$ 2,439,406
San Diego Riverside Charter School's covered payroll	\$ 735,691	\$ 624,245
San Diego Riverside Charter School's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	426%	391%
Plan fiduciary net position as a percentage of the total pension liability	52.17%	52.95%

* 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, San Diego Riverside Charter School will present information for those years for which information is available.

*See independent auditors' report.
See notes to required supplementary information.*

2017	2016	2015
Measurement	Measurement	Measurement
Date	Date	Date
(As of and for	(As of and for	(As of and for
the Year Ended	the Year Ended	the Year Ended
June 30, 2016)	June 30, 2015)	June 30, 2014)
0.0230%	0.0217%	0.0188%
\$ 1,652,301	\$ 1,407,510	\$ 1,072,669
\$ 655,183	\$ 617,647	\$ 518,316
252%	228%	207%
61.58%	63.97%	66.54%

*See independent auditors' report.
See notes to required supplementary information.*

Jemez Valley Public School District No. 31
Schedule of Contributions
Educational Retirement Board (ERB) Pension Plan
Last 10 Fiscal Years*

	As of and for the Year Ended June 30, 2019	As of and for the Year Ended June 30, 2018
Contractually required contribution	\$ 363,807	\$ 352,912
Contributions in relation to the contractually required contribution	363,807	352,912
Contribution deficiency (excess)	\$ -	\$ -
Jemez Valley Public School District's covered payroll	\$ 2,617,316	\$ 2,538,304
Contribution as a percentage of covered payroll	13.90%	13.90%

* The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, Jemez Valley Public School District No. 31 will present information for those years for which information is available.

See independent auditors' report.
See notes to required supplementary information.

As of and for the Year Ended June 30, 2017	As of and for the Year Ended June 30, 2016	As of and for the Year Ended June 30, 2015
\$ 352,379	\$ 384,719	\$ 370,600
352,379	384,719	370,600
\$ -	\$ -	\$ -
\$ 2,535,098	\$ 2,767,762	\$ 2,666,187
13.90%	13.90%	13.90%

*See independent auditors' report.
See notes to required supplementary information.*

**Jemez Valley Public School District No. 31
San Diego Riverside Charter School
Schedule of Contributions
Educational Retirement Board (ERB) Pension Plan
Last 10 Fiscal Years***

	As of and for the Year Ended June 30, 2019	As of and for the Year Ended June 30, 2018
Contractually required contribution	\$ 121,076	\$ 102,261
Contributions in relation to the contractually required contribution	121,076	102,261
Contribution deficiency (excess)	\$ -	\$ -
San Diego Riverside Charter School's covered payroll	\$ 871,050	\$ 735,691
Contribution as a percentage of covered payroll	13.90%	13.90%

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

*See independent auditors' report.
See notes to required supplementary information.*

As of and for the Year Ended June 30, 2017	As of and for the Year Ended June 30, 2016	As of and for the Year Ended June 30, 2015
\$ 86,770	\$ 91,070	\$ 85,853
86,770	91,070	85,853
\$ -	\$ -	\$ -
\$ 624,245	\$ 655,183	\$ 617,647
13.90%	13.90%	13.90%

*See independent auditors' report.
See notes to required supplementary information.*

Jemez Valley Public School District No. 31
Schedule of Employer's Proportionate Share of the Net OPEB Liability of
New Mexico Retiree Health Care Act Plan
New Mexico Retiree Health Care Authority (NMRHCA) Plan
Last 10 Fiscal Years*

	2019	2018
	Measurement	Measurement
	Date	Date
	(As of and for	(As of and for
	the Year Ended	the Year Ended
	June 30, 2018)	June 30, 2017)
Jemez Valley Public School District's proportion of the net OPEB liability	0.05993%	0.05911%
Jemez Valley Public School District's proportionate share of the net OPEB liability	\$ 2,605,969	\$ 2,678,672
Jemez Valley Public School District's covered-employee payroll	\$ 2,600,750	\$ 2,537,400
Jemez Valley Public School District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	100.20%	105.57%
Plan fiduciary net position as a percentage of the total OPEB liability	13.14%	11.34%

* 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, Jemez Valley Public School District No. 31 will present information for those years for which information is available.

See independent auditors' report.
See notes to required supplementary information.

**Jemez Valley Public School District No. 31
San Diego Riverside Charter School
Schedule of Employer's Proportionate Share of the Net OPEB Liability of
New Mexico Retiree Health Care Act Plan
New Mexico Retiree Health Care Authority (NMRHCA) Plan
Last 10 Fiscal Years***

	2019 Measurement Date (As of and for the Year Ended June 30, 2018)	2018 Measurement Date (As of and for the Year Ended June 30, 2017)
San Diego Riverside Charter School's proportion of the net OPEB liability	0.01723%	0.01455%
San Diego Riverside Charter School's proportionate share of the net OPEB liability	\$ 749,222	\$ 659,358
San Diego Riverside Charter School's covered-employee payroll	\$ 735,691	\$ 624,800
San Diego Riverside Charter School's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	101.84%	105.53%
Plan fiduciary net position as a percentage of the total OPEB liability	13.14%	11.34%

* 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, San Diego Riverside Charter School will present information for those years for which information is available.

*See independent auditors' report.
See notes to required supplementary information.*

Jemez Valley Public School District No. 31
Schedule of Employer Contributions
New Mexico Retiree Health Care Authority (NMRHCA) Plan
Last 10 Fiscal Years*

	As of and for the Year Ended June 30, 2019	As of and for the Year Ended June 30, 2018
Contractually required contributions	\$ 53,115	\$ 52,015
Contributions in relation to the contractually required contribution	(53,115)	(52,015)
Contribution deficiency (excess)	\$ -	\$ -
Jemez Valley Public School District's covered-employee payroll	\$ 2,655,750	\$ 2,600,750
Contributions as a percentage of covered-employee payroll	2.00%	2.00%

* 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, Jemez Valley Public School District No. 31 will present information for those years for which information is available.

See independent auditors' report.
See notes to required supplementary information.

**Jemez Valley Public School District No. 31
San Diego Riverside Charter School
Schedule of Employer Contributions
New Mexico Retiree Health Care Authority (NMRHCA) Plan
Last 10 Fiscal Years***

	As of and for the Year Ended June 30, 2019	As of and for the Year Ended June 30, 2018
Contractually required contributions	\$ 16,864	\$ 14,714
Contributions in relation to the contractually required contribution	(16,864)	(14,714)
Contribution deficiency (excess)	\$ -	\$ -
San Diego Riverside Charter School's covered-employee payroll	\$ 843,200	\$ 735,691
Contributions as a percentage of covered-employee payroll	2.00%	2.00%

* 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, San Diego Riverside Charter School will present information for those years for which information is available.

*See independent auditors' report.
See notes to required supplementary information.*

Jemez Valley Public School District No. 31
Notes to Required Supplementary Information
June 30, 2019

New Mexico Educational Retirement Board

Changes of benefit terms.

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

Changes of assumptions.

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

New Mexico Retiree Health Care Authority

Changes of benefit terms. The NMRHCA eligibility benefits changes in recent years are described in Note 1 of the NMRHC FY18 audit available at http://nmrhca.org/uploads/FileLinks/4310380076d642ecb015117ae3cdbae8/NMRHCA_2018_OPEB_Allocation_Audit.pdf

Changes of assumptions. The New Mexico Retiree Healthcare Authority (NMRHCA) Actuarial Valuation as of June 30, 2018 report is available at http://www.nmrhca.org/uploads/FileLinks/4310380076d642ecb015117ae3cdbae8/5559596_NMRHCA_GAS_B74_Report_as_of_June_30_2018.pdf. See the notes to the financial statements beginning on page 24 which summarizes actuarial assumptions and methods effective with the June 30, 2018 valuation.

See independent auditors' report.

Supplementary Information

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Nonmajor Governmental Funds

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Jemez Valley Public School District No. 31
Nonmajor Governmental Fund Descriptions
June 30, 2019

SPECIAL REVENUE FUNDS

Food Services (21000) – This fund is used to account for all financial transactions related to the food service operation. Authority for the creation of this fund is the National School Lunch Act, as amended, 42 U.S.C. 1751 1760, 1779.

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

Non Instructional Support (23000) – To account for resources received by the District that are not restricted for the education of students. Authority for creation of this fund is the New Mexico Public Education Department School District Policies and Procedures Manual.

Title I (24101) – To account for a program funded by a Federal grant to assist the District in providing supplemental education opportunities for academically disadvantaged children in the area in which they reside. Funding is allocated to the District through the New Mexico Public Education Department. Authority for the creation of this fund is Part A, Chapter I, Title I of the Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 102-383.

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

IDEA-B Preschool (24109) – To account for a program funded by a Federal grant to assist the Schools in providing free appropriate public education to disabled children ages three to five. Federal revenues accounted for in this fund are allocated to the Schools through the New Mexico Department of Children, Youth and Families. Authority for creation of this fund is the Individuals with Disabilities Education Act (IDEA), Part B, Section 619, as amended, 20 U.S.C. 1419.

Goals 2000 (24127) – To develop and implement a comprehensive reform plan at the state, local, and school levels to improve the teaching and learning of all children. P.L. 103-227

CDC Healthy Schools (24130) – To support evidence-based strategies and activities to reduce the risk of children and adolescents developing chronic disease in the future, manage chronic conditions prevalent in student populations (asthma, diabetes, epilepsy, food allergies, oral health) and improve academic success. Long-term outcomes include: (1) increasing the number of students who consume nutritious food and beverages, (2) increasing the number of students who participate in daily physical activity, and (3) reducing chronic health issues among students and improving health outcomes in schools. This program is authorized under sections 301(a) and 317(k)(2) of the Public Health Services Act.

English Language Acquisition (24153) – To provide funds to improve the educational performance of limited English proficient students by assisting the children to learn English and meet State academic content standards. Authority for creation of this fund is the Elementary and Secondary Education Act (ESEA), as amended, Title III, Part A, Sections 3101, 3129.

Jemez Valley Public School District No. 31
Nonmajor Governmental Fund Descriptions
June 30, 2019

SPECIAL REVENUE FUNDS (Continued)

Teacher/Principal Training/Recruiting (formerly Title II A Teacher/Principal) (24154) – To improve the skills of teachers and the quality of instruction in mathematics and science and also to increase the accessibility of such instruction to all students. Authority for creation of this fund is the Rehabilitation Act of 1973, as amended, Title III, Section 303(b)-(d). 20 U.S.C. 777a and 797a.

Title I School Improvement (24162) – To account for federal funds to provide family-center education projects to help parents become full partners in the education of their children and to assist children in reaching their full potential as leaders. Authority is Public Law 100-297.

USDA School Equipment Grant (24183) – To account for federal funds to account for new kitchen equipment purchases over \$5,000. Authority for the creation of this fund is the National School Lunch Act, as amended, 42 U.S.C. 1751 1760, 1779.

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

Impact Aid Indian Education (25147) – To account for Federal grant authorized by the Elementary and Secondary Education Act, Title VIII, as amended, allowing Federal assistance to be provided to local educational agencies adversely affected by Federal activities.

Title XIX Medicaid (25153) – This fund is used to account for a program providing school-based screening, diagnostic services and other related health services and administrative activities in conformance with the approved Medicaid State Plan in order to improve health and developmental outcomes for children. Authority for the creation of this fund is the Social Security Act, Title XIX, as amended; Public Laws 89-97, 90-248, and 91-56; 42 U.S.C. 1396 et seq., as amended; Public Law 92-223; Public Law 92-603; Public Law 93-66; Public Law 93-233; Public Law 96-499; Public Law 97-35; Public Law 97-248; Public Law 98-369; Public Law 99-272; Public Law 99-509; Public Law 100-93; Public Law 100-202; Public Law 100-203; Public Law 100-360; Public Law 100-436; Public Law 100-485; Public Law 100-647; Public Law 101-166; Public Law 101-234; Public Law 101-239; Public Law 101-508; Public Law 101-517; Public Law 102-234; Public Law 102-170; Public Law 102-394; Public Law 103-66; Public Law 103-112; Public Law 103-333; Public Law 104-91; Public Law 104-191; Public Law 104-193; Public Law 104-208, 104-134; Balanced Budget Act of 1997, Public Law 105-33; Public Law 106-113; Public Law 106-554; Public Law 108-27; Public Law 108-173; Public Law 109-91; Public Law 109-171; Public Law 109-432; Public Law 110-28.

Jemez Valley Public School District No. 31
Nonmajor Governmental Fund Descriptions
June 30, 2019

SPECIAL REVENUE FUNDS (Continued)

Gear Up (25205) – To provide support and maintain a commitment, to eligible low-income students, including students with disabilities, to help the student obtain a secondary school diploma and to prepare for, and succeed in, postsecondary education. Gear Up has two major service components. All projects provide a comprehensive set of early intervention services including mentoring, tutoring, academic, and career counseling, services to increase parental involvement, and college preparation activities like exposure to college campuses and financial aid information and assistance. Authorized by Higher Education Act of 1965, as amended, Title IV, Part A, Subpart 2, Chapter 2.

Rural Education Achievement Program (25233) – To account for monies granted to help rural districts that may lack the personnel and resources to compete effectively for Federal competitive grants. Authority for the creation of this fund is the New Mexico Public Education Department.

LANL Foundation (26113) – The purpose of this fund is to account for a locally funded program for the professional development of school administrators. Funding authorized by a grant from the Los Alamos National Laboratory foundation. Fund established in accordance with grant award.

Golden Apple Foundation (26163) – The purpose of this fund is to account for a program designed to improve the quality of education for all children through recognition, recruitment, and professional development of outstanding teachers. Authority for creation of this fund is the New Mexico Public Education Department School District Policies and Procedures Manual.

2012 G.O. Bond Student Library Fund (27107) – This award allows schools to acquire library books, equipment and library resources for public school libraries statewide. The funding was made available through Senate Bill 66, Laws of 2012, 2nd Session, 2012 Senate and House Bill.

New Mexico Reads to Lead (27114) – This fund is used to purchase core reading program materials for grades K-5 in alignment with Common Core State Standards. Authority for the creation of this fund is the New Mexico Public Education Department.

Teacher Recruitment Support Initiative (27128) – To fund teacher recruitment efforts such as signing bonuses for new teachers, covering the costs of travel to a recruiting/hiring event, updates to recruitment pages on district websites, or the cost of placing advertisements in newspapers or external websites. Authority for the creation of this fund is the New Mexico Public Education Department.

Computers in Schools (27131) – To account for a state grant for computers in schools. Authority for the creation of this fund is the New Mexico Public Education Department.

Pre-K Initiative (27149) – To account for funds received to prepare children for success in school, begin to close the achievement gap between students, and help meet the vision of a seamless education system – Pre-Kindergarten through higher education. Authority for the creation of this fund is the New Mexico Public Education Department.

Jemez Valley Public School District No. 31
Nonmajor Governmental Fund Descriptions
June 30, 2019

SPECIAL REVENUE FUNDS (Continued)

Indian Education Act (27150) – To develop and evaluate the relationship between improved academic performance of American Indian students who experience a culturally relevant education curriculum. Authority for creation of this fund is the New Mexico Public Education Department.

Beginning Teacher Mentoring Program (27154) – The objective of this program is to provide beginning teachers an effective transition into the teaching profession, retain capable teachers, improve the achievement of students and improve the overall success of the school. Funding is provided by the New Mexico Board of Education. Authority for creation of this fund is NMSA 22-2-8-10.

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

Kindergarten – Three Plus (27166) – To account for funds to allow for an extended school year for Kindergarten through third grade students. The program focuses on acclimating young students to the structure of a classroom environment and spending additional time to prepare them for the next grade. Authority for the creation of this fund is the New Mexico Public Education Department.

NM Grown FVV (27183) – These funds are to be used to purchase locally grown New Mexico fresh fruits and vegetables, to be made available at no charge to students. Authority for creation of this fund is House Bill 2, General Appropriations as of 2013.

K3 Plus 4&5 Pilot (27198) – The purpose this program is to provide funding for additional educational time for students in kindergarten through third grade with at least 25 instructional days, beginning up two months earlier than the regular school year.

Natural Helpers (28195) – To account for a Peer-to-Peer primary prevention program. This program is designed to help students and staff recognize and provide help and guidance to others who may be having difficulties with situations such as depression, chemical dependency, abuse, bullying, etc. The program seeks to identify this informal network and provide training and support to young people and adults who are already serving as helpers.

Private Dir. Grants (29102) – To provide additional classroom time for seniors to meet graduation requirements at the District and to account for various private direct grants of the San Diego Riverside Charter School. Funding authority is the New Mexico Public Education Department.

City/County Grants (formerly Sandoval County Grant) (29107) – To provide support for a health education program within the school and to provide workbooks, materials for educational demonstrations and funds to support a nutrition-focused event for the school. Funding authority is the New Mexico Public Education Department.

School Based Health Center (29130) – To account for funds administered by the Department of Health and McKinley County in support of providing Primary Care and Mental Health Service on school campus. Funding authority is the New Mexico Public Education Department.

Jemez Valley Public School District No. 31
Nonmajor Governmental Fund Descriptions
June 30, 2019

CAPITAL PROJECTS FUNDS

Special Capital Outlay Federal (31500) – To account for the 20 percent of the operational property tax revenues that have been set aside for capital outlay projects. Funding authority is the New Mexico Public Education Department.

Capital Improvements SB-9 State (31700) (Charter School only) – To account for resources received through Senate Bill 9 obtained for the purpose of building, remodeling, and equipping classroom facilities. Funding authority is the New Mexico Public Education Department.

Capital Improvements SB-9 Local (31701) – To account for resources received through local tax levies obtained for the purpose of building, remodeling, and equipping classroom facilities. Funding authority is the New Mexico Public Education Department.

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

DEBT SERVICE FUNDS

Ed Tech Debt Service (43000) – To account for the accumulation of financial resources for, and the payment of, general long-term debt principal and interest. Authority for the creation of this fund is the New Mexico Public Education Department.

Jemez Valley Public School District No. 31
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2019

	Special Revenue		
	Food Services	Athletics	Non Instructional
	21000	22000	Support 23000
Assets			
Cash and cash equivalents	\$ 36,865	\$ 5,939	\$ 968
Investments	-	-	-
Receivables:			
Property taxes	-	-	-
Due from other governments	20,349	-	-
Total assets	\$ 57,214	\$ 5,939	\$ 968
Liabilities, deferred inflows of resources, and fund balances			
Liabilities			
Accounts payable	\$ -	\$ 249	\$ -
Due to charter school	-	-	-
Accrued payroll	150	-	-
Due to other funds	-	-	-
Total liabilities	150	249	-
Deferred inflows of resources			
Unavailable revenue - property taxes	-	-	-
Unavailable revenue - grant revenue	-	-	-
Total deferred inflows of resources	-	-	-
Fund balances			
Spendable:			
Restricted for:			
Food services	57,064	-	-
Extracurricular activities	-	5,690	968
Education	-	-	-
Capital acquisitions and improvements	-	-	-
Debt service	-	-	-
Unassigned	-	-	-
Total fund balances	57,064	5,690	968
Total liabilities, deferred inflows of resources, and fund balances	\$ 57,214	\$ 5,939	\$ 968

See independent auditors' report.

Special Revenue

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Preschool 24109	Goals 2000 24127	CDC Healthy Schools 24130	English Language Acquisition 24153
\$ -	\$ -	\$ -	\$ 13,255	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
42,965	58,538	3,979	-	2,943	710
<u>\$ 42,965</u>	<u>\$ 58,538</u>	<u>\$ 3,979</u>	<u>\$ 13,255</u>	<u>\$ 2,943</u>	<u>\$ 710</u>
\$ -	\$ 192	\$ -	\$ 13,255	\$ -	\$ -
15,719	21,205	-	-	-	280
370	2,284	-	-	-	-
26,876	34,525	3,393	-	2,943	430
42,965	58,206	3,393	13,255	2,943	710
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	332	586	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	332	586	-	-	-
<u>\$ 42,965</u>	<u>\$ 58,538</u>	<u>\$ 3,979</u>	<u>\$ 13,255</u>	<u>\$ 2,943</u>	<u>\$ 710</u>

See independent auditors' report.

Jemez Valley Public School District No. 31
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2019

	Special Revenue		
	Teacher/ Principal Training /Recruiting 24154	Title I School Improvement 24162	USDA School Equipment Grant 24183
Assets			
Cash and cash equivalents	\$ -	\$ -	\$ -
Investments	-	-	-
Receivables:			
Property taxes	-	-	-
Due from other governments	3,375	-	24,746
Total assets	\$ 3,375	\$ -	\$ 24,746
Liabilities, deferred inflows of resources, and fund balances			
Liabilities			
Accounts payable	\$ -	\$ -	\$ -
Due to charter school	3,085	-	-
Accrued payroll	-	-	-
Due to other funds	290	-	24,746
Total liabilities	3,375	-	24,746
Deferred inflows of resources			
Unavailable revenue - property taxes	-	-	-
Unavailable revenue - grant revenue	-	-	24,746
Total deferred inflows of resources	-	-	24,746
Fund balances			
Spendable:			
Restricted for:			
Food services	-	-	-
Extracurricular activities	-	-	-
Education	-	-	-
Capital acquisitions and improvements	-	-	-
Debt service	-	-	-
Unassigned	-	-	(24,746)
Total fund balances	-	-	(24,746)
Total liabilities, deferred inflows of resources, and fund balances	\$ 3,375	\$ -	\$ 24,746

See independent auditors' report.

Special Revenue						
Impact Aid Special Education 25145	Impact Aid Indian Education 25147	Title XIX Medicaid 25153	Gear Up 25205	Rural Education Achievement Program 25233	LANL Foundation 26113	
\$ 91,907	\$ 196,802	\$ 181,502	\$ -	\$ 6,700	\$ 1,837	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	618	-	51,662	3,242	-	
<u>\$ 91,907</u>	<u>\$ 197,420</u>	<u>\$ 181,502</u>	<u>\$ 51,662</u>	<u>\$ 9,942</u>	<u>\$ 1,837</u>	
\$ -	\$ 878	\$ -	\$ -	\$ -	\$ -	
-	-	-	-	-	-	
-	5,596	168	(1,062)	-	-	
-	-	-	52,724	-	-	
-	6,474	168	51,662	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
91,907	190,946	181,334	-	9,942	1,837	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
<u>91,907</u>	<u>190,946</u>	<u>181,334</u>	<u>-</u>	<u>9,942</u>	<u>1,837</u>	
<u>\$ 91,907</u>	<u>\$ 197,420</u>	<u>\$ 181,502</u>	<u>\$ 51,662</u>	<u>\$ 9,942</u>	<u>\$ 1,837</u>	

See independent auditors' report.

Jemez Valley Public School District No. 31
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2019

	Special Revenue		
	Golden Apple Foundation 26163	2012 G.O. Bond Student Library Fund 27107	New Mexico Reads to Lead 27114
Assets			
Cash and cash equivalents	\$ 1	\$ -	\$ 1,627
Investments	-	-	-
Receivables:			
Property taxes	-	-	-
Due from other governments	-	-	-
Total assets	\$ 1	\$ -	\$ 1,627
Liabilities, deferred inflows of resources, and fund balances			
Liabilities			
Accounts payable	\$ -	\$ -	\$ -
Due to charter school	-	-	-
Accrued payroll	-	-	-
Due to other funds	-	-	-
Total liabilities	-	-	-
Deferred inflows of resources			
Unavailable revenue - property taxes	-	-	-
Unavailable revenue - grant revenue	-	-	-
Total deferred inflows of resources	-	-	-
Fund balances			
Spendable:			
Restricted for:			
Food services	-	-	-
Extracurricular activities	-	-	-
Education	1	-	1,627
Capital acquisitions and improvements	-	-	-
Debt service	-	-	-
Unassigned	-	-	-
Total fund balances	1	-	1,627
Total liabilities, deferred inflows of resources, and fund balances	\$ 1	\$ -	\$ 1,627

See independent auditors' report.

Special Revenue

Teacher Recruitment Support Initiative 27128	Computers in Schools 27131	Pre-K Initiative 27149	Indian Education Act 27150	Beginning Teacher Mentoring 27154	Breakfast for Elementary School 27155
\$ -	\$ 1,350	\$ -	\$ -	\$ 87	\$ 120
-	-	-	-	-	-
-	-	-	-	-	-
-	-	32,388	25,753	-	-
\$ -	\$ 1,350	\$ 32,388	\$ 25,753	\$ 87	\$ 120
\$ -	\$ 1,350	\$ -	\$ -	\$ 87	\$ -
-	-	-	-	-	-
-	-	3,245	2,259	-	-
-	-	22,406	23,493	-	-
-	1,350	25,651	25,752	87	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	120
-	-	-	-	-	-
-	-	6,737	1	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	6,737	1	-	120
\$ -	\$ 1,350	\$ 32,388	\$ 25,753	\$ 87	\$ 120

See independent auditors' report.

Jemez Valley Public School District No. 31
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2019

	Special Revenue		
	Kindergarten - Three Plus 27166	NM Grown FVV 27183	K3 Plus 4&5 Pilot 27198
Assets			
Cash and cash equivalents	\$ -	\$ -	\$ -
Investments	-	-	-
Receivables:			
Property taxes	-	-	-
Due from other governments	45,223	2,738	13,773
Total assets	\$ 45,223	\$ 2,738	\$ 13,773
Liabilities, deferred inflows of resources, and fund balances			
Liabilities			
Accounts payable	\$ -	\$ -	\$ -
Due to charter school	18,321	-	6,767
Accrued payroll	-	-	-
Due to other funds	26,902	2,738	7,006
Total liabilities	45,223	2,738	13,773
Deferred inflows of resources			
Unavailable revenue - property taxes	-	-	-
Unavailable revenue - grant revenue	-	-	-
Total deferred inflows of resources	-	-	-
Fund balances			
Spendable:			
Restricted for:			
Food services	-	-	-
Extracurricular activities	-	-	-
Education	-	-	-
Capital acquisitions and improvements	-	-	-
Debt service	-	-	-
Unassigned	-	-	-
Total fund balances	-	-	-
Total liabilities, deferred inflows of resources, and fund balances	\$ 45,223	\$ 2,738	\$ 13,773

See independent auditors' report.

Special Revenue				Capital Projects			
Natural Helpers 28195	Private Dir. Grants 29102	City/County Grants 29107	School Based Health Center 29130	Special Capital Outlay Federal 31500	Capital Improvements SB-9 31700		
\$ 13,034	\$ 83,967	\$ 2,912	\$ 11,808	\$ 52,493	\$ -		
-	-	-	-	-	-		
-	-	-	-	-	-		
-	-	-	-	-	-		24,438
\$ 13,034	\$ 83,967	\$ 2,912	\$ 11,808	\$ 52,493	\$ 24,438		
\$ 4,592	\$ -	\$ -	\$ 203	\$ -	\$ -		
-	-	-	-	-	-		
-	50	-	-	-	-		
-	-	-	-	-	-		24,438
4,592	50	-	203	-	-		24,438
-	-	-	-	-	-		
-	-	-	-	-	-		
-	-	-	-	-	-		
-	-	-	-	-	-		
8,442	83,917	2,912	11,605	-	-		
-	-	-	-	52,493	-		
-	-	-	-	-	-		
-	-	-	-	-	-		
8,442	83,917	2,912	11,605	52,493	-		
\$ 13,034	\$ 83,967	\$ 2,912	\$ 11,808	\$ 52,493	\$ 24,438		

See independent auditors' report.

Jemez Valley Public School District No. 31
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2019

	<u>Capital Projects</u>		<u>Debt Service</u>	
	Capital Improvements SB-9 - Local 31701	Education Technology Equipment Act 31900	Ed Tech Debt 43000	
Assets				
Cash and cash equivalents	\$ 55,964	\$ 169,403	\$ 288,958	
Investments	-	293,466	-	
Receivables:				
Property taxes	26,285	-	23,597	
Due from other governments	-	-	-	
Total assets	\$ 82,249	\$ 462,869	\$ 312,555	
Liabilities, deferred inflows of resources, and fund balances				
Liabilities				
Accounts payable	\$ 25,487	\$ -	\$ -	
Due to charter school	-	-	-	
Accrued payroll	-	-	-	
Due to other funds	-	-	-	
Total liabilities	25,487	-	-	
Deferred inflows of resources				
Unavailable revenue - property taxes	21,370	-	20,054	
Unavailable revenue - grant revenue	-	-	-	
Total deferred inflows of resources	21,370	-	20,054	
Fund balances				
Spendable:				
Restricted for:				
Food services	-	-	-	
Extracurricular activities	-	-	-	
Education	-	-	-	
Capital acquisitions and improvements	35,392	462,869	-	
Debt service	-	-	292,501	
Unassigned	-	-	-	
Total fund balances	35,392	462,869	292,501	
Total liabilities, deferred inflows of resources, and fund balances	\$ 82,249	\$ 462,869	\$ 312,555	

See independent auditors' report.

Nonmajor Governmental Funds	
\$	1,217,499 293,466
	49,882 357,440
	<u>1,918,287</u>
\$	46,293 65,377 13,060 252,910
	<u>377,640</u>
	41,424 24,746
	<u>66,170</u>
	57,184 6,658 592,126 550,754 292,501 (24,746)
	<u>1,474,477</u>
\$	<u>1,918,287</u>

See independent auditors' report.

Jemez Valley Public School District No. 31
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2019

	Special Revenue		
	Food Services 21000	Athletics 22000	Non Instructional Support 23000
Revenues			
Property taxes	\$ -	\$ -	\$ -
Intergovernmental revenue:			
Federal flowthrough	182,210	-	-
Federal direct	-	-	-
State flowthrough	20,349	-	-
State direct	-	-	-
Charges for services	3,180	11,034	-
Investment income	-	-	-
Total revenues	205,739	11,034	-
Expenditures			
Current:			
Instruction	-	14,026	-
Support services - students	-	-	-
Support services - instruction	-	-	-
Support services - general administration	-	-	-
Support services - school administration	-	-	-
Central services	-	-	-
Operation and maintenance of plant	-	-	-
Student transportation	-	-	-
Food services operations	192,198	-	-
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	192,198	14,026	-
Excess (deficiency) of revenues over expenditures	13,541	(2,992)	-
Net change in fund balances	13,541	(2,992)	-
Fund balances, beginning, as originally classified	43,523	8,682	968
Fund balances - reclassification (note 20)	-	-	-
Fund balances, beginning, as reclassified	43,523	8,682	968
Fund balances - end of year	\$ 57,064	\$ 5,690	\$ 968

See independent auditors' report.

Special Revenue

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Preschool 24109	Goals 2000 24127	CDC Healthy Schools 24130	English Language Acquisition 24153
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
84,717	95,961	3,979	-	3,211	5,210
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
84,717	95,961	3,979	-	3,211	5,210
24,671	59,996	3,979	-	-	4,500
28,816	5,895	-	-	3,211	-
-	-	-	-	-	-
3,789	3,500	-	-	-	430
-	-	-	-	-	-
27,441	26,570	-	-	-	280
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
84,717	95,961	3,979	-	3,211	5,210
-	-	-	-	-	-
-	-	-	-	-	-
-	332	586	-	-	-
-	-	-	-	-	-
-	332	586	-	-	-
\$ -	\$ 332	\$ 586	\$ -	\$ -	\$ -

See independent auditors' report.

Jemez Valley Public School District No. 31
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2019

	Special Revenue		
	Teacher/ Principal Training /Recruiting 24154	Title I School Improvement 24162	USDA School Equipment Grant 24183
Revenues			
Property taxes	\$ -	\$ -	\$ -
Intergovernmental revenue:			
Federal flowthrough	6,042	-	-
Federal direct	-	-	-
State flowthrough	-	-	-
State direct	-	-	-
Charges for services	-	-	-
Investment income	-	-	-
Total revenues	6,042	-	-
Expenditures			
Current:			
Instruction	2,605	-	-
Support services - students	-	-	-
Support services - instruction	-	-	-
Support services - general administration	352	-	-
Support services - school administration	-	-	-
Central services	3,085	-	-
Operation and maintenance of plant	-	-	-
Student transportation	-	-	-
Food services operations	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	6,042	-	-
Excess (deficiency) of revenues over expenditures	-	-	-
Net change in fund balances	-	-	-
Fund balances, beginning, as originally classified	-	-	(24,746)
Fund balances - reclassification (note 20)	-	-	-
Fund balances, beginning, as reclassified	-	-	(24,746)
Fund balances - end of year	\$ -	\$ -	\$ (24,746)

See independent auditors' report.

Special Revenue					
Impact Aid Special Education 25145	Impact Aid Indian Education 25147	Title XIX Medicaid 25153	Rural Education Achievement Program 25205	Rural Education Achievement Program 25233	LANL Foundation 26113
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
65,569	352,964	36,892	211,355	13,081	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
65,569	352,964	36,892	211,355	13,081	-
3,233	68,622	-	99,940	13,081	-
-	56,405	45,102	105,408	-	-
-	15,225	-	-	-	-
1,538	27,708	-	4,780	-	-
-	739	-	-	-	-
8,495	172,931	-	1,227	-	-
-	10,962	-	-	-	1,788
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
13,266	352,592	45,102	211,355	13,081	1,788
52,303	372	(8,210)	-	-	(1,788)
52,303	372	(8,210)	-	-	(1,788)
39,604	190,574	189,544	-	9,942	3,625
-	-	-	-	-	-
39,604	190,574	189,544	-	9,942	3,625
\$ 91,907	\$ 190,946	\$ 181,334	\$ -	\$ 9,942	\$ 1,837

See independent auditors' report.

Jemez Valley Public School District No. 31
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2019

	Special Revenue		
	Golden Apple Foundation 26163	2012 G.O. Bond Student Library Fund 27107	New Mexico Reads to Lead 27114
Revenues			
Property taxes	\$ -	\$ -	\$ -
Intergovernmental revenue:			
Federal flowthrough	-	-	-
Federal direct	-	-	-
State flowthrough	-	634	-
State direct	-	-	-
Charges for services	-	-	-
Investment income	-	-	-
Total revenues	-	634	-
Expenditures			
Current:			
Instruction	-	-	-
Support services - students	-	-	-
Support services - instruction	-	634	-
Support services - general administration	-	-	-
Support services - school administration	-	-	-
Central services	-	-	-
Operation and maintenance of plant	-	-	-
Student transportation	-	-	-
Food services operations	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	-	634	-
Excess (deficiency) of revenues over expenditures	-	-	-
Net change in fund balances	-	-	-
Fund balances, beginning, as originally classified	1	-	1,627
Fund balances - reclassification (note 20)	-	-	-
Fund balances, beginning, as reclassified	1	-	1,627
Fund balances - end of year	\$ 1	\$ -	\$ 1,627

See independent auditors' report.

Special Revenue						
Teacher Recruitment Support Initiative 27128	Computers in Schools 27131	Pre-K Initiative 27149	Indian Education Initiative 27150	Beginning Teacher Mentoring Program 27154	Elementary Breakfast in Classroom 27155	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
-	-	-	-	-	-	-
-	-	96,221	29,687	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	96,221	29,687	-	-	-
-	-	95,290	1	-	-	-
-	-	-	30,571	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	3,840	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	99,130	30,572	-	-	-
-	-	(2,909)	(885)	-	-	-
-	-	(2,909)	(885)	-	-	-
-	-	9,646	886	-	-	120
-	-	-	-	-	-	-
-	-	9,646	886	-	-	120
\$ -	\$ -	\$ 6,737	\$ 1	\$ -	\$ -	120

See independent auditors' report.

Jemez Valley Public School District No. 31
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2019

	Special Revenue		
	Kindergarten - Three Plus 27166	NM Grown FVV 27183	K3 Plus 4&5 Pilot 27198
Revenues			
Property taxes	\$ -	\$ -	\$ -
Intergovernmental revenue:			
Federal flowthrough	-	-	-
Federal direct	-	2,738	13,773
State flowthrough	71,288	2,262	-
State direct	-	-	-
Charges for services	-	-	-
Investment income	-	-	-
Total revenues	71,288	5,000	13,773
Expenditures			
Current:			
Instruction	42,271	-	6,044
Support services - students	-	-	-
Support services - instruction	-	-	-
Support services - general administration	-	-	-
Support services - school administration	8,107	-	-
Central services	18,321	-	6,767
Operation and maintenance of plant	-	-	-
Student transportation	2,589	-	962
Food services operations	-	5,000	-
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	71,288	5,000	13,773
Excess (deficiency) of revenues over expenditures	-	-	-
Net change in fund balances	-	-	-
Fund balances, beginning, as originally classified	-	-	-
Fund balances - reclassification (note 20)	-	-	-
Fund balances, beginning, as reclassified	-	-	-
Fund balances - end of year	\$ -	\$ -	\$ -

See independent auditors' report.

Special Revenue				Capital Projects		
Natural Helpers	Private Dir. Grants	City/County Grants	School Based Health Center	Special Capital Outlay Federal	Capital Improvements SB-9	Capital Improvements SB-9
28195	29102	29107	29130	31500	31700	31700
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	25,617	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	24,438
5,000	80,138	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
5,000	80,138	-	-	25,617	-	24,438
7,646	34,373	-	-	-	-	-
-	-	-	3,956	-	-	-
-	-	184	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	3,086	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	24,438
-	-	-	-	-	-	-
-	-	-	-	-	-	-
7,646	34,373	3,270	3,956	-	-	24,438
(2,646)	45,765	(3,270)	(3,956)	25,617	-	-
(2,646)	45,765	(3,270)	(3,956)	25,617	-	-
11,088	38,152	6,182	15,561	26,876	-	-
-	-	-	-	-	-	-
11,088	38,152	6,182	15,561	26,876	-	-
\$ 8,442	\$ 83,917	\$ 2,912	\$ 11,605	\$ 52,493	\$ -	\$ -

See independent auditors' report.

Jemez Valley Public School District No. 31
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2019

	<u>Capital Projects</u>		<u>Debt Service</u>
	Capital Improvements SB-9 - Local 31701	Education Technology Equipment Act 31900	Ed Tech Debt 43000
Revenues			
Property taxes	\$ 202,157	\$ -	\$ 149,028
Intergovernmental revenue:			
Federal flowthrough	-	-	-
Federal direct	-	-	-
State flowthrough	-	-	-
State direct	-	-	-
Charges for services	-	-	-
Investment income	-	8,318	-
Total revenues	202,157	8,318	149,028
Expenditures			
Current:			
Instruction	-	-	-
Support services - students	-	-	-
Support services - instruction	-	-	-
Support services - general administration	2,022	-	1,492
Support services - school administration	-	-	-
Central services	-	-	-
Operation and maintenance of plant	222,197	66,821	-
Student transportation	-	-	-
Food services operations	-	-	-
Capital outlay	9,154	-	-
Debt service:			
Principal	-	-	115,000
Interest	-	-	3,836
Total expenditures	233,373	66,821	120,328
Excess (deficiency) of revenues over expenditures	(31,216)	(58,503)	28,700
Net change in fund balances	(31,216)	(58,503)	28,700
Fund balances, beginning, as originally classified	66,608	124,263	263,801
Fund balances - reclassification (note 20)	-	397,109	-
Fund balances, beginning, as reclassified	66,608	521,372	263,801
Fund balances - end of year	\$ 35,392	\$ 462,869	\$ 292,501

See independent auditors' report.

Nonmajor Governmental Funds	
\$	351,185
	406,947
	696,372
	244,879
	85,138
	14,214
	8,318
	<u>1,807,053</u>
	480,278
	279,364
	16,043
	45,611
	8,846
	265,117
	304,854
	7,391
	197,198
	33,592
	115,000
	3,836
	<u>1,757,130</u>
	49,923
	49,923
	1,027,445
	397,109
	<u>1,424,554</u>
\$	<u><u>1,474,477</u></u>

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General Fund

Jemez Valley Public School District No. 31
Combining Balance Sheet
General Fund
June 30, 2019

	Operating 11000	Teacherage 12000	Pupil Transportation 13000
Assets			
Cash and cash equivalents	\$ 831,500	\$ 73,147	\$ 64,584
Receivables:			
Property taxes	4,493	-	-
Due from other governments	-	-	800
Other	5,176	-	-
Due from other funds	252,910	-	-
Total assets	\$ 1,094,079	\$ 73,147	\$ 65,384
Liabilities, deferred inflows of resources, and fund balances			
Liabilities			
Accounts payable	\$ 37,987	\$ -	\$ 609
Accrued payroll	96,448	-	4,971
Total liabilities	134,435	-	5,580
Deferred inflows of resources			
Unavailable revenue - property taxes	3,670	-	-
Total deferred inflows of resources	3,670	-	-
Fund Balances			
Spendable:			
Restricted for:			
Teacherage	-	73,147	-
Transportation	-	-	59,804
Instructional materials	-	-	-
Committed for:			
Subsequent year's expenditures	871,438	-	-
Unassigned	84,536	-	-
Total fund balances	955,974	73,147	59,804
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,094,079	\$ 73,147	\$ 65,384

See independent auditors' report.

Instructional Materials			
14000		Total	
\$	20,459	\$	989,690
	-		4,493
	-		800
	-		5,176
	-		252,910
<hr/>			
\$	20,459	\$	1,253,069
<hr/>			
\$	-	\$	38,596
	-		101,419
<hr/>			
	-		140,015
<hr/>			
	-		3,670
<hr/>			
	-		3,670
<hr/>			
	-		73,147
	-		59,804
	20,459		20,459
	-		871,438
	-		84,536
<hr/>			
	20,459		1,109,384
<hr/>			
\$	20,459	\$	1,253,069
<hr/>			

See independent auditors' report.

Jemez Valley Public School District No. 31
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
General Fund
For the Year Ended June 30, 2019

	Operating 11000	Teacherage 12000	Pupil Transportation 13000
Revenues			
Property taxes	\$ 32,742	\$ -	\$ -
Intergovernmental revenue:			
Federal flowthrough	27,389	-	-
Federal direct	1,385,277	-	-
State equalization guarantee	2,169,698	-	-
State flowthrough	1,235	-	800
Transportation distribution	-	-	297,928
Charges for services	34,266	16,350	-
Miscellaneous	18,896	-	-
Total revenues	3,669,503	16,350	298,728
Expenditures			
Current:			
Instruction	1,800,211	-	-
Support services - students	277,812	-	-
Support services - instruction	75,576	-	-
Support services - general administration	337,606	-	-
Support services - school administration	280,292	-	-
Central services	241,796	-	-
Operation and maintenance plant	769,743	4,852	-
Student transportation	-	-	306,252
Capital outlay	232,402	-	-
Total expenditures	4,015,438	4,852	306,252
Excess (deficiency) of revenues over expenditures	(345,935)	11,498	(7,524)
Net change in fund balances	(345,935)	11,498	(7,524)
Fund balances - beginning	1,301,909	61,649	67,328
Fund balances - end of year	\$ 955,974	\$ 73,147	\$ 59,804

See independent auditors' report.

Instructional Materials 14000	Total
\$ -	\$ 32,742
-	27,389
-	1,385,277
-	2,169,698
9,453	11,488
-	297,928
-	50,616
-	18,896
<u>9,453</u>	<u>3,994,034</u>
5,645	1,805,856
-	277,812
-	75,576
-	337,606
-	280,292
-	241,796
-	774,595
-	306,252
-	232,402
<u>5,645</u>	<u>4,332,187</u>
<u>3,808</u>	<u>(338,153)</u>
<u>3,808</u>	<u>(338,153)</u>
<u>16,651</u>	<u>1,447,537</u>
<u>\$ 20,459</u>	<u>\$ 1,109,384</u>

See independent auditors' report.

Jemez Valley Public School District No. 31
Operating Fund - 11000
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
Revenues				
Property taxes	\$ 31,555	\$ 31,555	\$ 32,744	\$ 1,189
Intergovernmental revenue:				
Federal flowthrough	8,000	21,462	27,389	5,927
Federal direct	1,060,984	1,138,766	1,385,277	246,511
State equalization guarantee	2,407,410	2,407,410	2,188,269	(219,141)
State flowthrough	685	685	1,235	550
State direct	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	15,225	15,225	29,090	13,865
Investment income	-	-	-	-
Miscellaneous	-	-	325	325
Total revenues	3,523,859	3,615,103	3,664,329	49,226
Expenditures				
Current:				
Instruction	1,965,104	2,112,969	1,861,355	251,614
Support services - students	363,848	378,526	274,534	103,992
Support services - instruction	88,042	88,342	74,833	13,509
Support services - general admin.	319,161	405,613	326,107	79,506
Support services - school admin.	280,652	288,115	279,866	8,249
Central services	255,102	310,447	229,560	80,887
Operation and maintenance of plant	809,729	1,013,569	713,943	299,626
Student transportation	-	500	-	500
Other support services	10,073	10,073	-	10,073
Capital outlay	-	275,000	247,380	27,620
Total expenditures	4,091,711	4,883,154	4,007,578	875,576
Excess (deficiency) of revenues over expenditures	(567,852)	(1,268,051)	(343,249)	924,802
Other financing sources (uses)				
Designated cash (budgeted increase in cash)	567,852	1,268,051	-	(1,268,051)
Total other financing sources (uses)	567,852	1,268,051	-	(1,268,051)
Net change in fund balance	-	-	(343,249)	(343,249)
Fund balance - beginning of year	-	-	1,331,211	1,331,211
Fund balance - end of year	\$ -	\$ -	\$ 987,962	\$ 987,962
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (343,249)
Adjustments to revenues for taxes and state revenues				5,174
Adjustments to expenditures for supplies and payroll expenditures				(7,860)
Net change in fund balance (GAAP Basis)				\$ (345,935)

See independent auditors' report.

Jemez Valley Public School District No. 31
Teacherage Fund - 12000
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
Revenues				
Charges for services	\$ 15,600	\$ 15,600	\$ 16,350	\$ 750
Total revenues	15,600	15,600	16,350	750
Expenditures				
Current:				
Operation and maintenance of plant	78,039	77,250	4,852	72,398
Total expenditures	78,039	77,250	4,852	72,398
Excess (deficiency) of revenues over expenditures	(62,439)	(61,650)	11,498	73,148
Other financing sources (uses)				
Designated cash (budgeted increase in cash)	62,439	61,650	-	(61,650)
Total other financing sources (uses)	62,439	61,650	-	(61,650)
Net change in fund balance	-	-	11,498	11,498
Fund balance - beginning of year	-	-	61,649	61,649
Fund balance - end of year	\$ -	\$ -	\$ 73,147	\$ 73,147
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 11,498
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				\$ 11,498

See independent auditors' report.

Jemez Valley Public School District No. 31
Pupil Transportation Fund - 13000
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
Revenues				
Transportation distribution	\$ 297,813	\$ 297,813	\$ 297,928	\$ 115
Total revenues	297,813	297,813	297,928	115
Expenditures				
Current:				
Student transportation	297,813	331,477	305,833	25,644
Total expenditures	297,813	331,477	305,833	25,644
Excess (deficiency) of revenues over expenditures	-	(33,664)	(7,905)	25,759
Other financing sources (uses)				
Designated cash (budgeted increase in cash)	-	33,664	-	(33,664)
Total other financing sources (uses)	-	33,664	-	(33,664)
Net change in fund balance	-	-	(7,905)	(7,905)
Fund balance - beginning of year	-	-	67,518	67,518
Fund balance - end of year	\$ -	\$ -	\$ 59,613	\$ 59,613
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (7,905)
Adjustments to revenues for amounts receivable				800
Adjustments to expenditures for payroll and student transportation				(419)
Net change in fund balance (GAAP Basis)				\$ (7,524)

See independent auditors' report.

Jemez Valley Public School District No. 31
Instructional Materials Fund - 14000
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
Revenues				
State flowthrough	\$ 9,453	\$ 9,453	\$ 9,453	\$ -
Total revenues	9,453	9,453	9,453	-
Expenditures				
Current:				
Instruction	9,453	9,453	5,645	3,808
Total expenditures	9,453	9,453	5,645	3,808
Excess (deficiency) of revenues over expenditures	-	-	3,808	3,808
Net change in fund balance	-	-	3,808	3,808
Fund balance - beginning of year	-	-	16,651	16,651
Fund balance - end of year	\$ -	\$ -	\$ 20,459	\$ 20,459
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 3,808
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				\$ 3,808

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San Diego Riverside Charter School
Component Unit of Jemez Valley Public School District No. 31

Jemez Valley Public School District No. 31
San Diego Riverside Charter School
Combining Balance Sheet
Governmental Funds
June 30, 2019

	General Fund		Special Revenue	
	Operational 11000	Instructional Materials 14000	Food Services 21000	Non Instructional Support 23000
Assets				
Cash	\$ 1,868	\$ 878	\$ 29,830	\$ 321
Receivables:				
Due from other governments	-	400	11,534	-
Due from other funds	101,372	-	-	-
Total assets	\$ 103,240	\$ 1,278	\$ 41,364	\$ 321
Liabilities and fund balances				
Liabilities				
Accounts payable	\$ 4,143	\$ -	\$ -	\$ 491
Accrued payroll	83,798	-	5,471	-
Due to other funds	-	-	-	-
Total liabilities	87,941	-	5,471	491
Fund balances				
Spendable:				
Restricted for:				
Instructional materials	-	1,278	-	-
Food services	-	-	35,893	-
Education	-	-	-	-
Committed for:				
Subsequent year's expenditures	7,000	-	-	-
Unassigned	8,299	-	-	(170)
Total fund balances	15,299	1,278	35,893	(170)
Total liabilities and fund balances	\$ 103,240	\$ 1,278	\$ 41,364	\$ 321

See independent auditors' report.

Special Revenue					
Title I IASA 24101	IDEA-B Entitlement 24106	English Language Acquisition 24153	Teacher/ Principal Training 24154	Impact Aid Special Education 25145	Impact Aid Indian Education 25147
\$ -	\$ -	\$ -	\$ -	\$ 5,961	\$ 63,985
15,718	21,204	1,182	3,085	-	-
-	-	-	-	-	-
<u>\$ 15,718</u>	<u>\$ 21,204</u>	<u>\$ 1,182</u>	<u>\$ 3,085</u>	<u>\$ 5,961</u>	<u>\$ 63,985</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2,543	3,635	-	-	-	8,051
13,175	17,569	1,182	3,085	-	-
15,718	21,204	1,182	3,085	-	8,051
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	5,961	55,934
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	5,961	55,934
<u>\$ 15,718</u>	<u>\$ 21,204</u>	<u>\$ 1,182</u>	<u>\$ 3,085</u>	<u>\$ 5,961</u>	<u>\$ 63,985</u>

See independent auditors' report.

Jemez Valley Public School District No. 31
San Diego Riverside Charter School
Combining Balance Sheet
Governmental Funds
June 30, 2019

	Special Revenue			
	Title XIX Medicaid 25153	2012 G.O. Bond Student Library Fund 27107	Indian Education Act 27150	Elementary Breakfast in Classroom 27155
Assets				
Cash	\$ 15,130	\$ -	\$ -	\$ -
Receivables:				
Due from other governments	-	1,646	51,815	-
Due from other funds	-	-	-	-
Total assets	\$ 15,130	\$ 1,646	\$ 51,815	\$ -
Liabilities and fund balances				
Liabilities				
Accounts payable	\$ -	\$ 412	\$ -	\$ -
Accrued payroll	-	-	4,747	-
Due to other funds	-	3,750	47,068	299
Total liabilities	-	4,162	51,815	299
Fund balances				
Spendable:				
Restricted for:				
Instructional materials	-	-	-	-
Food services	-	-	-	-
Education	15,130	-	-	-
Committed for:				
Subsequent year's expenditures	-	-	-	-
Unassigned	-	(2,516)	-	(299)
Total fund balances	15,130	(2,516)	-	(299)
Total liabilities and fund balances	\$ 15,130	\$ 1,646	\$ 51,815	\$ -

See independent auditors' report.

Special Revenue			Capital Projects		Total Governmental Funds
Kindergarden 3 plus 27166	K3 Plus 4 & 5 Pilot 27198	Teen Pregnancy Fund 29102	Public School Capital Outlay 31200		
\$ -	\$ -	\$ 43,511	\$ -	\$ -	161,484
18,320	6,767	-	-	-	131,671
-	-	-	-	-	101,372
<u>\$ 18,320</u>	<u>\$ 6,767</u>	<u>\$ 43,511</u>	<u>\$ -</u>	<u>\$ -</u>	<u>394,527</u>
\$ -	\$ -	\$ -	\$ -	\$ -	5,046
7,266	2,577	7,951	-	-	126,039
11,054	4,190	-	-	-	101,372
<u>18,320</u>	<u>6,767</u>	<u>7,951</u>	<u>-</u>	<u>-</u>	<u>232,457</u>
-	-	-	-	-	1,278
-	-	-	-	-	35,893
-	-	35,560	-	-	112,585
-	-	-	-	-	7,000
-	-	-	-	-	5,314
-	-	35,560	-	-	162,070
<u>\$ 18,320</u>	<u>\$ 6,767</u>	<u>\$ 43,511</u>	<u>\$ -</u>	<u>\$ -</u>	<u>394,527</u>

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Jemez Valley Public School District No. 31
San Diego Riverside Charter School
Reconciliation of the Governmental Funds Combining Balance Sheet
to the Statement of Net Position
June 30, 2019

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

Fund balances - total governmental funds	\$	162,070
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds		425,939
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and therefore, are not reported in funds:		
Deferred outflows related to pensions (note 9)		1,044,277
Deferred outflows related OPEB (note 10)		139,889
Deferred inflows related to pensions (note 9)		(89,983)
Deferred inflows related to OPEB (note 10)		(193,585)
Liabilities, including net pension liability and the OPEB liability, are not due and payable in the current period and, therefore, are not reported in the funds:		
Net pension liability		(3,130,382)
OPEB liability		(749,222)
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Total net position - governmental funds	\$	(2,390,997)
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Jemez Valley Public School District No. 31
San Diego Riverside Charter School
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2019

	General Fund		Special Revenue	
	Operational 11000	Instructional Materials 14000	Food Services 21000	Non Instructional Support 23000
Revenues				
Intergovernmental revenue:				
Federal flowthrough	\$ -	\$ -	\$ 78,992	\$ -
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	909,992	3,496	-	-
State direct	-	-	27,463	-
Charges for services	60	-	-	17,467
Miscellaneous income	157,151	-	-	242
Total revenues	1,067,203	3,496	106,455	17,709
Expenditures				
Current:				
Instruction	654,718	2,724	-	17,207
Support services - students	24,298	-	-	-
Support services - instruction	20,064	-	-	-
Support services - general administration	111,935	-	-	-
Support services - school administration	59,883	-	-	-
Central services	70,549	-	-	-
Operation and maintenance of plant	169,813	-	-	-
Food services operations	17,219	-	80,998	-
Capital outlay	25,247	-	-	-
Total expenditures	1,153,726	2,724	80,998	17,207
Excess (deficiency) of revenues over expenditures	(86,523)	772	25,457	502
Net change in fund balances	(86,523)	772	25,457	502
Fund balances - beginning	101,822	506	10,436	(672)
Fund balances - end of year	\$ 15,299	\$ 1,278	\$ 35,893	\$ (170)

See independent auditors' report.

Special Revenue						
Title I IASA 24101	IDEA-B Entitlement 24106	English Language Acquisition 24153	Teacher/ Principal Training 24154	Impact Aid Special Education 25145	Impact Aid Indian Education 25147	
\$ 27,440	\$ 26,569	\$ -	\$ 3,085	\$ -	\$ -	
-	-	-	-	8,495	139,279	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
27,440	26,569	-	3,085	8,495	139,279	
27,440	21,771	-	3,085	5,778	86,966	
-	4,798	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	20,730	
-	-	-	-	-	-	
27,440	26,569	-	3,085	5,778	107,696	
-	-	-	-	2,717	31,583	
-	-	-	-	2,717	31,583	
-	-	-	-	3,244	24,351	
\$ -	\$ -	\$ -	\$ -	\$ 5,961	\$ 55,934	

See independent auditors' report.

Jemez Valley Public School District No. 31
San Diego Riverside Charter School
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2019

	Special Revenue			
	Title XIX Medicaid 25153	2012 G.O. Bond Student Library Fund 27107	Indian Education Act 27150	Elementary Breakfast in Classroom 27155
Revenues				
Intergovernmental revenue:				
Federal flowthrough	\$ -	\$ -	\$ -	\$ -
Federal direct	8,838	-	-	-
Local sources	-	-	-	-
State flowthrough	-	1,646	51,815	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous income	-	-	-	-
Total revenues	8,838	1,646	51,815	-
Expenditures				
Current:				
Instruction	10,739	-	51,815	-
Support services - students	-	-	-	-
Support services - instruction	-	2,058	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	10,739	2,058	51,815	-
Excess (deficiency) of revenues over expenditures	(1,901)	(412)	-	-
Net change in fund balances	(1,901)	(412)	-	-
Fund balances - beginning	17,031	(2,104)	-	(299)
Fund balances - end of year	\$ 15,130	\$ (2,516)	\$ -	\$ (299)

See independent auditors' report.

Special Revenue			Capital Projects		
Kindergarden 3 plus 27166	K3 Plus 4 & 5 Pilot 27198	Teen Pregnancy Fund 29102	Public School Capital Outlay 31200	Total Governmental Funds	
\$ -	\$ -	\$ -	\$ -	\$ -	136,086
-	-	-	-	-	156,612
-	-	89,784	-	-	89,784
18,320	6,767	-	53,511	-	1,045,547
-	-	-	-	-	27,463
-	-	-	-	-	17,527
-	-	-	-	-	157,393
18,320	6,767	89,784	53,511	-	1,630,412
18,320	6,767	91,232	-	-	998,562
-	-	-	-	-	29,096
-	-	-	-	-	22,122
-	-	-	-	-	111,935
-	-	-	-	-	59,883
-	-	-	-	-	70,549
-	-	-	-	-	190,543
-	-	-	-	-	98,217
-	-	-	53,511	-	78,758
18,320	6,767	91,232	53,511	-	1,659,665
-	-	(1,448)	-	-	(29,253)
-	-	(1,448)	-	-	(29,253)
-	-	37,008	-	-	191,323
\$ -	\$ -	\$ 35,560	\$ -	\$ -	162,070

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**Jemez Valley Public School District No. 31
San Diego Riverside Charter School
Reconciliation of the Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2019**

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

Net change in fund balances - total governmental funds	\$	(29,253)
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital expenditures		78,758
Depreciation expense		(31,546)

Governmental funds report Charter School pension and OPEB contributions as expenditures. However, in the statement of activities, the cost of pension benefits and OPEB earned net of employee contributions is reported as pension and OPEB expense:

Pension contribution subsequent to the measurement date		121,076
Pension expense		(670,414)
OPEB contribution subsequent to the measurement date		16,864
OPEB expense		(25,071)

Change in net position of governmental activities	\$	(539,586)
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Jemez Valley Public School District No. 31
San Diego Riverside Charter School
General Fund - Operational Fund - 11000
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	894,825	909,991	909,992	1
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	54,674	161,332	157,211	(4,121)
Total revenues	949,499	1,071,323	1,067,203	(4,120)
Expenditures				
Current:				
Instruction	554,905	658,552	657,746	806
Support services	202,844	188,851	214,873	(26,022)
Central services	77,882	65,015	70,715	(5,700)
Operation and maintenance of plant	102,104	265,947	194,249	71,698
Student transportation	-	-	-	-
Food services operations	-	-	17,219	(17,219)
Community services operations	-	-	-	-
Capital outlay	95,136	-	-	-
Total expenditures	1,032,871	1,178,365	1,154,802	23,563
Excess (deficiency) of revenues over expenditures	(83,372)	(107,042)	(87,599)	19,443
Other financing sources (uses)				
Designated cash (budgeted increase in cash)	83,372	107,042	-	(107,042)
Total other financing sources (uses)	83,372	107,042	-	(107,042)
Net change in fund balance	-	-	(87,599)	(87,599)
Fund balance - beginning of year	-	-	107,041	107,041
Fund balance - end of year	\$ -	\$ -	\$ 19,442	\$ 19,442
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (87,599)
No adjustments to revenue				-
Adjustments to expenditures for supplies and payroll expenditures				1,076
Net change in fund balance (GAAP Basis)				\$ (86,523)

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Jemez Valley Public School District No. 31
San Diego Riverside Charter School
General Fund - Instructional Fund - 14000
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	3,496	3,496	3,096	(400)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	3,496	3,496	3,096	(400)
Expenditures				
Current:				
Instruction	-	3,496	2,724	772
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	3,496	2,724	772
Excess (deficiency) of revenues over expenditures	3,496	-	372	372
Other financing sources (uses)				
Designated cash (budgeted increase in cash)	(3,496)	-	-	-
Total other financing sources (uses)	(3,496)	-	-	-
Net change in fund balance	-	-	372	372
Fund balance - beginning of year	-	-	506	506
Fund balance - end of year	\$ -	\$ -	\$ 878	\$ 878
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 372
Adjustment to revenues for state flowthrough revenue				400
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				\$ 772

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Jemez Valley Public School District No. 31
San Diego Riverside Charter School
Food Service Fund - 21000
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue:				
Federal flowthrough	70,000	70,000	75,727	5,727
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	2,000	11,000	22,307	11,307
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	72,000	81,000	98,034	17,034
Expenditures				
Current:				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	85,747	79,133	80,998	(1,865)
Community services operations	-	-	-	-
Capital outlay	725	1,867	-	1,867
Total expenditures	86,472	81,000	80,998	2
Excess (deficiency) of revenues over expenditures	(14,472)	-	17,036	17,036
Other financing sources (uses)				
Designated cash (budgeted increase in cash)	14,472	-	-	-
Total other financing sources (uses)	14,472	-	-	-
Net change in fund balance	-	-	17,036	17,036
Fund balance - beginning of year	-	-	7,323	7,323
Fund balance - end of year	\$ -	\$ -	\$ 24,359	\$ 24,359
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 17,036
Adjustments to revenues for state and federal grants				8,421
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				\$ 25,457

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Jemez Valley Public School District No. 31
San Diego Riverside Charter School
Impact Aid Indian Education Fund - 25147
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	83,911	139,279	139,279	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	83,911	139,279	139,279	-
Expenditures				
Current:				
Instruction	63,020	117,375	86,966	30,409
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	20,730	(20,730)
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	46,904	-	46,904
Total expenditures	63,020	164,279	107,696	56,583
Excess (deficiency) of revenues over expenditures	20,891	(25,000)	31,583	56,583
Other financing sources (uses)				
Designated cash (budgeted increase in cash)	(20,891)	25,000	-	(25,000)
Total other financing sources (uses)	(20,891)	25,000	-	(25,000)
Net change in fund balance	-	-	31,583	31,583
Fund balance - beginning of year	-	-	24,351	24,351
Fund balance - end of year	\$ -	\$ -	\$ 55,934	\$ 55,934
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 31,583
No adjustments to revenue				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				\$ 31,583

See independent auditors' report.

Jemez Valley Public School District No. 31
San Diego Riverside Charter School
Indian Education Act Fund - 27150
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	53,311	-	(53,311)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	53,311	-	(53,311)
Expenditures				
Current:				
Instruction	-	53,311	51,815	1,496
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	53,311	51,815	1,496
Excess (deficiency) of revenues over expenditures	-	-	(51,815)	(51,815)
Other financing sources (uses)				
Designated cash (budgeted increase in cash)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	-	-	(51,815)	(51,815)
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ (51,815)	\$ (51,815)
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (51,815)
Adjustments to revenues for state flowthrough grants				51,815
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				\$ -

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Jemez Valley Public School District No. 31
San Diego Riverside Charter School
Teen Pregnancy Fund - 29102
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	39,074	114,495	102,079	(12,416)
Total revenues	39,074	114,495	102,079	(12,416)
Expenditures				
Current:				
Instruction	81,172	112,415	91,232	21,183
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	81,172	112,415	91,232	21,183
Excess (deficiency) of revenues over expenditures	(42,098)	2,080	10,847	8,767
Other financing sources (uses)				
Designated cash (budgeted increase in cash)	42,098	(2,080)	-	2,080
Total other financing sources (uses)	42,098	(2,080)	-	2,080
Net change in fund balance	-	-	10,847	10,847
Fund balance - beginning of year	-	-	24,713	24,713
Fund balance - end of year	\$ -	\$ -	\$ 35,560	\$ 35,560
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 10,847
Adjustments to revenue for miscellaneous revenue				(12,295)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				\$ (1,448)

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Jemez Valley Public School District No. 31
San Diego Riverside Charter School
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2019

Current assets		
Cash and cash equivalents	\$	624
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Total assets	\$	624
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Current liabilities		
Deposits held in trust for others	\$	624
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Total liabilities	\$	624
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Supporting Schedules

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Jemez Valley Public School District No. 31
Schedule of Deposits and Investment Accounts
June 30, 2019

Bank Account Type/ Name	New Mexico		Total
	Bank & Trust	NMFA	
Accounts payable clearing - checking	\$ 144,079	\$ -	\$ 144,079
Payroll clearing - checking	254,136	-	254,136
Federal - checking	426,408	-	426,408
Student activity - checking	69,866	-	69,866
Operating account - checking	2,686,671	-	2,686,671
NMFA cash - money market fund	-	339,887	339,887
NMFA - U.S. treasury notes	-	1,176,275	1,176,275
Total	3,581,160	1,516,162	5,097,322
Reconciling items	(289,415)	-	(289,415)
Reconciled balance June 30, 2019	\$ 3,291,745	\$ 1,516,162	\$ 4,807,907

Reconciliation to financial statements:

Cash and cash equivalents:

Government-wide statement of net position	\$ 1,831,301
Statement of fiduciary assets and liabilities	69,868

Restricted cash and cash equivalents:

Government-wide statement of net position	1,730,463
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Restricted investments:

Government-wide statement of net position	1,176,275
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Total deposits and investments	\$ 4,807,907
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Component Unit:

Bank Account Type/ Name	US Bank
Operational - checking	\$ 199,055
Total	199,055
Reconciling items	(36,947)
Reconciled balance at June 30, 2019	\$ 162,108

Reconciliation to financial statements:

Cash and cash equivalents:

Government-wide statement of net position	\$ 161,484
Statement of fiduciary assets and liabilities	624

Total deposits	\$ 162,108
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Jemez Valley Public School District No. 31
Cash Reconciliation
For the Year Ended June 30, 2019

	Operational 11000	Teacherage 12000	Transportation 13000
PED Cash, June 30, 2018	\$ 1,331,211	\$ 61,649	\$ 67,328
Add:			
2018-2019 receipts	3,664,329	16,350	297,928
Prior year adjustment	-	-	-
Total cash available	4,995,540	77,999	365,256
Less:			
2018-2019 expenditures	(3,967,354)	(4,852)	(306,790)
Payroll liabilities not listed on PED report	-	-	-
Reversion	-	-	(34,465)
Adjustments	(67,443)	-	1,603
PED Cash, June 30, 2019	960,743	73,147	25,604
Add / Less:			
Audit adjustment	-	-	37,247
Negative cash loans from (to)	(192,188)	-	-
Payroll liabilities	-	-	-
Trust bank account not listed on PED report	965	-	31
Held checks	61,980	-	1,702
Cash per financial statement	\$ 831,500	\$ 73,147	\$ 64,584

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Instructional Materials 14000	Food Services 21000	Non-Instructional Athletics 22000	Support 23000	Federal Flowthrough 24000
\$ 16,651	\$ 43,608	\$ 8,682	\$ 968	\$ (66,355)
9,453	165,182	11,034	-	203,743
-	-	-	-	-
26,104	208,790	19,716	968	137,388
(5,645)	(171,925)	(13,777)	-	(198,653)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	40,405
20,459	36,865	5,939	968	(20,860)
-	-	-	-	-
-	-	-	-	32,481
-	-	-	-	-
-	-	-	-	-
-	-	-	-	1,634
\$ 20,459	\$ 36,865	\$ 5,939	\$ 968	\$ 13,255

See independent auditors' report.

Jemez Valley Public School District No. 31
Cash Reconciliation
For the Year Ended June 30, 2019

	Federal Direct 25000	Local Grants 26000	State Flowthrough 27000
PED Cash, June 30, 2018	\$ 321,184	\$ 3,626	\$ (62,806)
Add:			
2018-2019 receipts	731,697	-	167,923
Prior year adjustment	-	-	-
Total cash available	1,052,881	3,626	105,117
Less:			
2018-2019 expenditures	(629,366)	(1,638)	(216,708)
Payroll liabilities not listed on PED report	-	-	-
Reversion	-	-	-
Adjustments	-	(75)	25,088
PED Cash, June 30, 2019	423,515	1,838	(86,503)
Add / Less:			
Audit adjustment	(2,787)	-	1,634
Negative cash loans from (to)	52,724	-	82,545
Payroll liabilities	-	-	-
Trust bank account not listed on PED report	(19)	-	-
Held checks	3,478	-	5,508
Cash per financial statement	\$ 476,911	\$ 1,838	\$ 3,184

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	State Direct 28000	Local or state 29000	Bond Building 31100	Special Capital Outlay Federal 31500	Capital Improvements SB-9- State 31700
\$	11,088	\$ 61,440	\$ 1,181,663	\$ 26,876	\$ -
	5,000	80,141	25,366	25,617	-
	-	-	-	-	-
	16,088	141,581	1,207,029	52,493	-
	(8,054)	(42,945)	(71,262)	-	(24,438)
	-	-	-	-	-
	-	-	-	-	-
	-	-	(1,135,672)	-	-
	13,034	98,636	95	52,493	(24,438)
	-	-	252,862	-	-
	-	-	-	-	24,438
	-	-	-	-	-
	-	-	-	-	-
	-	51	-	-	-
\$	13,034	\$ 98,687	\$ 252,957	\$ 52,493	\$ -

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Jemez Valley Public School District No. 31
Cash Reconciliation
For the Year Ended June 30, 2019

	Capital Improvements SB-9- Local 31701	Education Technology Equipment Act 31900	Debt Service 41000
PED Cash, June 30, 2018	\$ 61,630	\$ 522,325	\$ 899,332
Add:			
2018-2019 receipts	202,220	8,318	843,707
Prior year adjustment	-	-	-
Total cash available	263,850	530,643	1,743,039
Less:			
2018-2019 expenditures	(207,886)	(67,363)	(641,421)
Payroll liabilities not listed on PED report	-	-	-
Reversion	-	-	-
Adjustments	-	(378,263)	-
PED Cash, June 30, 2019	55,964	85,017	1,101,618
Add / Less:			
Audit adjustment	-	84,386	-
Negative cash loans from (to)	-	-	-
Payroll liabilities	-	-	-
Trust bank account not listed on PED report	-	-	-
Held checks	-	-	-
Cash per financial statement	\$ 55,964	\$ 169,403	\$ 1,101,618

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Ed Tech Debt Service 43000		Total	
\$	259,956	\$	4,750,056
	149,330		6,607,338
	-		-
	409,286		11,357,394
	(120,328)		(6,700,405)
	-		-
	-		(34,465)
	-		(1,514,357)
	288,958		3,113,092
	-		373,342
	-		-
	-		-
	-		977
	-		74,353
\$	288,958	\$	3,561,764

See independent auditors' report.

Jemez Valley Public School District No. 31
San Diego Riverside Charter School
Cash Reconciliation
For the Year Ended June 30, 2019

	Operational 11000	Instructional Materials 14000	Food Services 21000
PED Cash, June 30, 2018	\$ 107,042	\$ 506	\$ 7,322
Add:			
2018-2019 receipts	1,067,202	3,096	98,034
Current year accrued payroll	83,798	-	5,470
Total cash available	1,258,042	3,602	110,826
Less:			
2018-2019 expenditures	(1,154,802)	(2,724)	(80,996)
Prior year accrued payroll	-	-	-
Loans to other funds	-	-	-
PED Cash, June 30, 2019	103,240	878	29,830
Add / Less:			
Audit adjustments	-	-	-
Negative cash loans from (to)	(101,372)	-	-
Cash per financial statement	\$ 1,868	\$ 878	\$ 29,830

See independent auditors' report.

Non- Instructional Support 23000	Federal Flowthrough 24000	Federal Direct 25000	Local Grants 26000	State Flowthrough 27000
\$ 1,646	\$ (16,467)	\$ 41,313	\$ -	\$ -
17,709	33,555	157,522	-	-
-	6,180	8,051	-	14,591
19,355	23,268	206,886	-	14,591
(19,034)	(58,279)	(124,213)	-	(78,549)
-	-	-	-	-
-	-	-	-	-
321	(35,011)	82,673	-	(63,958)
-	-	2,403	-	(2,403)
-	35,011	-	-	66,361
\$ 321	\$ -	\$ 85,076	\$ -	\$ -

See independent auditors' report.

Jemez Valley Public School District No. 31
San Diego Riverside Charter School
Cash Reconciliation
For the Year Ended June 30, 2019

	State Direct 28000	Local or state 29000	Public School Capital Outlay 31200
PED Cash, June 30, 2018	\$ -	\$ 24,712	\$ (27,338)
Add:			
2018-2019 receipts	-	102,079	80,849
Current year accrued payroll	-	7,950	-
Total cash available	-	134,741	53,511
Less:			
2018-2019 expenditures	-	(91,230)	(53,511)
Prior year accrued payroll	-	-	-
Loans to other funds	-	-	-
PED Cash, June 30, 2019	-	43,511	-
Add / Less:			
Audit adjustments	-	-	-
Negative cash loans from (to)	-	-	-
Cash per financial statement	\$ -	\$ 43,511	\$ -

See independent auditors' report.

Capital Improvements			
SB-9			
31700		Total	
\$	(2,874)	\$	135,862
	2,874		1,562,920
	-		126,040
	-		1,824,822
	-		(1,663,338)
	-		-
	-		-
	-		161,484
	-		-
	-		-
\$	-	\$	161,484

See independent auditors' report.

Jemez Valley Public School District No. 31
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2019

Name of Depository	Description of Pledged Collateral	Maturity	CUSIP Number	Fair Market June 30, 2019
Primary Government:				
New Mexico Bank & Trust				
	SCRT 2018-3 HA	8/25/2057	35563PGB9	\$ 83,059
	LOUISIANA ST GAS & FUELS TAX R REV REF BDS	5/1/2040	546475sl9	351,280
	PHILADELPHIA PA AUTH for INDL BDS	4/15/2022	71781LBP3	1,369,154
	SARASOTA CNTY FLA UTIL SYS REV REF BDS	10/1/2040	803321PK8	2,213,504
	SBA VARIABLE RATE POOL #521933	2/25/2038	83165ALN2	346,989
Total New Mexico Bank & Trust				4,363,986
Name and location of safekeeper for above pledged collateral: Suntrust Bank, Atlanta				
Total primary government				\$ 4,363,986

See independent auditors' report.

Jemez Valley Public School District No. 31
Schedule of Changes in Assets and Liabilities - Agency Funds
For the Year Ended June 30, 2019

	June 30, 2018	Additions	Deletions	June 30, 2019
JVPS Funds	\$ 12,166	\$ 37	\$ -	\$ 12,203
Elementary Schools Funds	9,213	7,007	9,526	6,694
Middle School Funds	9,887	14,248	6,242	17,893
High School Funds	37,229	20,867	25,018	33,078
Total cash and cash equivalents	68,495	42,159	40,786	69,868
Total assets	\$ 68,495	\$ 42,159	\$ 40,786	69,868
Due to student organizations	\$ 68,495	\$ 42,159	\$ 40,786	\$ 69,868
Total liabilities	\$ 68,495	\$ 42,159	\$ 40,786	\$ 69,868

See independent auditor's report.

Jemez Valley Public School District No. 31
San Diego Riverside Charter School
Schedule of Changes in Assets and Liabilities - Agency Funds
For the Year Ended June 30, 2019

	June 30, 2018	Additions	Deletions	June 30, 2019
Cash and cash equivalents	\$ 624	\$ -	\$ -	\$ 624
Total assets	\$ 624	\$ -	\$ -	624
Deposits held in trust for others	\$ 624	\$ -	\$ -	\$ 624
Total liabilities	\$ 624	\$ -	\$ -	624

See independent auditors' report.

Compliance Section

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

INDEPENDENT AUDITORS' REPORT

Brian S. Colón, Esq.
New Mexico State Auditor and
Board of Education
Jemez Valley Public School District No. 31
Office of Management and Budget
Jemez Pueblo, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely presented component unit, each major fund, the aggregate remaining fund information, and the budgetary comparison of the general fund of the Jemez Valley Public School District No. 31 (the "District"), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 15, 2019.

Internal Control Over Financial Reporting

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

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

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 have not been 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 as items FS 2019-001 and FS 2019-002 to be significant deficiencies.

Compliance and Other Matters

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

We noted certain matters that are required to be reported per section 12-6-5 NMSA 1978 that we described in the accompanying schedule of Section 12-6-5 NMSA 1978 Findings as items NM 2018-002, NM 2019-001, CU NM 2018-001, CU NM 2019-001 and CU NM 2019-002.

District's Responses to Findings

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

Purpose of this Report

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

Carr, Riggs & Ingram, L.L.C.

Carr, Riggs & Ingram, LLC
Albuquerque, New Mexico
November 15, 2019

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Federal Financial Assistance

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

INDEPENDENT AUDITORS' REPORT

Brian S. Colón, Esq.
New Mexico State Auditor and
Board of Education
Jemez Valley Public School District No. 31
Office of Management and Budget
Jemez Pueblo, New Mexico

Report on Compliance for the Major Federal Program

We have audited Jemez Valley Public School District No. 31's (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the District's major federal program for the year ended June 30, 2019. The District's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on the 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 its major federal program for the year ended June 30, 2019.

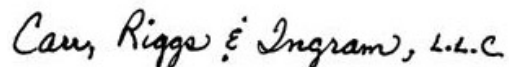
Report on Internal Control Over Compliance

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

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

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

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



Carr, Riggs & Ingram, LLC
Albuquerque, New Mexico
November 15, 2019

Jemez Valley Public School District No. 31
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019

Federal Grantor or Pass-Through Grantor/Program Title	Pass-Thru Number	Federal CFDA Number	
U.S. Department of Education			
<i>Passed through New Mexico Public Education Department</i>			
Title I - Grants to Local Educational Agencies Special Education Cluster	24101	84.010	
IDEA-B Special Education Grants to States	24106	84.027	
IDEA-B Special Education Preschool Grants	24109	84.173	
<hr/>			
Subtotal - Special Education Cluster			
English Language Acquisition State Grants	24153	84.365	
Supporting Effective Instruction State Grants	24154	84.367	
Gaining Early Awareness and Readiness for Undergraduate Programs	25205	84.334	
Rural Education	25233	84.358	
<hr/>			
<i>Subtotal - Passed through New Mexico Public Education Department</i>			
<hr/>			
<i>Direct U.S. Department of Education</i>			
Impact Aid			
Impact Aid - General Fund	11000	84.041	*
Impact Aid - Special Education	25145	84.041	*
Impact Aid - Indian Education	25147	84.041	*
<hr/>			
<i>Subtotal - Direct U.S. Department of Education</i>			
<hr/>			
Total U.S. Department of Education			
<hr/>			
U.S. Department of Health and Human Services			
<i>Passed through New Mexico Public Education Department</i>			
Support for Improving Health and Academic Success	24130	93.981	
<hr/>			
Total U.S. Department of Health and Human Services			
<hr/>			
U.S. Department of Agriculture			
<i>Passed through New Mexico Public Education Department</i>			
Child Nutrition Cluster			
National School Lunch Program	21000	10.555	
School Breakfast Program	21000	10.553	
<hr/>			
Subtotal - Child Nutrition Cluster			
<hr/>			
<i>Subtotal - Passed through New Mexico Public Education Department</i>			
<hr/>			
Total U.S. Department of Agriculture			
<hr/>			
Total Federal Financial Assistance			
<hr/>			

* Denotes Major Federal Financial Assistance Program

See independent auditors' report.
See accompanying notes to schedule of expenditures of federal awards.

Federal Expenditures	Cluster/ Program Subtotals	Funds Provided to Subrecipients	Noncash Assistance
\$ 84,717		\$ -	\$ -
95,961		-	-
3,979		-	-
	99,940		
5,210		-	-
6,042		-	-
211,355		-	-
13,081		-	-
420,345		-	-
1,382,965		-	-
13,266		-	-
352,592		-	-
1,748,823	1,748,823	-	-
2,169,168		-	-
3,211		-	-
3,211		-	-
120,259		-	13,337
61,951		-	6,870
	182,210		
182,210		-	20,207
182,210		-	20,207
\$ 2,354,589		\$ -	\$ 20,207

*See independent auditors' report.
See accompanying notes to schedule of expenditures of federal awards.*

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**Jemez Valley Public School District No. 31
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019**

Notes to Schedule of Expenditures of Federal Awards

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of the Jemez Valley Public School District No. 31 and is presented on the modified accrual basis of accounting, which is the same basis as was used to prepare the fund financial statements. The information in this Schedule is presented in accordance with the requirements of *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

2. Loans

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

3. 10% de minimus Indirect Cost Rate

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

4. Federally Funded Insurance

The District has no federally funded insurance.

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

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 2,354,589
Total expenditures funded by other sources	4,447,412
<hr/>	
Total expenditures per Statement of Revenues, Expenditures, and Changes in Fund Balances	\$ 6,802,001
<hr/>	

See independent auditors' report.

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Jemez Valley Public School District No. 31
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements:

- | | |
|--|------------|
| 1. Type of auditors’ report issued | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| c. Noncompliance material to the financial statements? | None noted |

Federal Awards:

- | | | | | | |
|--|------------------------|------------------------|--------|------------|--|
| 1. Type of auditors’ report issued on compliance for major programs | Unmodified | | | | |
| 2. Internal control over major programs: | | | | | |
| a. Material weaknesses identified? | No | | | | |
| b. Significant deficiencies identified not considered to be material weaknesses? | None noted | | | | |
| 3. Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR section 200.516(a)? | No | | | | |
| 4. Identification of major programs: | | | | | |
| <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"><u>CFDA
Number</u></td> <td style="width: 50%; text-align: center;"><u>Federal Program</u></td> </tr> <tr> <td style="text-align: center;">84.041</td> <td style="text-align: center;">Impact Aid</td> </tr> </table> | <u>CFDA
Number</u> | <u>Federal Program</u> | 84.041 | Impact Aid | |
| <u>CFDA
Number</u> | <u>Federal Program</u> | | | | |
| 84.041 | Impact Aid | | | | |
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$750,000 | | | | |
| 6. Auditee qualified as low-risk auditee? | No | | | | |

Jemez Valley Public School District No. 31
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

SECTION II – FINANCIAL STATEMENT FINDINGS

Primary Government

FS 2019-001 – Internal Controls over Bank Reconciliations – Significant Deficiency

Condition: There is no documentation supporting the review of the District's monthly bank reconciliations by someone other than the preparer of the reconciliation.

Criteria: NMAC 6.20.2.11 requires school districts to develop, establish, and maintain internal controls that include segregation of duties. This includes controls related to reconciling the District's bank accounts each month. These controls should incorporate segregation of duties by including a review by someone other than the person who prepares the monthly bank reconciliation and include documentation of the review (signature, initials, etc.).

Effect: Without adequate monitoring and review of the District's bank reconciliations, the reconciliations could be materially misstated either due to error or fraud.

Cause: The District's internal controls over bank reconciliations do not currently require a documented review of the bank reconciliation by someone other than the preparer.

Auditors' Recommendations: We recommend the District implement a formal and documented review of the monthly bank reconciliation for each of the District's bank accounts by someone other than the preparer.

Views of Responsible Officials and Planned Corrective Actions: The District's monthly bank reconciliations are reviewed by the Superintendent and during the transition period of a new business manager were also reviewed by Program Coordinator the district recognizes not all of the bank reconciliations reviewed were signed off on and will ensure going forward all will be signed. The District does not anticipate this being an issue in the future.

**Jemez Valley Public School District No. 31
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019**

SECTION II – FINANCIAL STATEMENT FINDINGS (Continued)

FS 2019-002 – Internal Controls over Payroll – Significant Deficiency

Condition: For one paycheck out of 40 tested, there was no signature from the Business Manager indicating the payroll was reviewed and approved.

Criteria: NMAC 6.20.2.11 requires school districts to develop, establish, and maintain internal controls that include segregation of duties. This includes controls related to recording and processing financial data and transactions, such as payroll transactions.

Effect: Without adequate monitoring and review of the District's payroll information, the District is subject to the risk of misstatements or loss of funds, whether due to error or fraud.

Cause: The control over the review and comparison of payroll information did not operate in one instance.

Auditors' Recommendations: We recommend that the District monitor the functioning of its implemented internal controls to ensure that all operate as designed.

Views of Responsible Officials and Planned Corrective Actions: The district recognizes the error on the one PR sheet and has ensured all PR summary sheets are reviewed and signed by the business manager moving forward. The District does not anticipate this being an issue in the future.



**Jemez Valley Public School District No. 31
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019**

SECTION II – FINANCIAL STATEMENT FINDINGS (Continued)

Component Unit

None noted

SECTION III – FEDERAL AWARD FINDINGS

None noted

Jemez Valley Public School District No. 31
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

SECTION IV – SECTION 12-6-5 NMSA FINDINGS

Primary Government

NM 2018-002 Inadequate Policies & Procedures over Allowability of Costs – Other Noncompliance (Repeated and Modified)

Condition: The District’s written procedures for determining the allowability of costs for federal programs have not been updated for the requirements of the Uniform Guidance contained in 2 CFR 200.

Status of Prior Year Finding: The District provided written policies to the auditors; however, those policies were not updated for the Uniform Guidance and referenced expired OMB Circular A-21.

Criteria: 2 CFR 200.302(b)(7), Financial Management, states “The financial management system of each non-Federal entity must provide for the following: Written procedures for determining the allowability of costs in accordance with Subpart E – Cost Principles of this part and the terms and conditions of the Federal award.”

Effect: The use of outdated written policies and procedures that do not conform to the requirements in 2 CFR 200 puts the district in direct violation of Federal requirements over Federal programs under the Uniform Guidance, which could result in a loss of programs, fund and/or repayment of federal monies already awarded back to the Federal government.

Cause: The District was not aware that its policies and procedures needed to be updated from Circular A-21 in 2 CFR 220 to the requirements of the Uniform Guidance in 2 CFR 200.

Auditors’ Recommendation: The District should review its policies and procedures and ensure that all are current and reference current requirements.

Views of Responsible Officials and Planned Corrective Actions: The District always follows the Cost Principles for Educational Institutions 2 CFR Part 220 (OMB Circular A-21) when determining allow ability of costs for federal programs. The business manager will work to get this updated to Guidance 2 CFR 200 and will resolve this finding by 6/30/2020.

Jemez Valley Public School District No. 31
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

SECTION IV – SECTION 12-6-5 NMSA FINDINGS (Continued)

NM 2019-001 Deficiencies in Internal Controls Over Preparation of Schedule of Expenditures of Federal Awards (SEFA) – Other Matter – Repeated and Modified (PY FS 2018-002)

Condition: The District provided an inaccurate Schedule of Expenditures of Federal Awards (SEFA) that excluded the following federal programs and federal expenditures:

Federal Program	
Support for Improving Health	\$ 3,211
<hr/>	
Total	\$ 3,211
<hr/>	

Status of Prior Year Finding: Not resolved, however, the District’s SEFA was significantly more accurate for the fiscal year ended June 30, 2019 when compared to the prior year. Significant progress has been made and the severity of the finding was reduced.

Criteria: 2 CFR 200.303 requires that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements. Good internal controls require that management have procedures in place for identifying federal, state, and other awards, properly classifying expenditures in the correct programs and under the correct CFDA numbers, and ensuring that expenditures reported for federal programs are accurate. 2 CFR 200.510 requires auditees to prepare a complete and accurate schedule of expenditures of federal awards.

Effect: An inaccurate schedule of expenditures of federal awards results in an incomplete picture of the District’s federal grant activity.

Cause: The District’s review process did not accurately identify all federal expenditures that should have been reported on the SEFA.

Auditors’ Recommendation: The District should ensure that a comprehensive internal control structure is designed, documented and implemented to ensure all grants transactions are properly tracked and documented accurately on the SEFA.

Views of Responsible Officials and Planned Corrective Actions: Support for improving health was the first year of expenditures and the district did indeed miss adding this into the report. The District will ensure this is picked up in the follow year.

Jemez Valley Public School District No. 31
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

SECTION IV – SECTION 12-6-5 NMSA FINDINGS (Continued)

Component Unit

CU NM 2018-001 Exceeded Budget Authority -- Other Noncompliance – Repeated and Modified

Condition: The Charter has over expended its budget in the following funds and functions:

Major Funds	
Operational – Operation of Non-Instructional Services	\$ 17,129
<hr/>	
Total governmental funds	\$ 17,129

Status of Prior Year Finding: Not resolved. Unexpected transactions near year-end not considered in budget.

Criteria: NMAC 6.20.2.10 states that all District funds, with the exception of agency funds, are to be budgeted by the local governing body and submitted to the State of New Mexico Public Education Department for approval. Once adopted, any claims or warrants in excess of budget are a violation of New Mexico State Statute 6-6-6, 1978 Compilation.

Effect: The internal controls established by adherence to budgets has been compromised and excess spending could result and has resulted in noncompliance with state requirements.

Cause: The Charter did not properly submit a budget adjustment for the function in which actual expenses were greater than final budget at the end of the fiscal year.

Auditors' Recommendations: We recommend that the District monitor its budgets closely and prepare budget adjustments as necessary and that the district submits all budget adjustments timely in the future.

Views of Responsible Officials and Planned Corrective Actions: The Charter was charged with implementing a program normally run by the Pueblo of Jemez. Unfortunately, the budget for this new and last minute additional program was not provided to the school in time to initiate BARs before the deadline in OBMS. The charter will ensure sufficient time is available to adjust the budgets if any new programs will be accepted going forward.

**Jemez Valley Public School District No. 31
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019**

SECTION IV – SECTION 12-6-5 NMSA FINDINGS (Continued)

CU NM 2019-001 – Chief Procurement Officer Registration and Training – Other Noncompliance

Condition: The Charter School did not have a chief procurement officer listed with the state purchasing agent.

Criteria: 13-1-95.2.A NMSA 1978 states that “On or before January 1 of each year beginning in 2014, and every time a chief procurement officer is hired, each state agency and local public body shall provide to the state purchasing agent the name of the state agency's or local public body's chief procurement officer and information identifying the state agency's or local public body's central purchasing office, if applicable.”

Effect: The Charter School is out of compliance with the procurement code.

Cause: The Charter School did not designate a chief procurement officer with the state purchasing agent.

Auditors' Recommendations: We recommend that the Charter School designate an individual as their chief procurement officer and send that person to appropriate training to be in compliance with state statutes.

Views of Responsible Officials and Planned Corrective Actions: The new Principal is scheduled for certification training next month and will be designated on the NM GSD web page once certified.

Jemez Valley Public School District No. 31
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

SECTION IV – SECTION 12-6-5 NMSA FINDINGS (Continued)

CU NM 2019-002 – Personnel File Maintenance – Other Matter

Condition: For one employee out of 40 tested, a substitute teacher’s certification was not maintained in the personnel file by the Charter School.

Criteria: NMAC 6.63.10.8 requires that every substitute teacher possess and maintain a certificate authorizing that person to perform the duties of a substitute teacher.

Effect: The Charter School cannot prove compliance with NMAC 6.63.10.8.

Cause: Controls were not in place at the Charter School to ensure that all substitute teachers hired had certificates on file with the Charter School.

Auditors’ Recommendations: We recommend that the Charter School review all personnel files for all instructional staff for the proper certificates.

Views of Responsible Officials and Planned Corrective Actions: Personnel are given 90 days to obtain required licensure. This substitute did not work beyond 90 days without licensure. However, regular and ongoing communication about license requirements will occur to ensure all staff possess required authorization.

Jemez Valley Public School District No. 31
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

SECTION V – PRIOR YEAR AUDIT FINDINGS

Primary Government:

FS 2018-001 Recording of Debt and Related Cash -- Material Weakness – Resolved

FS 2018-002 Deficiencies in Internal Controls Over Preparation of Schedule of Expenditures of Federal Awards (SEFA) – Significant Deficiency – Repeated and Modified as Finding NM 2019-001

NM 2018-001 Improper School Board Structure and Fulfillment of Duties – Other Noncompliance - Resolved

NM 2018-002 Inadequate Policies & Procedures over Allowability of Costs– Other Noncompliance – Repeated and Modified

Component Unit:

CU FS 2018-001 Information Technology – Significant Deficiency – Resolved

CU NM 2017-001 School Athletic Equity Act Data Submission – Other noncompliance –Resolved

CU NM 2017-002 Open Meetings Act – Other noncompliance – Resolved

CU NM 2018-001 Exceeded Budget Authority -- Other noncompliance – Repeated and Modified

CU NM 2018-002 Improper School Board Structure and Fulfillment of Duties – Other Noncompliance – Resolved

Jemez Valley Public School District No. 31
Other Disclosures
June 30, 2019

EXIT CONFERENCE

An exit conference was held on November 14, 2019. In attendance were the following:

Representing Jemez Valley Public School District No. 31:

District:

Dr. Susan Passell – Superintendent
Randi Cordova – Business Manager
Michael Lucero – Board President
Frieda Solano – Community Member

San Diego Riverside Charter School:

Whitney Galindo – Contract Business Manager
Bobbie Shendo – Board Member
Valerie Shaw – Admin Intern

Representing Carr, Riggs & Ingram, LLC:

Alan D. “A.J.” Bowers, Jr., CPA, CITP – Partner

AUDITOR PREPARED FINANCIAL STATEMENTS

Carr, Riggs & Ingram, LLC prepared the GAAP-basis financial statements and footnotes of Jemez Valley Public School District No. 31 from the original books and records provided to them by the management of the District. The responsibility for the financial statements remains with the District.