
STATE OF NEW MEXICO
Maxwell Municipal Schools
June 30, 2016

Financial Statements and Supplementary Information
As Of And For The Year Ended June 30, 2016
With Independent Auditor's Report Thereon

Sandra Rush
Certified Public Accountant, PC

1101 E Llano Estacado
Clovis, New Mexico 88101

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS

Official Roster
For the year ended June 30, 2016

Board of Education

Mary Lou Kern	President
Randy Casper	Vice-President
Monica Hoy	Secretary
Frank Taylor	Member
Clint Kuchan	Member

School Officials

Kristen Forrester	Superintendent
Susan Robinson	Business Manager

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS

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MAXWELL MUNICIPAL SCHOOLS

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Financial Section

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Independent Auditor's Report

Timothy Keller
New Mexico State Auditor
The Office of Management and Budget and
The Governing Body
Maxwell Municipal Schools
Maxwell, New Mexico

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of the Maxwell Municipal School District (the District), as of and for the year ended June 30, 2016, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents. I also have audited the financial statements of each of the District's nonmajor governmental funds and the budgetary comparisons for the major capital project funds, and all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2016, as listed in the table of contents. I did not audit the 2015 Schedule of Employer Allocations and Pension Amounts of the State of New Mexico Educational Retirement Board (ERB), the administrator of the cost sharing pension plan for the District. The schedules and statements were audited by other auditors whose report has been furnished to me, and my opinion, insofar as it relates to the amounts included for the District, is based solely on the report of the other auditors.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 I 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 evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the

effectiveness of the entity's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, based on my report and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2016, and the respective changes in financial position thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the District as of June 30, 2016, and the respective changes in financial position thereof and the respective budgetary comparisons for the major capital project funds, and all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis 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 financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. My opinion on the basic financial statements is not affected by this missing information.

Other Information

My audit was conducted for the purpose of forming opinions on the District's basic financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The other schedules as required by 2.2.2 NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The Schedule of Vendor Information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, I do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated October 13, 2016 on my consideration of the District's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.



Sandra Rush CPA PC
Clovis, New Mexico
October 13, 2016

Basic Financial Statements

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Government Wide Financial Statements

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS

Statement of Net Position
June 30, 2016

	<u>Governmental Activities</u>
ASSETS	
Current assets	
Cash and cash equivalents	\$ 62,109
Taxes receivable	822
Due from grantors	106,873
NMFA state treasury program cash	70,831
NMFA state treasury cash	1
Inventories	<u>5,058</u>
Total current assets	<u>245,694</u>
Noncurrent assets	
Restricted cash and cash equivalents	
Capital assets	6,360,019
Accumulated depreciation	<u>(3,616,140)</u>
Total non current assets	<u>2,743,879</u>
Total assets	<u>2,989,573</u>
DEFERRED OUTFLOWS OF RESOURCES	
Contributions to pension subsequent to the measurement date	174,780
Reallocation of net pension liability for inactive employees	127,754
Net change in proportionate share of pension liability	145,980
Net change in pension assumption	<u>99,497</u>
Total deferred outflows of resources	<u>548,011</u>
Total assets and deferred outflows of resources	<u>\$ 3,537,584</u>
LIABILITIES	
Current liabilities	
Accounts payable	3,567
Current portion of lease purchase note payable	<u>55,451</u>
Total current liabilities	<u>59,018</u>
Noncurrent liabilities	
Compensated absences	19,676
Lease purchase note payable	169,385
Net pension plan	<u>2,892,747</u>
Total noncurrent liabilities	<u>3,081,808</u>
Total liabilities	<u>3,140,826</u>
DEFERRED INFLOWS OF RESOURCES	
Actuarial experience	53,629
Investment experience	<u>13,021</u>
Total deferred inflows of resources	66,650
NET PENSION	
Net investment in capital assets	2,519,043
Restricted for:	
General fund	21,179
Special revenue funds	19,595
Capital project funds	109,645
Debt service fund	3,342
Unrestricted (deficit)	<u>(2,342,696)</u>
Total net position	<u>330,108</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 3,537,584</u>

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS

Statement of Activities
For the year ended June 30, 2016

Functions / Programs	Expenses	Program Revenues			Net Program
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	[Expense] Revenues Governmental Activities Total
Governmental activities					
Instruction	\$ 1,473,067	\$ 23,995	\$ 177,485	\$ 8,589	\$ (1,262,998)
Support services:					
Students	179,364	-	13,801	-	(165,563)
Instruction	46,348	-	54,968	-	8,620
General administration	191,742	-	-	-	(191,742)
School administration	123,925	-	-	-	(123,925)
Central services	122,854	-	-	-	(122,854)
Other support services	551	-	-	-	(551)
Operation & maintenance of plant	233,908	8,836	-	-	(225,072)
Facilities acquisition / construction	314,196	-	26,101	-	(288,095)
Student transportation	63,370	-	62,539	-	(831)
Food services	67,802	2,350	34,799	-	(30,653)
Community Services Operations	373	-	-	-	(373)
Interest on long term debt	2,226	-	-	-	(2,226)
Total governmental activities	\$ 2,819,726	\$ 35,181	\$ 369,693	\$ 8,589	(2,406,263)

General revenues:	
Property Tax:	
Levied for general purposes	8,066
Levied for debt service	61,236
Levied for capital projects	36,146
Local:	
Interest income	170
Emergency supplement	176,550
Equalization guarantee	1,705,015
Total general revenues	1,987,183
Change in net position	(419,080)
Net position, beginning	696,940
Prior period adjustments	52,248
Net position, beginning restated	749,188
Net position, ending	\$ 330,108

The accompanying notes are an integral part of these financial statements

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Fund Financial Statements

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS

Balance Sheet
Governmental Funds
June 30, 2016

	General	Special Revenue		
		IDEA-B Entitlement 24106	IDEA-B Results Driven Accountability Plan 24132	New Mexico Reads to Lead 27114
<u>ASSETS</u>				
Cash and cash equivalents	\$ 31,635	\$ -	\$ -	\$ -
Accounts receivable:				
Taxes	42	-	-	-
Due from grantor	-	16,128	16,758	26,932
Due from other funds	80,772	-	-	-
NMFA state treasurer cash	-	-	-	-
NMFA state treasurer program cash	-	-	-	-
Inventory	-	-	-	-
Total assets	<u>\$ 112,449</u>	<u>\$ 16,128</u>	<u>\$ 16,758</u>	<u>\$ 26,932</u>
<u>LIABILITIES</u>				
Accounts payable	\$ 2,904	\$ -	\$ -	\$ -
Due to other funds	-	16,128	16,758	26,932
Total liabilities	<u>2,904</u>	<u>16,128</u>	<u>16,758</u>	<u>26,932</u>
<u>DEFERRED INFLOWS</u>				
Unavailable revenue - state grants	-	-	-	-
<u>FUND BALANCE</u>				
Non-spendable	-	-	-	-
Restricted for:				
General fund	21,179	-	-	-
Special revenue funds	-	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Unassigned:				
General fund	88,366	-	-	-
Special revenue funds	-	-	-	-
Total fund balance	<u>109,545</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 112,449</u>	<u>\$ 16,128</u>	<u>\$ 16,758</u>	<u>\$ 26,932</u>

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

Capital Projects

Kindergarten Three Plus 27166	SB-9 31700	Ed Tech Equip Act 31900	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 13,066	\$ -	\$ 17,408	\$ 62,109
-	310	-	470	822
11,907	26,101	-	9,047	106,873
-	-	-	-	80,772
-	-	-	1	1
-	-	70,831	-	70,831
-	-	-	5,058	5,058
<u>\$ 11,907</u>	<u>\$ 39,477</u>	<u>\$ 70,831</u>	<u>\$ 31,984</u>	<u>\$ 326,466</u>
\$ -	\$ 663	\$ -	\$ -	\$ 3,567
11,907	-	-	9,047	80,772
<u>11,907</u>	<u>663</u>	<u>-</u>	<u>9,047</u>	<u>84,339</u>
-	-	-	-	-
-	-	-	5,058	5,058
-	-	-	-	21,179
-	-	-	14,537	14,537
-	38,814	70,831	-	109,645
-	-	-	3,342	3,342
-	-	-	-	88,366
-	-	-	-	-
<u>-</u>	<u>38,814</u>	<u>70,831</u>	<u>22,937</u>	<u>242,127</u>
<u>\$ 11,907</u>	<u>\$ 39,477</u>	<u>\$ 70,831</u>	<u>\$ 31,984</u>	<u>\$ 326,466</u>

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STATE OF NEW MEXICO
 MAXWELL MUNICIPAL SCHOOLS
 Reconciliation of the Balance Sheet
 All Governmental Funds to the
 Statement of Net Position
 June 30, 2016

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

Fund balance - total governmental funds	\$	242,127
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds

Capital assets		6,360,019
Accumulated depreciation		(3,616,140)

Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore, are not reported in the funds:

Deferred outflows of resources related to employer contribution subsequent to the measurement date		174,780
Deferred inflows of resources related to difference between expected and actuarial experience		(53,629)
Deferred inflows of resources related to difference between expected and actual investment experience		(13,021)
Deferred outflows of resources related to net change in proportionate share of pension liability		145,980
Deferred outflows of resources related to net change in pension assumption		99,497
Reallocation outflows of resources related to change in proportion for inactive employees		127,754

Certain liabilities, including accrued compensated absences, bonds payable, lease purchase notes and net pension liability, are not due and payable in the current period and therefore are not reported in the funds

Accrued compensated absences		(19,676)
Lease purchase note		(224,836)
Net pension liability		<u>(2,892,747)</u>

Net position of governmental activities in the statement of net position		<u>\$ 330,108</u>
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STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
For the year ended June 30, 2016

	General	Special Revenue		
		IDEA-B Entitlement 24106	IDEA-B Results Driven Accountability Plan 24132	New Mexico Reads to Lead 27114
Revenues				
Taxes levied / assessed	\$ 8,066	\$ -	\$ -	\$ -
Fees - activities	1,090	-	-	-
Rentals	9,072	-	-	-
Refund prior year expense	740	-	-	-
Contributions	335	-	-	-
Insurance Recoveries	185	-	-	-
Interest Income	27	-	-	-
Emergency Supplement	176,550	-	-	-
Gain (loss) on sale of asset	-	-	-	-
Access board (E-Rate)	6,465	-	-	-
State equalization guarantee	1,705,015	-	-	-
State flowthrough grants	-	-	-	49,667
Transportation	62,539	-	-	-
Instructional materials - credit and cash	7,720	-	-	-
Federal flowthrough grants	2,388	-	-	-
Federal restricted grants-in-aid	-	35,773	17,872	-
Total revenues	1,980,192	35,773	17,872	49,667
Expenditures				
Current				
Instruction	1,078,984	23,685	17,872	49,667
Support services				
Students	151,983	12,088	-	-
Instruction	41,047	-	-	-
General administration	189,417	-	-	-
School administration	120,879	-	-	-
Central services	102,204	-	-	-
Other support services	551	-	-	-
Operation of non-instructional services				
Operation & maintenance of plant	233,413	-	-	-
Facilities acquisition/construction	-	-	-	-
Student transportation	62,539	-	-	-
Food services operations	32,668	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	2,013,685	35,773	17,872	49,667
Excess (deficiency) of revenues over expenditures	(33,493)	-	-	-
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(33,493)	-	-	-
	143,038	-	-	-
Fund balance, ending	\$ 109,545	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these financial statements

Capital Projects

Kindergarten Three plus 27166	SB-9 31700	Ed Tech Equip Act 31900	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 36,146	\$ -	\$ 61,236	\$ 105,448
-	-	-	25,019	26,109
-	-	-	-	9,072
-	-	-	-	740
-	-	-	675	1,010
-	-	-	-	185
-	-	139	4	170
-	-	-	-	176,550
-	-	-	-	-
-	-	-	-	6,465
-	-	-	-	1,705,015
26,077	64,205	-	22,628	162,577
-	-	-	-	62,539
-	-	-	-	7,720
-	-	-	16,212	18,600
-	-	-	103,711	157,356
<u>26,077</u>	<u>100,351</u>	<u>139</u>	<u>229,485</u>	<u>2,439,556</u>
26,077	-	-	100,004	1,296,289
-	-	-	15,293	179,364
-	-	-	5,301	46,348
-	361	-	960	190,738
-	-	-	-	120,879
-	-	-	-	102,204
-	-	-	-	551
-	-	-	-	233,413
-	58,799	115,640	-	174,439
-	-	-	-	62,539
-	-	-	35,134	67,802
-	-	63,668	5,594	69,262
-	-	-	55,164	55,164
-	-	-	2,226	2,226
<u>26,077</u>	<u>59,160</u>	<u>179,308</u>	<u>219,676</u>	<u>2,601,218</u>
-	41,191	(179,169)	9,809	(161,662)
-	-	-	-	-
-	-	-	-	-
-	41,191	(179,169)	9,809	(161,662)
-	(2,377)	250,000	13,128	403,789
<u>\$ -</u>	<u>\$ 38,814</u>	<u>\$ 70,831</u>	<u>\$ 22,937</u>	<u>\$ 242,127</u>

STATE OF NEW MEXICO
 MAXWELL MUNICIPAL SCHOOLS
 Reconciliation of the Statement of Revenues, Expenditures, and
 Changes in Fund Balances of Governmental Funds to the
 Statement of Activities
 For the year ended June 30, 2016

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

Net change in fund balances - total governmental funds \$ (161,662)

Capital outlays to purchase or build capital assets are reported in the governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeds capital outlays for the period.

Current year capital expenditures capitalized 69,262
 Depreciation expense (171,400)

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

Change in deferred inflows of resources related to grants (38,910)

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.

Lease purchase note 55,164

Compensated absences are expensed as paid in governmental fund statements and as increases to noncurrent liabilities on the statement of net position

Compensated absences (5,049)

Expenditures in the statement of activities that do not provide current financial resources are not reported as expenditures in the funds.

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

Employer contributions subsequent to the measurement date (166,485)

Change in Net Position of Governmental Activities \$ (419,080)

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Combining General Fund
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue				
Taxes levied / assessed	\$ 6,457	\$ 6,457	\$ 8,062	\$ 1,605
Fees - activities	-	-	1,090	1,090
Rentals	9,000	9,000	9,072	72
Refund prior year expense	-	-	740	740
Contributions	-	-	335	335
Insurance Recoveries	-	-	185	185
Interest Income	24	24	27	3
Emergency Supplement	194,000	194,000	176,550	(17,450)
Gain (loss) of asset	-	-	-	-
Access board (E-Rate)	-	-	6,465	6,465
State equalization guarantee	1,704,282	1,705,530	1,705,015	(515)
State flowthrough grants	-	-	-	-
Transportation	56,157	62,539	62,539	-
Instructional materials - credit and cash	5,972	7,721	7,720	(1)
Federal flowthrough grants	191	2,228	2,388	160
Federal restricted grants-in-aid	-	-	-	-
Total revenues	1,976,083	1,987,499	1,980,188	(7,311)
Expenditures				
Current				
Instruction	1,127,223	1,108,343	1,078,710	29,633
Support services				
Students	184,791	181,291	151,983	29,308
Instruction	51,776	53,813	41,047	12,766
General administration	192,198	191,880	189,417	2,463
School administration	136,660	121,466	120,879	587
Central services	93,871	106,131	102,204	3,927
Other support services	3,057	3,057	551	2,506
Operation of non-instructional services	-	-	-	-
Operation & maintenance of plant	224,426	247,276	234,320	12,956
Facilities acquisition / construction	15,335	15,335	-	15,335
Student transportation	56,157	62,539	62,539	-
Food services operations	32,844	37,815	32,668	5,147
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	2,118,338	2,128,946	2,014,318	114,628
Excess (deficiency) of revenues over(under) expenditures	(142,255)	(141,447)	(34,130)	107,317
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund receivable	-	-	26,916	26,916
Designated cash	142,255	141,447	-	(141,447)
Total other financing sources (uses)	142,255	141,447	26,916	(114,531)
Net change in cash balances	-	-	(7,214)	(7,214)
Cash balance, beginning	-	-	38,849	38,849
Cash balance, ending	\$ -	\$ -	\$ 31,635	\$ 31,635
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ (7,214)	
Adjustment to revenues for accruals & other deferrals			(107,682)	
Adjustment to expenditures for payables, prepaids & other accruals			81,403	
Net change in fund balance (GAAP Basis)			\$ (33,493)	

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Special Revenue Fund - IDEA-B Entitlement - 24106
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	-	-	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	-	-
Emergency Supplement	-	-	-	-
Gain (loss) on sale of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	-	-	-	-
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	31,731	41,444	26,522	(14,922)
	<u>31,731</u>	<u>41,444</u>	<u>26,522</u>	<u>(14,922)</u>
Expenditures				
Current				
Instruction	27,019	28,347	23,685	4,662
Support services				
Students	4,712	13,097	12,088	1,009
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>31,731</u>	<u>41,444</u>	<u>35,773</u>	<u>5,671</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	(9,251)	(9,251)
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund payable	-	-	9,251	9,251
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>9,251</u>	<u>9,251</u>
Net change in cash balances	-	-	-	-
Cash balance, beginning	-	-	-	-
Cash balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			9,251	
Adjustment to expenditures for payables, prepaids & other accruals			<u>(9,251)</u>	
Net change in fund balance (GAAP Basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Special Revenue Fund - IDEA-B Results Driven Accountability Plan - 24132
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	-	-	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	-	-
Emergency Supplement	-	-	-	-
Gain (loss) of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	-	-	-	-
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	20,000	20,000	59,425	39,425
Total revenues	20,000	20,000	59,425	39,425
Expenditures				
Current				
Instruction	20,000	20,000	17,872	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	20,000	20,000	17,872	2,128
Excess (deficiency) of revenues over(under) expenditures	-	-	41,553	41,553
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund payable	-	-	(41,553)	(41,553)
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	(41,553)	(41,553)
Net change in cash balances	-	-	-	-
Cash balance, beginning	-	-	-	-
Cash balance, ending	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			(58,311)	
Adjustment to expenditures for payables, prepaids & other accruals			58,311	
Net change in fund balance (GAAP Basis)			\$ -	

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Major Special Revenue Fund - New Mexico Reads to Lead - 27114
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	-	-	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	-	-
Emergency Supplement	-	-	-	-
Gain (loss) on sale of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	50,000	50,000	35,182	(14,818)
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	-	-	-	-
	<u>50,000</u>	<u>50,000</u>	<u>35,182</u>	<u>(14,818)</u>
Expenditures				
Current				
Instruction	50,000	50,000	49,666	334
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>50,000</u>	<u>50,000</u>	<u>49,666</u>	<u>334</u>
Excess (deficiency) of revenues over(under) expenditures	-	-	(14,484)	(14,484)
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund payable	-	-	14,484	14,484
Designated cash	-	-	-	-
	<u>-</u>	<u>-</u>	<u>14,484</u>	<u>14,484</u>
Net change in cash balances	-	-	-	-
Cash balance, beginning	-	-	-	-
Cash balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			14,485	
Adjustment to expenditures for payables, prepaids & other accruals			(14,485)	
Net change in fund balance (GAAP Basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Special Revenue Fund - Kindergarten - Three Plus - 27166
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	-	-	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	-	-
Emergency Supplement	-	-	-	-
Gain (loss) on sale of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	13,502	26,338	20,990	(5,348)
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	-	-	-	-
Total revenues	13,502	26,338	20,990	(5,348)
Expenditures				
Current				
Instruction	13,502	26,338	26,077	261
Support services	-	-	-	-
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	13,502	26,338	26,077	261
Excess (deficiency) of revenues over(under) expenditures	-	-	(5,087)	(5,087)
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund payable	-	-	5,087	5,087
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	5,087	5,087
Net change in cash balances	-	-	-	-
Cash balance, beginning	-	-	-	-
Cash balance, ending	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			5,087	
Adjustment to expenditures for payables, prepaids & other accruals			(5,087)	
Net change in fund balance (GAAP Basis)			\$ -	

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2016

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 16,794
Total assets	<u>\$ 16,794</u>
<u>LIABILITIES</u>	
Deposits held for others	<u>\$ 16,794</u>
Total liabilities	<u>\$ 16,794</u>

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

Notes to Financial Statements

NOTE 1 Summary of Significant Accounting Policies

Maxwell Municipal Schools (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 District. 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.

This summary of significant accounting policies of the District is presented to assist in the understanding of the District's financial statements. The financial statements and notes are the representation of the District's management who is responsible for their integrity and objectivity. 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. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The financial statements have incorporated all applicable GASB statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on accounting procedures. The more significant of the government's accounting policies are described below.

A. Financial Reporting Entity

In evaluating how to define the District, for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statement 61. Blended component units, although legally separate entities, are in substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units 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 can 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. Based upon the application of these criteria, the District has no component units, and is not a component unit of another governmental agency.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all the non-fiduciary activities of the primary government. For the most part, the effect of inter fund 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.

In the government-wide Statement of Net Position, the governmental activities column is presented on a consolidated basis 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 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. These include

fees for meals, lab fees and activity fees for the District. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as is the fiduciary fund financial statement. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from non-exchange transactions are recognized in accordance with the requirements of GASB.

Statement No. 33, *Accounting and Financial Reporting for Non-Exchange Transactions*. Property taxes are recognized as revenues in the year for which the taxes 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.

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

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

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

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

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

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

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

Under the requirements of GASB Statement No. 34, the District is required to present certain of its governmental funds as major funds based upon certain criteria. The major funds presented in the fund financial statements include the following (in addition to the General Fund), which may include funds that were not required to be presented as major but were at the discretion of management:

General Fund 11000, 12000, 13000, 14000

The General Fund consists of four sub funds. The first is the Operational fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. The Teacherage Fund is to provide teachers affordable housing to entice them to teach there. The Transportation fund includes a state grant to provide transportation for students in the District. The Instructional Materials fund accounts for a state grant to provide text books for students in the District

Entitlement IDEA-B – 24106 and IDEA-B “Risk Pool” – 24120

To account for a program funded by a Federal grant to assist the schools in providing free appropriate public education to all handicapped children. Authorized by the Individuals with Disabilities Education Act of 2004, Title I, Part B (Public Law 108-446)

IDEA-B Results Plan - Special Revenue Fund 24132

The New Mexico Real Results Plan (NMRRP) is part of New Mexico’s State Systemic Improvement Plan, required by the U.S. Department of Education, Office of Special Education Programs. New Mexico’s plan supports PED’s waiver under the Elementary and Secondary Education Act and the A – F School Grading System. This plan and all its resources specifically target students with disabilities enrolled in Title I schools. PL 108-446 PT B Individuals with Disabilities Education Act

New Mexico Reads to Lead - Special Revenue Fund 27114

The purpose of this grant is to assist the District to purchase informational text materials for grades K-3 in alignment with Common Core State Standards (CCSS).

Kindergarten - Three Plus – 27166

To account for legislative appropriations to provide 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 instructional time to prepare students for the next grade level. Authority for the creation of this fund is the New Mexico Public Education Department.

SB-9Capital Project Fund 31700

A fund created to account for all resources that are legally restricted to the construction or acquisition of designated capital assets.

Educational Technology Equipment Act – 31900

To account for funding which is to be used by the District to promote the comprehensive integration of advances technologies in education setting, through the conduct of technical assistance, professional development, information and resource dissemination and collaboration activities. Authorization is NMSA 22-15A-1.

Additionally, the government reports the following fund types:

Fiduciary Funds

The fund 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.

Generally, the effect of inter-fund 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.

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District’s taxpayer or citizenry, program revenues reduce the cost of the function to be financed from the District’s general revenues. Program revenues are categorized as (a) charges for services, which include revenues collected for cafeteria fees and lost books, etc., (b) program specific operating grants, which includes revenues received from state and federal sources such as Title I and IDEA-B to be used as specified within each program grant agreement, and (c) program-specific capital grants and contributions, which include revenues from

the state resources such as SB-9 and HB-33 funding to be used for capital projects. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes and other items not properly included among program revenues.

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with the function. The District does not currently employ indirect cost allocation systems. Depreciation expense is specifically identified by function and is included in the direct expense of each function, except for that portion of depreciation that is identified as unallocated in the Statement of Activities. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

D. Assets, Liabilities and Net Position or Equity

Cash and Cash Equivalents: The District's cash and cash equivalents are cash on hand, demand deposits and short-term investments with original maturities of twelve 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 Investment Pool.

Restricted Assets: Restricted assets are those that are set aside for restrictions resulting from enabling legislation for future capital outlay expenditures. The District's restricted assets are made up of all capital project.

Receivables and Payables: Inter-fund activity is reported either as loans, services provided, reimbursements, or transfers. Loans are reported as inter-fund 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 costs as a reimbursement. All other inter-fund transactions are treated as transfers. Transfers between governmental or between proprietary 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 Colfax County. The funds are collected by the County Treasurers and remitted to the District in the following month. Under the modified accrual method of accounting, the amount remitted by the county treasurers in July and August is considered 'measurable and available' and, accordingly, is recorded as revenue in the governmental fund financial statements during the year ended June 30, 2016. Period of availability is deemed to be sixty days (60) 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.

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. As of June 30, 2016, the District does not have any prepaid items.

Instructional Materials: The New Mexico Public Education Department (PED) 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, fifty percent is restricted to the purchase of material listed on the PED 'Multiple List', while fifty percent of each allocation is available for purchases directly from vendors or transfer to the fifty percent account for purchase of material from the "Multiple List". Districts are allowed to carry forward unused textbook funds from year to year.

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 are consumed. Inventory is valued at cost. In the General Fund, inventory consists of expendable supplies held for consumption. Inventory in the Food Service Fund consists of U.S.D.A. commodities and other purchased food and non-food supplies.

The cost of purchased inventory is recorded as an expenditure at the time individual inventory items are consumed. Commodities consumed during the year are reported as revenues and expenditures; unused commodities are reported as inventories.

Capital Assets: Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000, per section 12-6-10 NMSA 1978, and an estimated useful life more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets, (retroactive to 1979) are to be included as part of the governmental capital assets reported in the government wide statements. Donated capital assets are recorded at estimated fair market value at the date of donation. Information Technology Equipment including software is being capitalized and included in furniture, fixtures, and equipment in accordance with NMAC 2.20.1.9 C (5).

The District was a phase I government for purposes of implementing GASB Statement No. 34. However, the District does not have any infrastructure assets to report.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction during the year ended June 30, 2016.

Capital expenditures made on the District’s building construction projects by the New Mexico Public School Facilities Authority are included in the District’s capital assets as appropriate. Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Building and improvements	5 - 50 Years
Furniture and equipment	5 - 20 Years

Deferred Outflows of Resources: In addition to assets, the balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a use of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until that time.

Deferred Inflows of Resources: In addition to liabilities, the balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Revenue must be susceptible to accrual (measurable and available to finance expenditures of the current fiscal period) to be recognized. If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding liability for deferred inflows of resources.

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 Plan (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 payment (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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 inconsequential.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the period the bonds are issued. 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 services expenditures.

Fund Balance: Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent: The following classifications may be used:

Non-Spendable

The non-spendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

Restricted

Fund balance is reported as restricted when constraints placed on the use of resources are either (1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.

Committed

Amounts that can only be used for specific purposes pursuant to constraints imposed by the formal action of the District's Board of Education should be reported as committed fund balance. The committed amounts cannot be used for any other purpose unless the District's Board of Education removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.

Assigned

Assigned fund balance includes (a) all remaining amounts, except for negative balances, that are reported in governmental funds, other than the general fund, that are not classified as non-spendable and are neither restricted nor committed and amounts in the general fund that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. Intent, and removal of, is expressed by the Board of Education or the Finance Committee. The District did not have assigned fund balances for the year ended June 30, 2016.

Unassigned

The remaining fund balance, after all other classifications, within the general fund is reported as unassigned fund balance. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. In governmental funds other than the general fund, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, a negative fund balance will be reported as unassigned fund balance.

When committed, assigned, and unassigned resources are available for use, it is the District's policy to use committed first followed by assigned and unassigned resources as they are needed.

Net Position: Net Position is presented on the Statement of Net Position and may be presented in any of three components.

Net investment in capital assets

This component of Net Position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. That portion of the debt is included in restricted for capital projects.

Restricted Net Position

Net Position is reported as being restricted when the restriction is either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the government to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally

enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation.

Unrestricted Net Position

Unrestricted Net Position consists of Net Position that does not meet the definition of "net investment in capital assets" or "restricted."

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

In the governmental environment, Net Position often is designated to indicate that management does not consider them to be available for general operations. In contrast to restricted Net Position, these types of constraints on resources are internal and management can remove or modify them. However, enabling legislation established by the reporting government should not be construed as an internal constraint.

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 affecting the District's financials include management's estimate of the useful lives of capital assets.

E. Revenues

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

A school district's program costs are determined using 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 Secretary of the Public Education Department. The District received \$1,705,015 in state equalization guarantee distributions during the year ended June 30, 2016.

Tax Revenues: The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Tax revenues are recognized when they are in the hands of the collecting agency. The District records only the portion of the taxes considered to be 'measurable' and 'available' on a modified accrual basis. The District recognized \$105,448 in tax revenues during the year ended June 30, 2016. Descriptions of the individual debt service and capital outlay funds contained in these financial statements include information regarding the authority for the collection and use of these taxes.

Property taxes attach an enforceable lien on property as of January 1. Tax notices are sent to property owners by November 1st of each year to be paid in whole or in two installments by November 10th and April 10th of each year. Quay County collects county, city, and school taxes and distributes them to each fund once a month.

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 Secretary of the Public Education Department. The funds shall be used only for making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$62,539 in transportation distributions during the year ended June 30, 2016.

Instructional Materials: The New Mexico Public Education Department (PED) 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, fifty percent is restricted to the purchase of materials listed in the PED "Multiple List", while fifty percent of each allocation is available for purchases directly from vendors. Allocations received from the State for the year ended June 30, 2016 totaled \$7,720.

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

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

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

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

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

During the year ended June 30, 2016, the District did not receive any special capital outlay funds.

SB-9 State Match: The Director shall distribute to any school district that has imposed a tax under the Public School Capital Outlay Improvements Act (22-25-1 to 22-25-10 NMSA 1978) an amount from the public school capital improvements fund that is equal to the amount by which the revenue estimated to be received from the imposed tax as specified in Subsection B of section 22-25-3 NMSA 1978, assuming a one hundred percent collection rate, is less than an amount calculated by multiplying the product obtained by the rate imposed in the District under the Public School Capital Improvements Act. The distribution shall be made by December 1, of each year that the tax is imposed in accordance with Section 22-25-3 NMSA 1978. Provided, however, if 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 \$64,205 state SB-9 matching funds during the year end June 30, 2016.

Federal Grants: The District receives revenues from various Federal departments (both direct and indirect), which are legally restricted to expenditures for specific purposes. These programs are reported as Special Revenue Funds. Each program is operated 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.

The District also receives revenues from Federal departments which are unrestricted to expenditures for special purposes. These revenues are reported in the Operational Fund.

NOTE 2 Stewardship, Compliance and Accountability

Budgetary Information

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

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

fiscal year. 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 a designated portion of the fund balance.

Actual expenditures may not exceed the budget at the function level. Budgets may be amended in two ways. If a budget transfer is necessary within a major category called a 'function,' this may be accomplished with only local Board of Education approval. If a transfer between 'functions' or a budget increase is required, approval must also be obtained from the New Mexico Public Education Department.

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

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

1. In April or May, the local school board submits to the School Budget and Finance Analysis Bureau (SBFAB) of the New Mexico Public Education Department, a proposed operating budget for the ensuing fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the State of New Mexico Public Education Department (PED) by the District shall contain headings and details as described by law and have been approved by the New Mexico Public Education Department.
2. In May or June of each year, the proposed "operating" budget will be reviewed and approved by the SBFAB and certified and approved by the local school board at a public hearing of which notice has been published by the local school board who fixes the estimated budget for the District for the ensuing fiscal year.
3. The school board meeting, while not intended for the public, is open for the 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 SBFAB 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 SBFAB.
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 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 District and approved by the SBFAB.
8. Legal budget control for expenditures is by function.
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 of the District has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.
10. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Capital Projects Funds and Debt Service Funds.
11. Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Encumbrances are treated the same way for GAAP purposes and for budget purposes.

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The Board of Education may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. New Mexico state law prohibits a Governmental Agency from exceeding an individual function.

The accompanying Statements of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual present comparisons of the legally adopted budget with actual data on a budgetary basis.

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of resultant basis, perspective, equity, and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2016, is presented.

The appropriated budget for the year ended June 30, 2016, was properly amended by the Board of Education throughout the year.

	<u>Original Budget</u>	<u>Final Budget</u>
Major Funds		
Operational - 11000	\$ (126,648)	\$ (126,648)
Teacherage - 12000	\$ (11,387)	\$ (11,387)
IDEA - B Entitlement - 24106	\$ (4,220)	\$ (3,412)
Senate Bill Nine - 31700	\$ (34,696)	\$ (34,969)
Ed Tech Equipment Act - 31900	\$ (250,000)	\$ (250,000)
Nonmajor Funds	\$ (28,292)	\$ (25,286)

The District is required to balance its budgets each year. Accordingly, amounts in 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 is included in the individual budgetary comparison.

NOTE 3 Deposits and Temporary Investments

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

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

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

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

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

Per the Federal Deposit Insurance Corporation, public unit deposits are funds owned by the public unit. Time deposits, savings deposits and interest bearing NOW accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution.

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Deposits

New Mexico State Statutes require collateral pledged for deposits more than the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the District for a least one half of the amount on deposit with the institution. The schedule listed below will meet the State of New Mexico, Office of the State Auditor's requirements in reporting the insured portion of the deposits.

	Wells Fargo Bank Raton NM	Type
Total amount on deposit on June 30, 2016		
Maxwell Municipal School Operational	\$ 208,296	Interest Bearing
Maxwell Municipal School Lunch	7,303	Interest Bearing
Maxwell Municipal School Activity	21,366	Interest Bearing
Total deposited	<u>236,965</u>	
Less FDIC coverage	(250,000)	
Total uninsured public funds	<u>(13,035)</u>	
50% collateral requirement		
as per Section 6-10-17, NMSA 1978	<u>12,311</u>	
Pledged securities		
FNMA FNMS	<u>56,185</u>	

Pledged Collateral

FNMA, CUISP 3128P8BV2, maturity date 10/1/2035, market value \$56,185 held at BNY Mellon, New York, New York, securities held in Wells Fargo Banks name pledged in Maxwell Municipal Schools name.

Custodial credit risk is the risk that in the event of a bank failure, the governments' deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2016, the District's bank balance of \$236,965 was not exposed to custodial credit risk.

Custodial Credit Risk - Deposits	
Account Balance	\$ 236,965
FDIC Insured	250,000
Collateral	
Collateral held by the pledging bank, not in the District's name	56,185
Uninsured and uncollateralized	(69,220)
Total Deposits	<u>\$ 236,965</u>

Custodial Credit Risk- Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District does not have an investment policy for custodial credit risk. New Mexico State Statutes require collateral pledged to be delivered for the securities underlying an overnight repurchase agreement, or a joint safekeeping receipt to be issued to the District for at least one hundred and two percent of the fair value of the securities underlying overnight repurchase accounts invested with the institution.

At June 30, 2016, the District had no investment balances therefore there was no custodial credit risk.

NOTE 4 Accounts Payables and Accrued Expenses

Accounts payable as of June 30, 2016, was \$3,567 payable to suppliers.

NOTE 5 Receivables

Receivables as of year-end for the government's individual major funds and non-major funds in the aggregate, including the following:

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	General Fund	SB-9 Fund	Other Governmental Funds	Totals
Property tax receivable	\$ 42	\$ 310	\$ 470	\$ 822
Due from grantor				
Title 1 - 24101	-	-	4,708	
IDEA-B Entitlement - 24106	-	-	16,128	
IDEA-B Preschool - 24109	-	-	531	
Results Driven Acc Plan - 24132	-	-	16,758	
Teacher/Principal Training - 24154	-	-	166	
Kindergarten 3 Plus - 27166	-	-	11,907	
2012 GO Bonds Library - 27107	-	-	3,642	
NM Read to Lead - 27114	-	-	26,932	
SB-9 - 37100	-	-	26,101	106,873
Totals	\$ 42	\$ 310	\$ 107,343	\$ 107,695

An allowance for doubtful accounts has not been established. All receivables are expected to be collectible.

NOTE 6 Inter-Fund Receivables and Payables

The District records temporary inter-fund receivables and payables to enable the funds to operate until grant monies are received.

The composition of inter-fund balances during the year ended June 30, 2016 is as follows:

	Inter-fund Receivable	Inter-fund Payable
Operational - 11000	\$ 80,772	\$ -
Title 1 - 24101	-	(4,708)
IDEA-B Entitlement - 24106	-	(16,128)
IDEA-B Preschool - 24109	-	(531)
Teacher/Principal Training - 24154	-	(166)
2012 GO Bond Library - 27107	-	(3,642)
Results Plan - 24132	-	(16,758)
Kindergarten 3 Plus - 27166	-	(11,907)
NM Read to Lead - 27114	-	(26,932)
	\$ 80,772	\$ (80,772)

These funds are part of pooled cash, so the General Fund is deemed to have loaned it money until reimbursements are received. All inter-fund balances are to be paid within one year.

NOTE 7 Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2016, including those changes pursuant to the implementation of GASB Statement No. 34, follows. Land is not subject to depreciation.

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	Beginning Balances	Increase	Adjustments/ Decrease	Ending Balances
Governmental activities:				
Capital assets not being depreciated				
Land	\$ 307,309	\$ -	\$ -	\$ 307,309
Capital assets being depreciated				
Buildings and improvements	4,625,681	-	945,790	5,571,471
Land improvements	297,918	-	(297,918)	-
Furniture and equipment	622,514	69,262	(210,537)	481,239
	-	-	-	-
Total assets	<u>5,853,422</u>	<u>69,262</u>	<u>437,335</u>	<u>6,360,019</u>
Less accumulated depreciation				
Buildings and improvements	(2,372,430)	-	(763,546)	(3,135,976)
Land improvements	(242,684)	-	378,459	135,775
Furniture and equipment	(444,539)	(171,400)	-	(615,939)
	-	-	-	-
Total accumulated depreciation	<u>(3,059,653)</u>	<u>(171,400)</u>	<u>(385,087)</u>	<u>(3,616,140)</u>
Governmental activity capital assets, net	<u>\$ 2,793,769</u>	<u>\$ (102,138)</u>	<u>\$ 52,248</u>	<u>\$ 2,743,879</u>

Capital assets, net of depreciation, at June 30, 2016 appear in the Statement of Net Position as follows:

Governmental activities \$2,743,879

Depreciation has been allocated to the functions by the following amounts:

Instruction	\$ 10,293
Student Support	20,977
Food Services	373
Facilities Acquisition	139,757
	<u>\$ 171,400</u>

NOTE 8 Long-term Debt

During the year ended June 30, 2016 the following changes occurred in the liabilities reported in the government-wide Statement of Net Position:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due Within One Year
Governmental activities					
Lease purchase notes	\$ 280,000	\$ -	\$ (55,164)	\$ 224,836	\$ 55,451
Compensated absences	14,627	25,618	(20,569)	19,676	-
	<u>\$ 294,627</u>	<u>\$ 25,618</u>	<u>\$ (75,733)</u>	<u>\$ 244,512</u>	<u>\$ 55,451</u>

Lease Purchase Notes:

Education Technology General Obligation Lease Purchase Certificates of Participation (Lease Purchase Notes) under the terms of a lease-purchase agreement by and between the District and the New Mexico Public Schools Education Technology Assistance Foundation, LLC pursuant to the Education Technology Equipment Act, NMSA 1978, §§ 6-15A-1 to 6-15A-16 for the purchase of technology related equipment and improvements as allowed under this Act. The lease purchase note is for governmental activities.

Lease purchase notes outstanding as of June 30, 2015, are comprised of the following:

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Debt outstanding at June 30, 2016, are comprised of the following:

Series	Date of Issue	Original Amount	Interest Rate	Balance	Due in One Year
2015	5/1/2015	\$ 280,000	.05977% to 1.5977%	\$ 224,836	\$ 55,451

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

Year Ended June 30,	Principal	Interest	Total
2017	\$ 55,451	\$ 1,934	\$ 57,385
2018	55,856	1,410	57,266
2019	56,409	691	57,100
2020	57,120	57	57,177
	<u>\$ 224,836</u>	<u>\$ 4,092</u>	<u>\$ 228,928</u>

NOTE 9 Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injury to employees; and natural disasters. The New Mexico Public Schools Insurance Authority (NMSIA) was formed on April 5, 1985 under the New Mexico Public Schools Insurance Authority Act, Chapter 22, Section 2 of the New Mexico Statutes Annotated (NMSA 1978), as amended, as an insurance fund to provide health, disability and life insurance coverage (benefits coverage), and property, casualty and workers' compensation insurance coverage (risk coverage) to participating public schools, school board members, public school employees, and retirees within the State of New Mexico. The District is one of 91 members that participate in NMPSIA. Participation in NMPSIA is mandatory for all K-12 public schools except those with enrollment exceeding 60,000 students. Participation is voluntary for other public education institutions. The District pays an annual premium to the pool for its general insurance coverage. The agreement for formation of NMPSIA provides that the pool will be self-sustaining through member premiums. NMPSIA establishes self-insured retentions by line of coverage and procures insurance or reinsurance, where indicated, more than the self-insured retention on a per occurrence basis. NMPSIA will publish its own financial report for the year ended June 30, 2016.

NOTE 10 Other Required Individual Fund Disclosures

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

- A. Deficit fund balance

None

- B. Excess Expenditures over budget.

The District did not reported expenditures more than budget at the function level at June 30, 2016,

- C. Designated cash appropriations more than available balance:

No funds of the District exceeded the budgeted cash appropriations for the year ended June 30, 2016.

NOTE 11 Pension Plan – Education Retirement Board

Plan Description - Substantially all the District's full-time employees participate in a public employee

retirement system authorized under the Educational Retirement Act (Chapter 22, Article 11, Sections 1 through 52, NMSA 1978). The Educational Retirement Board (ERB) is the administrator of the New Mexico Educational Employees' Retirement Plan (Plan), which is a cost-sharing multiple-employer defined benefit retirement plan. ERB issues a separate, publicly available financial report that includes the financial statements and required supplementary information for the plan. That report may be obtained www.nmerb.org, www.saonm.org, or by writing to:

ERB
P.O. Box 26129
Santa Fe, New Mexico 87502-6129 www.nmerb.org

Membership in the Plan is a condition of employment. Employees of public schools, universities, regional cooperatives, special schools and state agencies providing educational programs, who are employed at more than 25% of a full-time equivalency, are required to be members of the Plan. There were 146,089 active, retired, and inactive members in fiscal year 2015; there were 140,008 active, retired, and inactive members in fiscal year 2014.

Benefits Provided - The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members (certified teachers, and other employees of State public school districts, colleges and universities) and beneficiaries. Benefits are based on three components: Final Average Salary (FAS), years of both earned and allowed service credits, and a 2.35% factor. The gross annual benefit is determined by multiplying the three components together. FSA is the higher of annual earnings for the previous 20 calendar quarters prior to retirement or the highest average annual earnings for any 20 consecutive calendar quarters.

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

sixty-five years of age and has five or more years of earned service credit; or the member has service credit totaling 25 years or more.

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

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

Retired members and surviving beneficiaries receiving benefits receive an automatic cost of living adjustment (COLA) to their benefit each July 1, beginning in the year the member attains or would have attained age 65 or on July 1 of the year following the member's retirement date, whichever is later. Prior to June 30, 2014 the COLA adjustment was equal to one-half the change in the Consumer Price Index (CPI), except that the COLA shall not exceed 4% nor be less than 2%, unless the change in CPI is less than 2%, in which case, the COLA would equal the change in the CPI, but never less than zero. As of July 1, 2014, for current and future retirees the COLA was immediately reduced until the plan is 100% funded. The COLA reduction was based on the median retirement benefit of all retirees excluding disability retirements. Retirees with benefits at or below the median and with 25 or more years of service credit will have a 10% COLA reduction; their average COLA will be 1.8%. All other retirees will have a 20% COLA reduction; their average COLA will be 1.6%. Once the funding is greater than 90%, the COLA reductions will decrease. The retirees with benefits at or below the median and with 25 or more years of service credit will have a 5% COLA reduction; their average COLA will be 1.9%. All other retirees will have a 10% COLA reduction; their average will be 1.8%. Members on disability retirement are entitled to a COLA commencing

on July 1 of the third full year following disability retirement. All member on regular retirement who can prove retirement because of a disability may qualify for a COLA beginning July 1 in the third full year of retirement.

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

The member, upon retirement, has three options as to how to receive the benefit.

Option A - If the member elects the Option A, there is no reduction to the monthly benefit other than any "Rule of 75" deductions or any community property or child support reductions. There will be no continuing benefit to a beneficiary or estate upon the retiree's death, except the balance, if any, of member contributions. Those contributions are usually exhausted in the first three to four years of retirement.

Option B - If the member elects Option B, the monthly benefit is reduced to provide for a 100% survivor's benefit. The reduced benefit is payable during the life of the member and upon the retiree's death, the same benefit is paid to the beneficiary for his or her lifetime. The named beneficiary may not be changed after the effective date of retirement since the amount of the option is calculated by using both the age of the member and the beneficiary. If the beneficiary predeceases the member, the member's benefit will be adjusted by

returning it to the Option A Benefit amount. The IRS prohibits selection of Option B for a non-spouse beneficiary more than ten years younger than the member.

Option C - If the member elects Option C, the monthly benefit is reduced to provide for a 50% survivor's benefit. The benefit is payable during the life of the member and upon the retiree's death, one half of the member's benefit is paid to the beneficiary for his or her lifetime. Here again, the named beneficiary may not be changed after the effective date of retirement. If the beneficiary predeceases the member, the member's benefit is adjusted by returning it to the Option A Benefit amount.

Under the provisions of Options B and C coverage, the beneficiary must be a person, and only one beneficiary may be named. The term beneficiary means a person having an insurable interest in the life of the member.

Member Contributions - Plan members whose annual salary is \$20,000 or less are required by statute to contribute 7.9% of their gross salary. Plan members whose annual salary is over \$20,000 are required to make the following contributions to the Plan: 10.7% of their gross salary in fiscal year 2016.

Employer Contribution - In fiscal year 2016, the District was required to contribute 13.9% of the gross covered salary for employees whose annual salary is \$20,000 or less, and 13.9% of the gross covered salary for employees whose annual salary is more than \$20,000. The contribution requirements of plan members and the District are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. Contributions to the pension plan from the District were \$174,780 for the year ended June 30, 2016.

Employers - The Educational Retirement Act designates employers as Local Administrative Units, directly responsible for payment of compensation for the employment of members or participants of this Plan. There were 216 contributing employers in fiscal year 2015; there were 217 contributing employers in fiscal year 2014.

Liabilities, Deferred Outflows of Resources, Deferred Inflows of Resources, and Expense Related to Pensions – The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, the District reported a liability of \$2,892,747 for its proportionate share of the net pension liability. The District's proportion of the net

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MAXWELL MUNICIPAL SCHOOLS
Notes to the Financial Statements
June 30, 2016

pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, the District's proportion was 0.04466%, which was an increase of 0.00274% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2016, the District recognized pension expense of \$341,339. At the June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actuarial experience	\$ -	\$ 53,629
Change in assumptions	99,497	-
Net difference between projected and actual earnings on plan investments	-	13,021
Change in proportion and difference between District contribution and proportionate share of contributions	145,980	-
Change in proportion after reallocation	127,754	-
District's contribution subsequent to the measurement date	174,780	-
Totals	<u>\$ 548,011</u>	<u>\$ 66,650</u>

Deferred outflows of resources related to pensions in the amount of \$174,780 resulted from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016.

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,	
2017	\$ 114,691
2018	106,955
2019	44,786
2020	40,178
Thereafter	-

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

The total pension liability, net pension liability, and certain sensitivity information shown in this report are based on an actuarial valuation performed as of June 30, 2014. The total pension liability and net pension liability are based on an actuarial valuation performed as of June 30, 2014. The total pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015 using generally accepted actuarial principles. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2015. Specifically, the liabilities measured as of June 30, 2015 incorporate the following assumptions:

- 1) All members with an annual salary of more than \$20,000 will contribute 10.7% during the fiscal year ending June 30, 2015 and thereafter.

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 Notes to the Financial Statements
 June 30, 2016

- 2) Members hired after June 30, 2013 will have an actuarially reduced retirement benefit if they retire before age 55 and their Cost of Living Adjustment (COLA) will be deferred until age 67.
- 3) COLAs for most retirees are reduced until ERB attains a 100% funded status.
- 4) The new assumptions were adopted by ERB on June 12, 2015 in conjunction with the six-year experience study period ending June 30, 2014.

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

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll
Remaining Period	Amortized – closed 30 years from June 30, 2012 to June 30, 2042
Asset Valuation Method Inflation 3.00%	5-year smoothed market for funding valuation (fair value for financial valuation)
Salary Increases	3% inflation, plus 1.25% productivity increase rate, plus step rate promotional increases or members with less than 10 years of service.
Investment Rate of Return	7.75%
Retirement Age	Experience based table of age and service rates
Mortality	90% of RP-2000 Combined Mortality Table with White Collar Adjustment projected to 2015 using Scale AA (one year setback for females)

The long-term expected rate of return on pension plan investments is determined annually using a building-block approach that includes the following: 1) rate of return projections are the sum of current yield plus projected changes in price (valuation, defaults, etc.), 2) application of key economic projections (inflation, real growth, dividends, etc.), and 3) structural themes (supply and demand imbalances, capital flows, etc.). These items are developed for each major asset class. Best estimates of geometric real rates of return for each major asset class included in the Plan's target asset allocation for 2015 and 2014 for 30-year return assumptions are summarized in the following table:

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Asset Class	2015 Long-Term Expected Real Rate of Return	2014 Long-Term Expected Real Rate of Return
Cash	3.25%	1.50%
Treasuries	3.50%	2.00%
IG Corp Credit	4.75%	3.50%
MBS	3.75%	2.25%
Core Bonds	3.98%	2.53%
TIPS	4.00%	2.50%
High Yield Bonds	5.75%	4.50%
Bank Loans	6.00%	5.00%
Global Bonds (Unhedged)	2.25%	1.25%
Global Bonds (Hedged)	2.41%	1.38%
EMD External	6.00%	5.00%
EMD Local Currency	6.75%	5.75%
Large Cap Equities	7.50%	6.25%
Small/Mid Cap	7.75%	6.25%
International Equities (Unhedged)	8.00%	7.25%
International Equities (Hedged)	8.47%	7.50%
Emerging International Equities	9.25%	9.50%
Private Equity	9.50%	8.75%
Private Debt	8.00%	8.00%
Private Real Assets	7.75%	7.75%
Real Estate	6.50%	6.25%
Commodities	5.75%	5.00%
Hedge Funds	6.75%	5.50%

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

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

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015, 2014, and 2013. In particular, the table presents the Plan's net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease 6.75%	Current Discount Rate 7.75%	1% Increase 8.75%
District's proportionate share of the net pension liability	\$ 3,892,385	\$ 2,892,747	\$ 2,052,948

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

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

Eligible retirees are:

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

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to:

Retiree Health Care Authority
4308 Carlisle NE, Suite 104
Albuquerque, NM 87107

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

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2014, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2015, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2014, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The District's contributions to the RHCA for the years ended June 30, 2016, 2015 and 2014 were \$37,723, \$38,085, and \$34,668, respectively, which equal the required contributions for each year.

NOTE 13 Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The

amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amount, if any, to be immaterial.

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 Cash Flows

The District's federal and state grants operate on a reimbursement basis. The District must support the expenditures of these grants with monies from the unrestricted operating monies. Operating on a reimbursement basis for these grants in its self does not adversely affect the District's ability to operate effectively. However, the time it takes to receive reimbursement, if extensive, does significantly affect the District's cash flows and the ability to deliver educational services to the community in an effective manner. This could affect the District's financial operations in subsequent years.

NOTE 16 Subsequent Events

The date to which events occurring after June 30, 2016, the date of the most recent Statement of Net Position, have been evaluated for possible adjustment to the financial statements or disclosures is October 13, 2016.

NOTE 17 Non-Cash Federal Assistance

The District receives USDA Commodities for use in sponsoring the National School Lunch and Breakfast programs. The value of commodities received for the year ended June 30, 2016 was \$6,243.

NOTE 18 Surety Bond

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

NOTE 19 Memorandum of Understanding

District

Purpose: To allow the submission of a consolidated application to the State Department of Education for certain funds granted to the State of New Mexico by the USDE under the Education of the Handicapped Act, Part B, PL 94-142 among others.

Participants: Regional Education Cooperative and Maxwell Municipal Schools

Responsible Party for Operation and Audit: Regional Education Cooperative

Beginning and Ending Date of Agreement: July 1, 1995 until the end of any fiscal year during which the school gives notice of intent to terminate.

Total Estimated Amount of Project and Actual Amount Contributed: The REC paid expenditures on behalf of the District in the amount of \$30,301.

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Notes to the Financial Statements
June 30, 2016

Luna Community College Dual Enrollment Agreement

Purpose: Luna Community College will provide higher education to qualified Maxwell High School junior and senior students in both technical and arts and science courses.

Participants: Luna Community College and Maxwell Municipal Schools.

Responsibility: Maxwell Municipal Schools will be responsible for tuition and enrollment fees for the enrolled students.

Beginning and ending dates of agreement: Extended indefinitely until terminated by either party.

Estimated costs: Total costs are dependent on the number of enrolled students and is the sole responsibility of Maxwell Municipal Schools.

NOTE 20 Restatement of Net Position

The District restated net position to correct capital assets and accumulated depreciation. Capital assets and accumulated depreciation were adjusted to agree with the subsidiary ledger.

Beginning Net Position	\$	696,940
Capital assets		437,335
Accumulated depreciation		<u>(385,087)</u>
Beginning Net Position, Restated	\$	<u>749,188</u>

Supplementary Information Related to Major Funds

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Major Capital Project Fund - Senate Bill Nine - 31700
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Taxes levied / assessed	\$ 30,147	\$ 30,147	\$ 36,144	\$ 5,997
Fees - activities	-	-	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	-	-
Emergency Supplement	-	-	-	-
Gain (loss) on sale of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	-	29,714	38,104	8,390
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	-	-	-	-
	<u>30,147</u>	<u>59,861</u>	<u>74,248</u>	<u>14,387</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	288	388	361	27
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	64,555	94,169	58,136	36,033
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>64,843</u>	<u>94,557</u>	<u>58,497</u>	<u>36,060</u>
Excess (deficiency) of revenues over(under) expenditures	(34,696)	(34,696)	15,751	50,447
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund payable	-	-	(2,685)	(2,685)
Designated cash	34,696	34,696	-	(34,696)
	<u>34,696</u>	<u>34,696</u>	<u>(2,685)</u>	<u>(37,381)</u>
Net change in cash balances	-	-	13,066	13,066
Cash balance, beginning	-	-	-	-
Cash balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,066</u>	<u>\$ 13,066</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ 13,066	
Adjustment to revenues for accruals & other deferrals			26,103	
Adjustment to expenditures for payables, prepaids & other accruals			2,022	
Net change in fund balance (GAAP Basis)			<u>\$ 41,191</u>	

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Capital Project Fund - Educational Technology Equipment Act - 31900
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	-	-	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	139	139
Emergency Supplement	-	-	-	-
Gain (loss) on sale of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	-	-	-	-
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	-	-	-	-
Total revenues	-	-	139	139
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	180,000	180,000	115,640	64,360
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	70,000	70,000	63,668	6,332
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	250,000	250,000	179,308	70,692
Excess (deficiency) of revenues over(under) expenditures	(250,000)	(250,000)	(179,169)	70,831
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund payable	-	-	-	-
Designated cash	250,000	250,000	-	(250,000)
Total other financing sources (uses)	250,000	250,000	-	(250,000)
Net change in cash balances	-	-	(179,169)	(179,169)
Cash balance, beginning	-	-	250,000	250,000
Cash balance, ending	\$ -	\$ -	\$ 70,831	\$ 70,831
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ (179,169)	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ (179,169)	

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

Required Supplementary Information

STATE OF NEW MEXICO
 MAXWELL MUNICIPAL SCHOOLS
 Schedule of Proportionate Share of the Net Pension Liability
 Education Retirement Board (ERB) Pension Plan
 Last 10 Fiscal Years*

Schedule A-1

	<u>2015</u>
The District's proportion of the net pension liability (asset)	0.04466%
The District's proportionate share of the net pension liability (asset)	\$ 2,892,747
The District's covered-employee payroll	\$ 1,257,410
The District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	230.06%
Plan fiduciary net position as a percentage of the total pension liability	63.97%

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

STATE OF NEW MEXICO
 MAXWELL MUNICIPAL SCHOOLS
 Schedule of Contributions
 Education Retirement Board (ERB) Pension Plan
 Last 10 Fiscal Years*

Schedule A-2

	<u>2016</u>
Contractually required contribution	\$ 174,780
Contributions in relation to the contractually required contribution	<u>174,780</u>
Contribution deficiency (excess)	<u>\$ -</u>
The District's covered-employee payroll	\$ 1,257,410
Contributions as a percentage of covered-employee payroll	13.90%

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

Note: Employee contributions are not included in this schedule.

See notes to required supplementary information

Changes of benefit terms.

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

Changes of assumptions.

ERB conducts an actuarial experience study for the Plan on a biennial basis. Based on the six-year actuarial experience study presented to the Board of Trustees on June 12, 2015, ERB implemented the following changes in assumptions for fiscal year 2015.

1. Fiscal year 2015 valuation assumptions that changed based on this study:
 - a. Lower wage inflation from 4.25% to 3.75%
 - b. Minor changes to demographic assumptions
 - c. Remove population growth assumptions from projections

2. Assumptions that were not changed:
 - a. Investment return will remain at 7.75%
 - b. Inflation will remain at 3.00%
 - c. Maintain payroll growth at 3.5%

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

Supplementary Information Related to
Nonmajor Governmental Funds

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

The Special Revenue Funds are used to account for Federal, State, and Local funded grants. These grants are awarded to the District with the purpose of accomplishing specific educational tasks. Grants accounted for in the Special Revenue Funds include:

Food Service - 21000

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

Athletics - 22000

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

IASA Title I – 24101

The major objectives of the Title I program are to provide supplemental educational opportunity for academically disadvantaged children in the area of residing. Campuses are identified for program participation by the percentage of students on free or reduced price lunches. Any school with a free and reduced price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criterion that identifies a campus; educational need determines the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Education. Authorized by the Elementary and Secondary Education Act (ESEA) of 1965, as amended by the No Child Left Behind Act of 2001, Title I, Part A (Public Law 107-110).

IDEA-B Preschool – 24109

The objective of the Assistance to States for the Education of Handicapped Children Program is to assist in providing free, appropriate public education to all handicapped children from age's three to five. Authorized by the Individuals with Disabilities Education Act of 2004, Title I, Part B (Public Law 108-446).

IDEA-B Risk Pool 24120

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

Teacher/Principal Training and Recruiting - 24154

The objective of the Improving Teacher Quality State Grants program is to provide funds to State educational agencies (SEAs), local educational agencies (LEAs), State agencies for higher education (SAHEs), and partnerships comprised of institutions of higher education (IHEs), high-need LEAs and other entities to increase the academic achievement of all students by helping schools and school districts to: (1) improve teacher and principal quality (including hiring teachers to reduce class size) and (2) ensure that all teachers are highly qualified. Authority for creation of this fund is Title II, Part A of the Elementary and Secondary Education Act (ESEA) of 1965, as amended by the No Child Left Behind Act of 2001 (NCLB) (Pub. L. No. 107-110).

Medicaid 25153

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

Rural Education Achievement Program - 25203

The objective is to provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools. Elementary and Secondary Education Act of 1965 (ESEA), Title VI, Part B, as amended.

Dual Credit – 27103

HB-2 – SB943(2007) & SB31 (2008) create a dual credit program that allows public high school students in school districts to earn both high school and college credit for qualifying dual credit courses. Courses must be academic or career technical in nature, which means they must apply toward a degree or certificate program. Authority for creation of this fund is authorization of the New Mexico Public Education Department, via the New Mexico General Appropriation Act.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

2012 GO Bond Student Library - 27107

Must be used to fund each library facility for improvement or acquisition and to acquire library books and library resources to support the library program. Authority for the creation of this fund is the New Mexico Public Education Department.

STEM Teacher Initiative 27181

The objective of this program is to provide training for teachers in Science, Technology, Engineering and Math. Funding is provided by the New Mexico Public Education Department. No minimum balance required according to legislation.

Parent Advocacy Project - 27193

To account for reimbursement from PED to develop a student parent portal. The portals can be used to deliver and receive reports on line.

Private Grant - 29102

To account for a comprehensive grant for school reform with the commitment to improve teaching and learning. The main focus areas for this grant is experiential learning and professional development. Funds are provided by a private grant.

Wellness Center – 29123

To account for resources received to provide for integrated primary care and behavioral health (mental health and substance abuse) services to all students in conjunction with the New Mexico Department of Health.

Debt Service Fund

Debt Service Fund - 41000

The fund is used to account for the resources for, and the payment of, principal, interest, and related cost.

Special Revenue Funds

The Special Revenue Funds are used to account for Federal, State, and Local funded grants. These grants are awarded to the District with the purpose of accomplishing specific educational tasks. Grants accounted for in the Special Revenue Funds include:

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
All Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2016

	Food Service 21000	Athletics 22000	IASA Title I 24101	IDEA-B Preschool 24109
<u>ASSETS</u>				
Cash and cash equivalents	\$ 5,866	\$ 4,109	\$ -	\$ -
Restricted cash at NMFA	-	-	-	-
Accounts receivable				
Taxes	-	-	-	-
Due from grantor	-	-	4,708	531
Inventory	5,058	-	-	-
	<u>5,058</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 10,924</u>	<u>\$ 4,109</u>	<u>\$ 4,708</u>	<u>\$ 531</u>
 <u>LIABILITIES</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	4,708	531
	<u>-</u>	<u>-</u>	<u>4,708</u>	<u>531</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>4,708</u>	<u>531</u>
 <u>DEFERRED INFLOWS</u>				
Unavailable revenue - state grants	-	-	-	-
 <u>FUND BALANCE</u>				
Non-spendable	5,058	-	-	-
Restricted for				
Special revenue	5,866	4,109	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Unassigned for				
Special revenue	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>10,924</u>	<u>4,109</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 10,924</u>	<u>\$ 4,109</u>	<u>\$ 4,708</u>	<u>\$ 531</u>

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

IDEA-B Risk Pool 24120	Teacher / Principal Training & Recruiting 24154	Equipment Assistance Program 24183	Medicaid 25153	Rural Education Achievement Program 25233	Dual Credit Instructional Material 27103
-	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	166	-	-	-	-
-	-	-	-	-	-
-	<u>\$ 166</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
-	\$ -	\$ -	\$ -	\$ -	\$ -
-	166	-	-	-	-
-	166	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	<u>\$ 166</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
All Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2016

	Go Bond Library 27107	STEM Teacher Initiative 27181	Parent Advocacy Project 27193	Private Grant 29102
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 4,562
NMFA state treasurer cash	-	-	-	-
Accounts receivable				
Taxes	-	-	-	-
Due from grantor	3,642	-	-	-
Inventory	-	-	-	-
Total assets	<u>\$ 3,642</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,562</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	3,642	-	-	-
Total liabilities	<u>3,642</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS				
Unavailable revenue - state grants	-	-	-	-
FUND BALANCE				
Non-spendable	-	-	-	-
Restricted for				
Special revenue	-	-	-	4,562
Capital projects	-	-	-	-
Debt service	-	-	-	-
Unassigned for				
Special revenue	-	-	-	-
Total fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,562</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 3,642</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,562</u>

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

Well Center 29123	Debt Service 41000	Ed Tech Debt Service 43000	Total Non-major Governmental Funds
\$ -	\$ 108	\$ 2,763	\$ 17,408
-	-	1	1
-	-	470	470
-	-	-	9,047
-	-	-	5,058
<u>\$ -</u>	<u>\$ 108</u>	<u>\$ 3,234</u>	<u>\$ 31,984</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	9,047
-	-	-	9,047
-	-	-	-
-	-	-	5,058
-	-	-	14,537
-	-	-	-
-	108	3,234	3,342
-	-	-	-
-	108	3,234	22,937
<u>\$ -</u>	<u>\$ 108</u>	<u>\$ 3,234</u>	<u>\$ 31,984</u>

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
All Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended June 30, 2016

	Food Service 21000	Athletics 22000	IASA Title I 24101	IDEA- B Preschool 24109
Revenues:				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	2,350	22,669	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	675	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	3	-	-
Emergency Supplement	-	-	-	-
Gain (loss) on sale of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	-	-	-	-
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	34,799	-	18,277	2,235
Total revenues	<u>37,149</u>	<u>23,347</u>	<u>18,277</u>	<u>2,235</u>
Expenditures				
Current				
Instruction	-	23,675	18,277	-
Support services				
Students	-	-	-	2,235
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	32,139	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>32,139</u>	<u>23,675</u>	<u>18,277</u>	<u>2,235</u>
Excess (deficiency) revenues over expenditures	5,010	(328)	-	-
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	5,010	(328)	-	-
Fund balance, beginning	<u>5,914</u>	<u>4,437</u>	<u>-</u>	<u>-</u>
Fund balance, ending	<u>\$ 10,924</u>	<u>\$ 4,109</u>	<u>\$ -</u>	<u>\$ -</u>

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

IDEA- B Risk Pool 24120	Teacher / Principal Training & Recruiting 24154	Equipment Assistance Program 24183	Medicaid 25153	Rural Education Achievement Program 25233	Dual Credit Instructional Material 27103
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	10,253	-	193
-	-	-	-	-	-
-	-	-	2,753	13,459	-
36,799	3,012	8,589	-	-	-
<u>36,799</u>	<u>3,012</u>	<u>8,589</u>	<u>13,006</u>	<u>13,459</u>	<u>193</u>
35,248	2,660	-	-	13,459	193
1,551	-	-	-	-	-
-	-	-	-	-	-
-	352	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	2,995	-	-	-
-	-	5,594	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>36,799</u>	<u>3,012</u>	<u>8,589</u>	<u>-</u>	<u>13,459</u>	<u>193</u>
-	-	-	13,006	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	13,006	-	-
-	-	-	(13,006)	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
All Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended June 30, 2016

	Go Bond Library 27107	STEM Teacher Initiative 27181	Parent Advocacy Project 27193	Private Grant 29102
Revenues				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	-	-	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	-	-
Emergency Supplement	-	-	-	-
Gain (loss) on sale of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	6,107	6,075	-	-
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	-	-	-	-
Total revenues	6,107	6,075	-	-
Expenditures				
Current				
Instruction	-	6,075	-	417
Support services				
Students	-	-	-	-
Instruction	5,301	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Operation & maintenance of plant	-	-	-	-
Facilities acquisition/construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	5,301	6,075	-	417
Excess (deficiency) revenues over expenditures	806	-	-	(417)
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	806	-	-	(417)
Fund balance, beginning	(806)	-	-	4,979
Fund balance, ending	\$ -	\$ -	\$ -	\$ 4,562

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

Well Center 29123	Debt Service 41000	Ed Tech Debt Service 43000	Total Non-major Governmental Funds
\$ -	\$ 5	\$ 61,231	\$ 61,236
-	-	-	25,019
-	-	-	-
-	-	-	675
-	-	-	-
-	-	1	4
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	22,628
-	-	-	-
-	-	-	-
-	-	-	16,212
-	-	-	103,711
<u>-</u>	<u>5</u>	<u>61,232</u>	<u>229,485</u>
-	-	-	100,004
11,507	-	-	15,293
-	-	-	5,301
-	-	608	960
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	35,134
-	-	-	5,594
-	-	55,164	55,164
-	-	2,226	2,226
<u>11,507</u>	<u>-</u>	<u>57,998</u>	<u>219,676</u>
(11,507)	5	3,234	9,809
-	-	-	-
-	-	-	-
(11,507)	5	3,234	9,809
<u>11,507</u>	<u>103</u>	<u>-</u>	<u>13,128</u>
<u>\$ -</u>	<u>\$ 108</u>	<u>\$ 3,234</u>	<u>\$ 22,937</u>

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Special Revenue Fund - Food Service - 21000
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	1,225	1,225	2,350	1,125
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	1	1	-	(1)
Emergency Supplement	-	-	-	-
Gain (loss) of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	-	-	-	-
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	38,714	38,714	41,042	2,328
Total revenues	39,940	39,940	43,392	3,452
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	47,264	44,103	41,689	2,414
Capital outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	47,264	44,103	41,689	2,414
Excess (deficiency) of revenues over(under) expenditures	(7,324)	(4,163)	1,703	5,866
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund payable	-	-	-	-
Designated cash	7,324	4,163	-	(4,163)
Total other financing sources (uses)	7,324	4,163	-	(4,163)
Net change in cash balances	-	-	1,703	1,703
Cash balance, beginning	-	-	4,163	4,163
Cash balance, ending	\$ -	\$ -	\$ 5,866	\$ 5,866
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ 1,703	
Adjustment to revenues for accruals & other deferrals			(6,243)	
Adjustment to expenditures for payables, prepaids & other accruals			9,550	
Net change in fund balance (GAAP Basis)			\$ 5,010	

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Special Revenue Fund - Athletics - 22000
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	21,000	21,000	22,669	1,669
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	675	675	-
Insurance Recoveries	-	-	-	-
Interest Income	150	150	3	(147)
Emergency Supplement	-	-	-	-
Gain (loss) of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	-	-	-	-
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	-	-	-	-
Total revenues	21,150	21,825	23,347	1,522
Expenditures				
Current				
Instruction	25,004	26,462	23,875	2,587
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	25,004	26,462	23,875	2,587
Excess (deficiency) of revenues over(under) expenditures	(3,854)	(4,637)	(528)	4,109
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund payable	-	-	-	-
Designated cash	3,854	4,637	-	(4,637)
Total other financing sources (uses)	3,854	4,637	-	(4,637)
Net change in cash balances	-	-	(528)	(528)
Cash balance, beginning	-	-	4,637	4,637
Cash balance, ending	\$ -	\$ -	\$ 4,109	\$ 4,109
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ (528)	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			200	
Net change in fund balance (GAAP Basis)			\$ (328)	

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Special Revenue Fund - IASA Title I - 24101
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	-	-	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	-	-
Emergency Supplement	-	-	-	-
Gain (loss) of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	-	-	-	-
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	16,744	21,975	16,817	(5,158)
Total revenues	16,744	21,975	16,817	(5,158)
Expenditures				
Current				
Instruction	16,744	21,975	18,277	3,698
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	16,744	21,975	18,277	3,698
Excess (deficiency) of revenues over(under) expenditures	-	-	(1,460)	(1,460)
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund payable	-	-	1,460	1,460
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	1,460	1,460
Net change in cash balances	-	-	-	-
Cash balance, beginning	-	-	-	-
Cash balance, ending	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			1,460	
Adjustment to expenditures for payables, prepaids & other accruals			(1,460)	
Net change in fund balance (GAAP Basis)			\$ -	

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Special Revenue Fund - IDEA-B Preschool - 24109
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	-	-	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	-	-
Emergency Supplement	-	-	-	-
Gain (loss) of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	-	-	-	-
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	2,331	2,397	2,193	(204)
Total revenues	2,331	2,397	2,193	(204)
Expenditures				
Current				
Instruction	-	66	-	66
Support services				
Students	2,331	2,331	2,235	96
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	2,331	2,397	2,235	162
Excess (deficiency) of revenues over(under) expenditures	-	-	(42)	(42)
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund payable	-	-	42	42
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	42	42
Net change in cash balances	-	-	-	-
Cash balance, beginning	-	-	-	-
Cash balance, ending	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			42	
Adjustment to expenditures for payables, prepaids & other accruals			(42)	
Net change in fund balance (GAAP Basis)			\$ -	

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Special Revenue Fund - IDEA-B Risk Pool - 24120
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	-	-	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	-	-
Emergency Supplement	-	-	-	-
Gain (loss) of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	-	-	-	-
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	-	36,818	36,799	(19)
Total revenues	-	36,818	36,799	(19)
Expenditures				
Current				
Instruction	-	35,267	35,248	19
Support services				
Students	-	1,551	1,551	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	36,818	36,799	19
Excess (deficiency) of revenues over(under) expenditures	-	-	-	-
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund payable	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in cash balances	-	-	-	-
Cash balance, beginning	-	-	-	-
Cash balance, ending	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ -	

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Special Revenue Fund - Teacher/Principal Training and Recruiting - 24154
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	-	-	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	-	-
Emergency Supplement	-	-	-	-
Gain (loss) of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	-	-	-	-
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	2,425	5,412	2,846	(2,566)
Total revenues	2,425	5,412	2,846	(2,566)
Expenditures				
Current				
Instruction	1,600	4,587	2,660	1,927
Support services				
Students	825	825	352	473
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	2,425	5,412	3,012	2,400
Excess (deficiency) of revenues over(under) expenditures	-	-	(166)	(166)
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund payable	-	-	166	166
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	166	166
Net change in cash balances	-	-	-	-
Cash balance, beginning	-	-	-	-
Cash balance, ending	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			166	
Adjustment to expenditures for payables, prepaids & other accruals			(166)	
Net change in fund balance (GAAP Basis)			\$ -	

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

STATE OF NEW MEXICO
 MAXWELL MUNICIPAL SCHOOLS
 Special Revenue Fund - USDA 2010 Equipment Assistance Program - 24183
 Statement of Revenues, Expenditures, and Changes in Cash
 Balance - Budget and Actual (Non - GAAP Budgetary Basis)
 For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	-	-	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	-	-
Emergency Supplement	-	-	-	-
Gain (loss) of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	-	-	-	-
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	-	8,589	8,589	-
Total revenues	-	8,589	8,589	-
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	5,594	5,594	-
Capital outlay	-	2,995	2,995	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	8,589	8,589	-
Excess (deficiency) of revenues over(under) expenditures	-	-	-	-
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund payable	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in cash balances	-	-	-	-
Cash balance, beginning	-	-	-	-
Cash balance, ending	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ -	

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Special Revenue Fund - Medicaid 3 - 21 Years - 25153
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	-	-	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	-	-
Emergency Supplement	-	-	-	-
Gain (loss) of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	-	-	10,253	10,253
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Federal flowthrough grants	1,000	1,000	2,753	1,753
Federal restricted grants-in-aid	-	-	-	-
Total revenues	1,000	1,000	13,006	12,006
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	1,000	1,000	-	1,000
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	1,000	1,000	-	1,000
Excess (deficiency) of revenues over(under) expenditures	-	-	13,006	13,006
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund payable	-	-	(13,006)	(13,006)
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	(13,006)	(13,006)
Net change in cash balances	-	-	-	-
Cash balance, beginning	-	-	-	-
Cash balance, ending	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			13,006	
Net change in fund balance (GAAP Basis)			\$ 13,006	

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Special Revenue Fund - Rural Education Achievement Program - 25233
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	-	-	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	-	-
Emergency Supplement	-	-	-	-
Gain (loss) on sale of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	-	-	-	-
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	23	17,159	13,459	(3,700)
Total revenues	23	17,159	13,459	(3,700)
Expenditures				
Current				
Instruction	23	17,159	13,459	3,700
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	23	17,159	13,459	3,700
Excess (deficiency) of revenues over(under) expenditures	-	-	-	-
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund payable	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in cash balances	-	-	-	-
Cash balance, beginning	-	-	-	-
Cash balance, ending	\$ -	\$ -	\$ -	-
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ -	

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Special Revenue Fund - Dual Credit Instructional Materials - 27103
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	-	-	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	-	-
Emergency Supplement	-	-	-	-
Gain (loss) on sale of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	-	193	193	-
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	-	-	-	-
	<u>-</u>	<u>193</u>	<u>193</u>	<u>-</u>
Expenditures				
Current				
Instruction	-	193	193	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>193</u>	<u>193</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>193</u>	<u>193</u>	<u>-</u>
Excess (deficiency) of revenues over(under) expenditures	-	-	-	-
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund payable	-	-	-	-
Designated cash	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in cash balances	-	-	-	-
Cash balance, beginning	-	-	-	-
Cash balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
			<u>-</u>	
Net change in fund balance (GAAP Basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Special Revenue Fund - 2012 GOB Public School Library - 27107
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	-	-	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	-	-
Emergency Supplement	-	-	-	-
Gain (loss) on sale of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	12,002	12,188	2,465	(9,723)
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	-	-	-	-
	<u>12,002</u>	<u>12,188</u>	<u>2,465</u>	<u>(9,723)</u>
Expenditures				
Current				
Instruction	12,002	12,188	5,301	6,887
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>12,002</u>	<u>12,188</u>	<u>5,301</u>	<u>6,887</u>
Excess (deficiency) of revenues over(under) expenditures	-	-	(2,836)	(2,836)
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund payable	-	-	2,836	2,836
Designated cash	-	-	-	-
	<u>-</u>	<u>-</u>	<u>2,836</u>	<u>2,836</u>
Net change in cash balances	-	-	-	-
Cash balance, beginning	-	-	-	-
Cash balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			3,642	
Adjustment to expenditures for payables, prepaids & other accruals			<u>(2,836)</u>	
Net change in fund balance (GAAP Basis)			<u>\$ 806</u>	

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Special Revenue Fund - STEM Teacher Initiative - 27181
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	-	-	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	-	-
Emergency Supplement	-	-	-	-
Gain (loss) on sale of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	-	6,075	6,075	-
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	-	-	-	-
	<u>-</u>	<u>6,075</u>	<u>6,075</u>	<u>-</u>
Expenditures				
Current				
Instruction	-	6,075	6,075	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>6,075</u>	<u>6,075</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>6,075</u>	<u>6,075</u>	<u>-</u>
Excess (deficiency) of revenues over(under) expenditures	-	-	-	-
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund payable	-	-	-	-
Designated cash	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in cash balances	-	-	-	-
Cash balance, beginning	-	-	-	-
Cash balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
			<u>-</u>	
Net change in fund balance (GAAP Basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Special Revenue Fund - New Mexico Fruits and Vegetables - 27183
Statement of Revenues, Expenditures, and Changes in Cash
Balance and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	-	-	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	-	-
Emergency Supplement	-	-	-	-
Gain (loss) on sale of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	-	117	-	(117)
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	-	-	-	-
	<u>-</u>	<u>117</u>	<u>-</u>	<u>(117)</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	117	-	117
Capital outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>117</u>	<u>-</u>	<u>117</u>
Excess (deficiency) of revenues over(under) expenditures	-	-	-	-
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund payable	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in cash balances	-	-	-	-
Cash balance, beginning	-	-	-	-
Cash balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Special Revenue Fund - Parent Advocacy Project - 27193
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	-	-	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	-	-
Emergency Supplement	-	-	-	-
Gain (loss) on sale of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	-	-	2,997	2,997
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	-	-	-	-
	<u>-</u>	<u>-</u>	<u>2,997</u>	<u>2,997</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over(under) expenditures	-	-	2,997	2,997
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund payable	-	-	(2,997)	(2,997)
Designated cash	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(2,997)</u>	<u>(2,997)</u>
Net change in cash balances	-	-	-	-
Cash balance, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			(2,997)	
Adjustment to expenditures for payables, prepaids & other accruals			<u>2,997</u>	
Net change in fund balance (GAAP Basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Special Revenue Fund - Private Grant - 29102
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	-	-	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	-	-
Emergency Supplement	-	-	-	-
Gain (loss) on sale of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	-	-	-	-
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Current				
Instruction	4,979	4,979	417	4,562
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>4,979</u>	<u>4,979</u>	<u>417</u>	<u>4,562</u>
Excess (deficiency) of revenues over(under) expenditures	(4,979)	(4,979)	(417)	4,562
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund payable	-	-	-	-
Designated cash	<u>4,979</u>	<u>4,979</u>	<u>-</u>	<u>(4,979)</u>
Total other financing sources (uses)	<u>4,979</u>	<u>4,979</u>	<u>-</u>	<u>(4,979)</u>
Net change in cash balances	-	-	(417)	(417)
Cash balance, beginning	-	-	<u>4,979</u>	<u>4,979</u>
Cash balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,562</u>	<u>\$ 4,562</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ (417)	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			<u>\$ (417)</u>	

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Special Revenue Fund - Wellness Center - 29123
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	-	-	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	-	-
Emergency Supplement	-	-	-	-
Gain (loss) on sale of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	-	-	-	-
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	12,135	11,507	11,507	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>12,135</u>	<u>11,507</u>	<u>11,507</u>	<u>-</u>
Excess (deficiency) of revenues over(under) expenditures	(12,135)	(11,507)	(11,507)	-
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund payable	-	-	-	-
Designated cash	<u>12,135</u>	<u>11,507</u>	<u>-</u>	<u>(11,507)</u>
Total other financing sources (uses)	<u>12,135</u>	<u>11,507</u>	<u>-</u>	<u>(11,507)</u>
Net change in cash balances	-	-	(11,507)	(11,507)
Cash balance, beginning	<u>-</u>	<u>-</u>	<u>11,507</u>	<u>11,507</u>
Cash balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ (11,507)	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			<u>-</u>	
Net change in fund balance (GAAP Basis)			<u>\$ (11,507)</u>	

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Debt Service Fund - Debt Service - 41000
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Taxes levied / assessed	\$ -	\$ 5	\$ 5	\$ -
Fees - activities	-	-	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	-	-
Emergency Supplement	-	-	-	-
Gain (loss) on sale of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	-	-	-	-
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	-	-	-	-
	<u>-</u>	<u>5</u>	<u>5</u>	<u>-</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	5	-	5
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>5</u>	<u>-</u>	<u>5</u>
Total expenditures	<u>-</u>	<u>5</u>	<u>-</u>	<u>5</u>
Excess (deficiency) of revenues over(under) expenditures	-	-	5	5
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund payable	-	-	-	-
Designated cash	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in cash balances	-	-	5	5
Cash balance, beginning	-	-	103	103
Cash balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 108</u>	<u>\$ 108</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ 5	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			<u>\$ 5</u>	

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Debt Service Fund - Educational Technology Equipment Act Debt Service - 43000
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Taxes levied / assessed	\$ 57,094	\$ 60,762	\$ 60,761	\$ (1)
Fees - activities	-	-	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	-	-
Emergency Supplement	-	-	-	-
Gain (loss) on sale of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	-	-	-	-
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Food Service	-	-	-	-
Federal flowthrough grants	-	-	-	-
	<u>57,094</u>	<u>60,762</u>	<u>60,761</u>	<u>(1)</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	3,071	608	2,463
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Principal	55,164	55,164	55,164	-
Interest	1,930	2,527	2,226	301
Total expenditures	<u>57,094</u>	<u>60,762</u>	<u>57,998</u>	<u>2,764</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	2,763	2,763
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund payable	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in cash balances	-	-	2,763	2,763
Cash balance, beginning	-	-	-	-
Cash balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,763</u>	<u>\$ 2,763</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ 2,763	
Adjustment to revenues for accruals & other deferrals			471	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			<u>\$ 3,234</u>	

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

Combining General Funds

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Balance Sheet
Combining General Funds
June 30, 2016

	Operational 11,000	Teacherage 12000	Transportation 13000	Instructional Material 14000	Total
<u>ASSETS</u>					
Cash and cash equivalents	\$ 10,456	\$ 18,990	\$ -	\$ 2,189	\$ 31,635
Restricted cash	-	-	-	-	-
Accounts receivable:					
Taxes	42	-	-	-	42
Due from grantor	-	-	-	-	-
Due from other funds	80,772	-	-	-	80,772
Other accounts	-	-	-	-	-
Inventory	-	-	-	-	-
Total assets	<u>\$ 91,270</u>	<u>\$ 18,990</u>	<u>\$ -</u>	<u>\$ 2,189</u>	<u>\$ 112,449</u>
<u>LIABILITIES</u>					
Accounts payable	\$ 2,904	\$ -	\$ -	\$ -	\$ 2,904
Due to other funds	-	-	-	-	-
Total liabilities	<u>2,904</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,904</u>
<u>DEFERRED INFLOWS</u>					
Unavailable revenue - state grants	-	-	-	-	-
<u>FUND BALANCE</u>					
Non-spendable	-	-	-	-	-
Restricted for:					
General fund	-	18,990	-	2,189	21,179
Special revenue funds	-	-	-	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Unassigned:					
General fund	88,366	-	-	-	88,366
Total fund balance	<u>88,366</u>	<u>18,990</u>	<u>-</u>	<u>2,189</u>	<u>109,545</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 91,270</u>	<u>\$ 18,990</u>	<u>\$ -</u>	<u>\$ 2,189</u>	<u>\$ 112,449</u>

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Combining General Funds
June 30, 2016

	Operational 11000	Teacherage 12000	Transportation 13000	Instructional Material 14000	Total
Revenues					
Taxes levied / assessed	\$ 8,066	\$ -	\$ -	\$ -	\$ 8,066
Fees - activities	1,090	-	-	-	1,090
Rentals	236	8,836	-	-	9,072
Refund prior year expense	740	-	-	-	740
Contributions	335	-	-	-	335
Insurance Recoveries	185	-	-	-	185
Interest Income	27	-	-	-	27
Emergency Supplement	176,550	-	-	-	176,550
Gain (loss) on sale of asset	-	-	-	-	-
Access board (E-Rate)	6,465	-	-	-	6,465
State equalization guarantee	1,705,015	-	-	-	1,705,015
State flowthrough grants	-	-	-	-	-
Transportation	-	-	62,539	-	62,539
Instructional materials - credit and cash	-	-	-	7,720	7,720
Federal flowthrough grants	2,388	-	-	-	2,388
Federal restricted grants-in-aid	-	-	-	-	-
Total revenues	1,901,097	8,836	62,539	7,720	1,980,192
Expenditures					
Current					
Instruction	1,070,041	-	-	8,943	1,078,984
Support services					
Students	151,983	-	-	-	151,983
Instruction	41,047	-	-	-	41,047
General administration	189,417	-	-	-	189,417
School administration	120,879	-	-	-	120,879
Central services	102,204	-	-	-	102,204
Other support services	551	-	-	-	551
Operation of non-instructional services					
Operation & maintenance of plant	231,403	2,010	-	-	233,413
Facilities acquisition / construction	-	-	-	-	-
Student transportation	-	-	62,539	-	62,539
Food services operations	32,668	-	-	-	32,668
Capital outlay	-	-	-	-	-
Debt Service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	1,940,193	2,010	62,539	8,943	2,013,685
Excess (deficiency) revenues over expenditures	(39,096)	6,826	-	(1,223)	(33,493)
Other financing sources (uses):					
Operating transfers in (out)	-	-	-	-	-
Lease purchase note	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balances	(39,096)	6,826	-	(1,223)	(33,493)
Fund balance, beginning	127,462	12,164	-	3,412	143,038
Fund balance, ending	\$ 88,366	\$ 18,990	\$ -	\$ 2,189	\$ 109,545

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
General Fund - Operational - 11000
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue				
Taxes levied / assessed	\$ 6,457	\$ 6,457	\$ 8,062	\$ 1,605
Fees - activities	-	-	1,090	1,090
Rentals	-	-	236	236
Refund prior year expense	-	-	740	740
Contributions	-	-	335	335
Insurance Recoveries	-	-	185	185
Interest Income	24	24	27	3
Emergency Supplement	194,000	194,000	176,550	(17,450)
Gain (loss) of asset	-	-	-	-
Access board (E-Rate)	-	-	6,465	6,465
State equalization guarantee	1,704,282	1,705,530	1,705,015	(515)
State flowthrough grants	-	-	-	-
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Food Service	-	-	-	-
Federal flowthrough grants	191	2,228	2,388	160
Federal restricted grants-in-aid	-	-	-	-
Total revenues	1,904,954	1,908,239	1,901,093	(7,146)
Expenditures				
Current				
Instruction	1,117,031	1,097,210	1,069,767	27,443
Support services				
Students	184,791	181,291	151,983	29,308
Instruction	51,776	53,813	41,047	12,766
General administration	192,198	191,880	189,417	2,463
School administration	136,660	121,466	120,879	587
Central services	93,871	106,131	102,204	3,927
Other support services	3,057	3,057	551	2,506
Operation of non-instructional services	-	-	-	-
Operation & maintenance of plant	219,374	242,224	232,310	9,914
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	32,844	37,815	32,668	5,147
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	2,031,602	2,034,887	1,940,826	94,061
Excess (deficiency) of revenues over(under) expenditures	(126,648)	(126,648)	(39,733)	86,915
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund receivable	-	-	26,916	26,916
Designated cash	126,648	126,648	-	(126,648)
Total other financing sources (uses)	126,648	126,648	26,916	(99,732)
Net change in cash balances	-	-	(12,817)	(12,817)
Cash balance, beginning			23,273	23,273
Prior period adjustment	-	-	-	-
Cash balance, beginning, restated	-	-	23,273	23,273
Cash balance, ending	\$ -	\$ -	\$ 10,456	\$ 10,456
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ (12,817)	
Adjustment to revenues for accruals & other deferrals			(107,682)	
Adjustment to expenditures for payables, prepaids & other accruals			81,403	
Net change in fund balance (GAAP Basis)			\$ (39,096)	

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
General Fund - Teacherage - 12000
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	-	-	-	-
Rentals	9,000	9,000	8,836	(164)
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	-	-
Emergency Supplement	-	-	-	-
Gain (loss) of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	-	-	-	-
Transportation	-	-	-	-
Instructional materials - credit and cash	-	-	-	-
Food Service	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	-	-	-	-
Total revenues	9,000	9,000	8,836	(164)
Expenditures				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
Operation & maintenance of plant	5,052	5,052	2,010	3,042
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	15,335	15,335	-	15,335
Debt Service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	20,387	20,387	2,010	18,377
Excess (deficiency) of revenues over(under) expenditures	(11,387)	(11,387)	6,826	18,213
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund receivable	-	-	-	-
Designated cash	11,387	11,387	-	(11,387)
Total other financing sources (uses)	11,387	11,387	-	(11,387)
Net change in cash balances	-	-	6,826	6,826
Cash balance, beginning	-	-	12,164	12,164
Cash balance, ending	\$ -	\$ -	\$ 18,990	\$ 18,990
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ 6,826	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ 6,826	

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
General Fund - Transportation - 13000
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	-	-	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	-	-
Emergency Supplement	-	-	-	-
Gain (loss) of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	-	-	-	-
Transportation	56,157	62,539	62,539	-
Instructional materials - credit and cash	-	-	-	-
Food Service	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	-	-	-	-
Total revenues	56,157	62,539	62,539	-
Expenditures				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	56,157	62,539	62,539	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	56,157	62,539	62,539	-
Excess (deficiency) of revenues over(under) expenditures	-	-	-	-
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund receivable	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in cash balances	-	-	-	-
Cash balance, beginning	-	-	-	-
Cash balance, ending	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ -	

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

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
General Fund - Instructional Materials - 14000
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Fees - activities	-	-	-	-
Rentals	-	-	-	-
Refund prior year expense	-	-	-	-
Contributions	-	-	-	-
Insurance Recoveries	-	-	-	-
Interest Income	-	-	-	-
Emergency Supplement	-	-	-	-
Gain (loss) of asset	-	-	-	-
Access board (E-Rate)	-	-	-	-
State equalization guarantee	-	-	-	-
State flowthrough grants	-	-	-	-
Transportation	-	-	-	-
Instructional materials - credit and cash	5,972	7,721	7,720	(1)
Food Service	-	-	-	-
Federal flowthrough grants	-	-	-	-
Federal restricted grants-in-aid	-	-	-	-
Total revenues	5,972	7,721	7,720	(1)
Expenditures				
Current				
Instruction	10,192	11,133	8,943	2,190
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Operation & maintenance of plant	-	-	-	-
Facilities acquisition / construction	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	10,192	11,133	8,943	2,190
Excess (deficiency) of revenues over(under) expenditures	(4,220)	(3,412)	(1,223)	2,189
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Interfund receivable	-	-	-	-
Designated cash	4,420	3,412	-	(3,412)
Total other financing sources (uses)	4,420	3,412	-	(3,412)
Net change in cash balances	200	-	(1,223)	(1,223)
Cash balance, beginning	-	-	3,412	3,412
Cash balance, ending	\$ 200	\$ -	\$ 2,189	\$ 2,189
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ (1,223)	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ (1,223)	

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

Supplementary Information
Related to Fiduciary Funds

AGENCY FUNDS

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

The District has the following funds classified as Agency Funds:

Activity - To account for assets held by the District until distributed to various organizations at the schools.

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Agency Funds - Activity
Statement of Changes in Assets and Liabilities
June 30, 2016

	Beginning Balance	Additions	Deductions	Ending Balance
<u>ASSETS</u>				
General	\$ 154	\$ 150	\$ 291	\$ 13
LUDI Scholarship Account	-	2,500	-	2,500
Senior	644	8,876	9,515	5
Junior	3,759	4,065	7,165	659
Sophomore	1,846	906	1,646	1,106
Freshman	200	2,031	1,063	1,168
Student Council	469	322	141	650
Booster Club	306	3,805	3,457	654
Pee Wee Sports	12,222	2,285	10,243	4,264
Cheerleaders - Pee Wee	68	330	139	259
FFA	6,039	662	3,021	3,680
Library	1,444	265	1,497	212
Activity bank account	4	-	-	4
Vocational	107	-	48	59
FCCLA	525	12,611	13,115	21
Annual	60	225	225	60
Drama	-	392	392	-
School Mall	865	20	170	715
Teachers Association	455	-	-	455
Maxwell Community Fund	-	1,212	1,037	175
Perfecta Printing Services	-	135	-	135
	<u>\$ 29,167</u>	<u>\$ 40,792</u>	<u>\$ 53,165</u>	<u>\$ 16,794</u>
<u>LIABILITIES</u>				
Due to student groups	<u>\$ 29,167</u>	<u>\$ 40,792</u>	<u>\$ 53,165</u>	<u>\$ 16,794</u>
	<u>\$ 29,167</u>	<u>\$ 40,792</u>	<u>\$ 53,165</u>	<u>\$ 16,794</u>

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

Other Supplemental Information

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Cash Reconciliation - All Funds
For the year ended June 30, 2016

	Beginning Cash	Receipts	Distributions	Other	Total Cash
Maxwell Municipal Schools					
Operational	\$ 23,273	\$ 1,901,093	\$ (1,940,826)	\$ 26,916	\$ 10,456
Teacherage	12,164	8,836	(2,010)	-	18,990
Transportation	-	62,539	(62,539)	-	-
Instructional Materials	3,412	7,720	(8,943)	-	2,189
Food Services	4,163	43,392	(41,689)	-	5,866
Athletics	4,637	23,347	(23,875)	-	4,109
Federal Flowthrough	-	153,191	(122,556)	(30,635)	-
Federal Direct	-	26,465	(13,459)	(13,006)	-
State Flowthrough	-	67,902	(87,312)	19,410	-
Private Grant	4,979	-	(417)	-	4,562
Wellness Center	11,507	-	(11,507)	-	-
Capital Improvement SB-9	-	74,248	(58,497)	(2,685)	13,066
Debt Service	103	5	-	-	108
Educational Technology Equipment Act D/S	-	60,761	(57,998)	-	2,763
Total governmental funds	64,238	2,429,499	(2,431,628)	-	62,109
New Mexico Finance Authority					
Educational Technology Equipment Act	-	1	-	-	1
Educational Technology Equipment Act	250,000	139	(179,308)	-	70,831
Total New Mexico Finance Authority	250,000	140	(179,308)	-	70,832
Total all governmental funds	314,238	2,429,639	(2,610,936)	-	132,941
Fund - Student Activities	29,167	40,792	(53,165)	-	16,794
Total Maxwell Municipal Schools	\$ 343,405	\$ 2,470,431	\$ (2,664,101)	\$ -	\$ 149,735

Deposit or Investment Account	Well's Fargo's Balances at Year End	NMFA Balances at Year End	Total Bank's Balances at Year End
Operational - checking	\$ 208,296	\$ -	\$ 208,296
Lunch - checking	7,303	-	7,303
Athletic - checking	4,109	-	4,109
Activities - checking	17,257	-	17,257
Education Technology Equipment Act		70,832	70,832
Total on deposit	236,965	70,832	307,797
Reconciling items - outstanding deposits and checks	(158,062)	-	(158,062)
Reconciled balance at year end	\$ 78,903	\$ 70,832	\$ 149,735

Reconciliation to financial statements	
Cash and cash equivalents	
Total cash and cash equivalents per statement of net position	\$ 132,941
Total cash and cash equivalents per statement of fiduciary assets and liabilities - agency funds	16,794
Total cash and cash equivalents	\$ 149,735

Compliance Section

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

Independent Auditor's Report

Timothy Keller
New Mexico State Auditor
The Office of Management and Budget and
The Governing Body
Maxwell Municipal Schools
Maxwell, New Mexico

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund and major special revenue funds, of the Maxwell Municipal School District (the District) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and the combining and individual funds and related budgetary comparisons of the District, presented as supplemental information, and have issued my report thereon dated October 13, 2016.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I 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 my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, I 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.

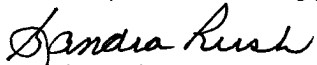
My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my 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.



Sandra Rush CPA PC
Clovis, New Mexico
October 13, 2016

STATE OF NEW MEXICO
MAXWELL MUNICIPAL SCHOOLS
Schedule of Findings and Responses
June 30, 2016

Prior Year Findings:

2015-001	Capital Asset Listing	Resolved
2015-002	Budget	Resolved
2015-003	Timely Deposits	Resolved

Current Year Findings: None

Financial Statement Preparation

Although it would be preferred and desirable for the District to prepare its own GAAP-basis financial statements, it is felt that the District’s personnel did not have the time to prepare them. Therefore, the outside auditor prepared the GAAP basis financial statements and footnotes for inclusion in the annual audit report from the original books and records provided to them by the management of the District. Management of the District has reviewed and approved these financial statements and related notes and believes they are adequately supported by the books and records of the government.

Exit Conference

The contents of this report were discussed with, Kris Forrester, Superintendent, Monica Hoy board member, Susan Robinson, business manager, Yolanda Trujillo administrative assistant, Catherine Lohrengel and Telena Shubert, audit committed parent members, and Sandra Rush, CPA, in an exit conference on October 13, 2016.

