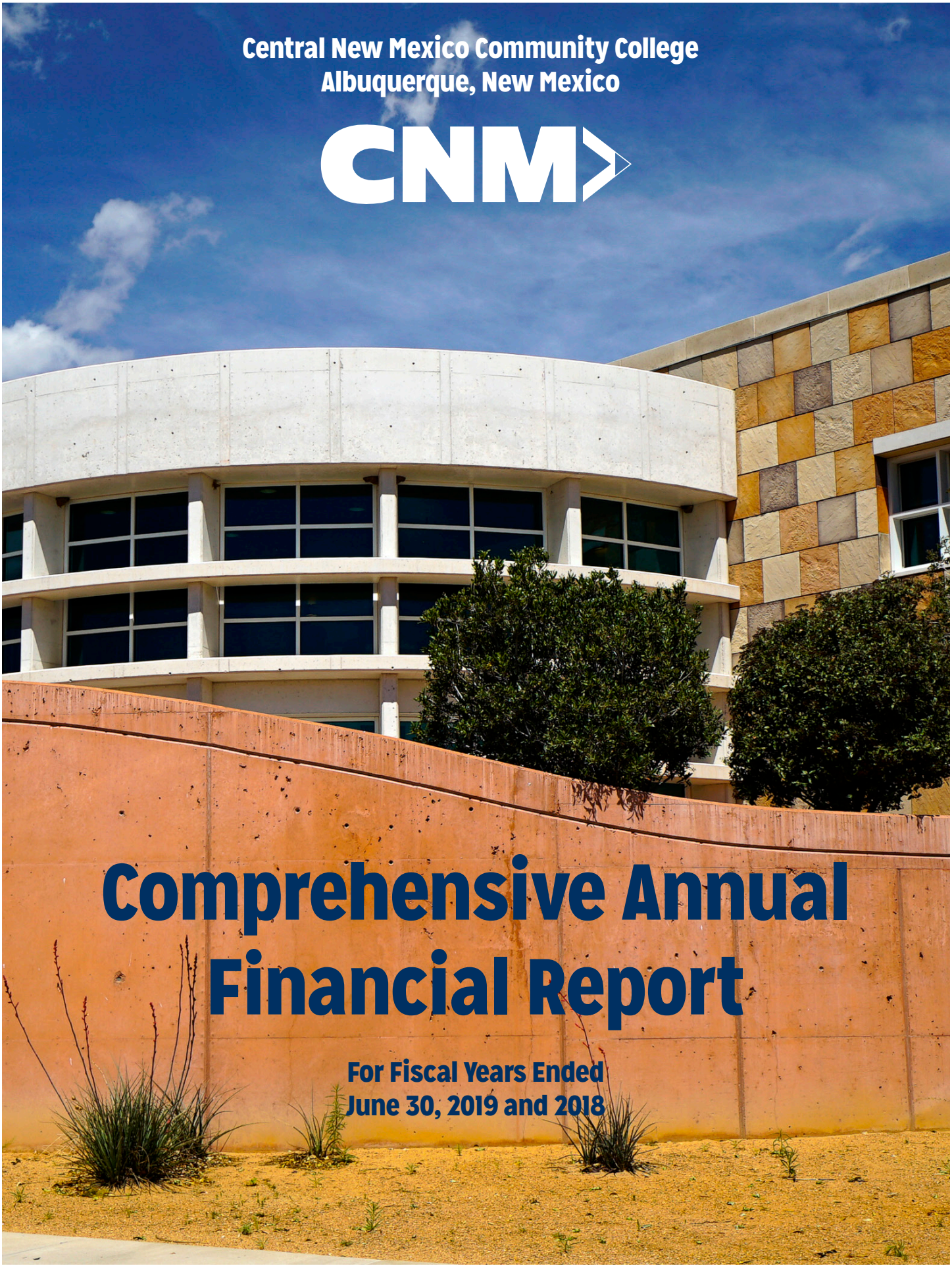
Central New Mexico Community College
Albuquerque, New Mexico

CNM



Comprehensive Annual Financial Report

For Fiscal Years Ended
June 30, 2019 and 2018

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Central New Mexico Community College

Albuquerque, New Mexico

Comprehensive Annual Financial Report

For Fiscal Years Ended June 30, 2019 and 2018

(With Independent Auditor's Report Thereon)

Prepared by:
CNM Business Office

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Central New Mexico Community College
Comprehensive Annual Financial Report
Table of Contents

	Page
Introductory Section (Unaudited)	
Letter of Transmittal	1
CNM Organizational Chart	7
List of Elected and Administrative Officials	8
Vision, Mission, Values, Goals, and Strategies	9
Certificate of Achievement for Excellence in Financial Reporting	10
Financial Section	
Independent Auditor's Report	11
Management's Discussion and Analysis	14
Statement of Net Position	25
Statement of Revenues, Expenses, and Changes in Net Position	26
Statement of Cash Flows	27
Notes to Financial Statements	29
Required Supplemental Information	
Schedule of the College's Proportionate Share of the Net Pension Liability	65
Schedule of College's Contributions to Pension Plan (ERB)	66
Notes to Required ERB Supplementary Information Pension Plan	67
Schedule of the College's Proportionate Share of the Net OPEB Liability	68
Schedule of College's Contributions to OPEB Plan (NMRHCA)	69
Supplemental Information	
Schedule of Budgetary Comparisons – Budgetary Basis	
Schedule 1: Unrestricted and Restricted – All Operations	70
Schedule 2: Unrestricted – Non-Instruction & General	71
Schedule 3: Restricted – Non-Instruction & General	72
Schedule Revenues, Expenditures, & Changes in Net Position – Budget and Actual	
Schedule 4: Unrestricted – Instruction and General	73
Schedule 5: Restricted – Instruction and General	74
Reconciliation of Budgetary Basis to Financial Statement Basis	75
Notes to Budgetary Comparisons	76
Schedule 6: Schedule of Individual Deposit and Investment Accounts	77

Central New Mexico Community College
Comprehensive Annual Financial Report
Table of Contents

Statistical Section	Page
Narrative to the Statistical Section	78
Financial Trends	79
Revenue Capacity	81
Debt Capacity	88
Demographic and Economic Information	89
Operating Information	92
Single Audit and Other Information	
Independent Auditor's Report on Internal Controls over Financial Reporting	96
Independent Auditor's Report on Compliance for each Major Federal Program	98
Schedule of Expenditures of Federal Awards	100
Schedule of Findings and Questioned Costs	102
Status of Prior Year Audit Findings	104
Exit Conference	105

Introductory Section (Unaudited)

Central New Mexico Community College

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Letter of Transmittal

October 28, 2019

To the Citizens of the Central New Mexico Community College (CNM) District and the State of New Mexico,

We are pleased to submit the following comprehensive annual financial report (CAFR) for Central New Mexico Community College (CNM) for the fiscal year ended June 30, 2019. The CAFR has been prepared in compliance with all applicable financial reporting standards.

State statute requires an annual audit by independent certified public accountants. The purpose of an independent audit is to provide assurance, based on independent review and testing, that the basic financial statements and accompanying notes are fairly stated in all material respects. In addition to meeting the requirements set forth in state statute, the audit also was designed to meet the compliance requirements described in the Office of Management and Budget (OMB) Uniform Guidance. The auditor's report related specifically to the single audit is included in the Single Audit Section.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon the comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The New Mexico Office of the State Auditor (OSA) in accordance with the Audit Act, §§ 12-6-1 to 12-6-14, NMSA 1978, ensures that the financial affairs of every agency shall be thoroughly examined and audited each year by the state auditor, personnel of the state auditor's office designated by the state auditor or independent auditors approved by the state auditor. 2.2.2 NMAC Audit Rule 2019 requires that audit reports are submitted to the OSA by November 1 for higher education institutions. This report is published to fulfill that requirement for the fiscal year ended June 30, 2019.

Comprehensive Annual Financial Report

CNM's comprehensive annual financial report (CAFR) is prepared by the CNM Business Office in accordance with Generally Accepted Accounting Principles (GAAP) as established by the Governmental Accounting Standards Board (GASB) and complies with the Annual Financial Reporting Requirements as set forth by the New Mexico Higher Education Department (NMHED). The Notes to the Financial Statements are considered essential to fair presentation and adequate disclosure for this financial report. The Notes are an integral part of the financial statements and should be read in conjunction with them. The Management's Discussion and Analysis (MD&A) provides the reader with a narrative introduction, overview, and analysis of the financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

MP Group Inc., Certified Public Accountants, has issued an unmodified ("clean") opinion on the Central New Mexico Community College's financial statements for the year ended June 30, 2019. The Independent Auditors' report is located at the front of the financial section of this report.

Reporting Entity

CNM is a special-purpose government engaged solely in business-type activities (BTA). The Central New Mexico Community College Foundation, Inc. (Foundation) and CNM Ingenuity, Inc. (Ingenuity) are discretely presented component units in the CNM statements.

Profile of the College

Central New Mexico Community College has come a long way since opening as Albuquerque Technical Vocational Institute (TVI) in 1965, when 150 students took advantage of the school's vocational classes. Fifty-four years later, more than 23,500 students are attending CNM, making it the largest community college in New Mexico and the second largest higher education institution in the state in terms of undergraduate enrollment. Enrollment reached an all-time high of 30,000 students in fall 2010.

CNM became a full-fledged community college in 1986, when the state Legislature authorized then-TVI to begin granting associate degrees, leading to a wide array of arts and sciences classes and programs that are transferable to state universities. While arts and sciences programs have grown through the years, CNM has remained committed to its technical vocational roots. In 2006, the school's name was changed to Central New Mexico Community College to better reflect the breadth of offerings and its service area.

The Central New Mexico Community College Foundation was organized in 1985 as a not-for-profit New Mexico corporation under Section 501(c)(3) of the Internal Revenue Code. The Foundation is classified as a publicly supported organization (not a private foundation). The Foundation was incorporated for the purpose of providing support to the College and is authorized through its articles of incorporation to receive and hold any property, real or personal, bequeathed, given in trust, or in any other way for the use or benefit of the College, or any student or instructor therein, or for the carrying on for the College in any line of work, teaching or investigation, which the donor, grantor, or testator may designate.

CNM Ingenuity, Inc., was founded on March 17, 2014, under the New Mexico University Research Park and Economic Development Act. It is a New Mexico not-for-profit corporation under Section 501(c)(3) of the Internal Revenue Code. Ingenuity is specifically classified as a 509(a)(3) or Type 1 charitable organization. Type 1 supporting organizations are operated, supervised, or controlled by one or more publicly supported organizations. Ingenuity is operated exclusively for the benefit and support of, to perform the functions of, and carry out the purposes of CNM.

While much has changed at CNM over the past 54 years, the core purpose of the institution has remained the same – providing affordable higher education to the community while responding to the workforce needs of the region's economy with high-quality educational programs. CNM is accredited by the Higher Learning Commission.

CNM's service area consists of Bernalillo County, which includes Albuquerque, and part of Sandoval County, including Rio Rancho and Corrales. CNM offers college-credit and non-credit, workforce training courses at nine locations, which includes four multi-service campuses conveniently located in each quadrant of Albuquerque, and the Rio Rancho Campus. CNM also offers programs at the Advanced Technology Center and Workforce Training Center in north Albuquerque, and the STEMulus Center and FUSE Makerspace in Downtown Albuquerque.

CNM offers the most comprehensive community college selection of academic programs in the state, which includes college-credit programs in 89 fields of study that lead to multiple associate degree or certificate options. Most of CNM's arts and sciences courses are transferable to four-year public colleges and universities, providing students with the opportunity to complete two years of bachelor's degree coursework at CNM before transferring to a university, saving thousands of dollars. CNM's tuition is about one-fifth the cost of state universities.

Many classes are offered in the evenings and weekends and in a variety of formats. CNM offers more online course sections than any college in the state. The College also has the largest number of high school students taking dual-credit classes, which count for both high school and college credit. In partnership with Albuquerque Public Schools, CNM opened the College & Career High School (CCHS), a dual-credit high school, on CNM's Main Campus in 2013. Every year since, the school has received an "A" grade from the New Mexico Public Education Department's annual school grading report. In 2018, CCHS posted a 97.4 percent graduation rate, the highest of any high school in Albuquerque Public Schools. Of the 66 CCHS graduates in May 2019, 36 earned at least one CNM associate degree or certificate at the time of their high school graduation, and 26 graduated with more than one CNM certificate or degree.

College-credit programs and courses are grouped among six academic schools at CNM:

- The School of Applied Technologies offers programs in fields ranging from the traditional trades to Film Technician to Rapid Prototyping.
- The School of Business & Information Technology offers programs such as Accounting, Business, Computer Science, Culinary Arts and Office Technology.
- The School of Communication, Humanities & Social Sciences offers a variety of Liberal Arts programs, such as Anthropology, English, History, Psychology, Pre-Law and Teacher Education.
- The School of Health, Wellness & Public Safety offers programs such as Dental Assisting, Electronic Health Informatics, EMS, Fire Science, Nursing and Radiologic Technology.
- The School of Math, Science & Engineering offers programs such as Biotechnology, Chemistry, Engineering, Mathematics and Physics.
- The School of Adult & General Education offers both non-credit and college-credit classes that help students get ready for college-level studies, which includes remedial classes, GED-preparation classes and English as a Second Language classes.

CNM is a strong partner with the City of Albuquerque and the University of New Mexico in coordinated efforts to revitalize economic development and spur entrepreneurial activities in the area.

Mission, Vision and Values

Mission

Be a leader in education and training.

Vision

Changing Lives, Building Community

Core Values

Be Caring. Be Ethical. Be Inspiring. Be Courageous. Be Connected. Be Exceptional.

Local Economy

CNM is geographically situated in the central region of the State of New Mexico. The CNM District boundaries encompass all of the City of Albuquerque and the Villages of Tijeras, Los Ranchos de Albuquerque, Corrales and the City of Rio Rancho. The college district covers 1,325 square miles and has an estimated population of 764,000.

The area within the CNM District is part of the Albuquerque Metropolitan Statistical Area (MSA), including the counties of Bernalillo, Sandoval and Valencia. The Albuquerque MSA represents the largest commercial and industrial center in the State of New Mexico.

CNM has been an integral part of the central New Mexico area for over 50 years, contributing significantly to the economic and social well-being of businesses and citizens. Historically, defense-related industries have contributed significantly to the surrounding economy, however, economic diversification has increased in recent years. In the private sector, Albuquerque MSA has experienced a period of employment growth from industries such as ClientLogic, T-Mobile, Verizon Wireless, Sitel, LAVU, and Sandia and Route 66 Casinos. The area has also seen significant growth in healthcare related activity, as well as three year-over-year increases in film industry direct spend and number of film projects. In addition, Albuquerque has the third-highest concentration of high-tech activity after Boulder, CO and San Jose, CA.

CNM continues to sustain impressive outcomes despite state budget cuts, a sluggish economy and trends showing declining enrollments for higher education in New Mexico and nationwide. Community members continue to view CNM as the most affordable and effective way to improve their job prospects.

Budget and Financial Planning

CNM operates on an annual budget with a fiscal year beginning on July 1. However, the budget and resource allocation process is a multi-year activity which assures that funding from all sources is continuously consistent with long-range policies, programmatic goals and specific campus roles and objectives of the College. The budget process is based on criteria established by the New Mexico Higher Education Department for the purpose of ensuring consistency in the development and reporting of budget information among institutions of higher education.

CNM's major sources of operating revenue are state appropriations, local mill levy, and tuition and fees. Effective Fiscal Year 2013, the HED implemented a performance-based funding formula model which now serves to distribute state appropriations to institutions of higher education in New Mexico.

Due to increased revenues from oil and gas production, the New Mexico higher education system has experienced an overall increase in state appropriations of 3.8% for Fiscal Year 2019. From FY18 to FY19, the overall General Fund allocation to higher education remained flat at 12.8% of the total General Fund allocation. Over the past ten fiscal years, higher education in New Mexico has seen a declining General Fund allocation from a high of 15.5% in FY10 to the current low of 12.8%

CNM's Strategic Direction, focusing primarily on student success and student completion, has had a positive impact on the growth of the college's general fund appropriations. Continued increases in student performance are reflected in the amount of general fund appropriations. In FY19, due to strong student performance under the outcomes-based state funding formula, CNM received a 5% increase in the state appropriations funding.

The college budget is developed with input from the college and is guided by financial policies approved by the CNM Governing Board. The budget plan incorporates modest increases to tuition and fees, current expectation of state appropriations allocations, and leveled property values generating a minimum increase to the local mill levy revenue stream.

Additionally, CNM has strategically sought diversified revenue streams and manage costs. With continued focus on college-wide budget management efforts, CNM's Fiscal Year 2019 unrestricted net position increased by $6.4 million or 14% without recognition of GASB 68 and GASB 75.

CNM is in sound financial health and fiscally responsible. In July 2018, Moody's Investors Services, Inc. reaffirmed CNM's credit rating as Aa1. In August 2018, Standard and Poor's Corporation reaffirmed CNM's AA+ rating. CNM's well-managed cash balances and strong budgetary management contribute to and are indicators of a positive financial direction and strong, stable management.

Awards and Recognitions

The Government Finance Officers Associations of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Central New Mexico Community College (CNM) for its comprehensive annual financial report for the fiscal years ended June 30, 2016, June 30, 2017, and June 30, 2018. In order to be awarded a Certificate of Achievement, a government organization must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

According to the most recent U.S. Department of Education national higher education statistics available (2016-17 academic year), CNM ranked No. 1 among 1,100-plus community colleges nationwide for the total number of associate degrees and certificates awarded to both Hispanics and Native Americans; and No. 2 overall for number of associate degrees and certificates awarded to all students. In the 2014-15 academic year, CNM achieved the same rankings.

CNM awarded 13,778 associate degrees and certificates to 9,075 students in 2016-17, both of which were all-time records for CNM. CNM has instituted several initiatives in recent years to help increase student success, such as more efficient class scheduling, establishing a one-stop hub for student support, "right-sizing" credit-hour requirements for associate degrees, offering more associate degrees that are transferrable to universities, and monitoring student records to notify students when they have earned graduation status or are close to graduation status.

Gains in graduation numbers and the success of the college's innovative student support model led to CNM winning the national Student Success Award from the American Association of Community Colleges in 2013. The AACC represents more than 1,100 two-year colleges.

In December 2018, CNM was named the "Innovator of the Year" by the national higher education news publication "Education Dive" for being the first community college in the country to issue digital diplomas to students through blockchain technology.

In Closing

The timely preparation of this CAFR would not have been possible without the dedicated efforts of the Business Office, Office of Planning and Institutional Effectiveness, Marketing and Communications Office and other CNM administrators, faculty and staff. We also express our appreciation to the members of the CNM Governing Board for their support and guidance in conducting the CNM financial operations in a highly responsible manner.

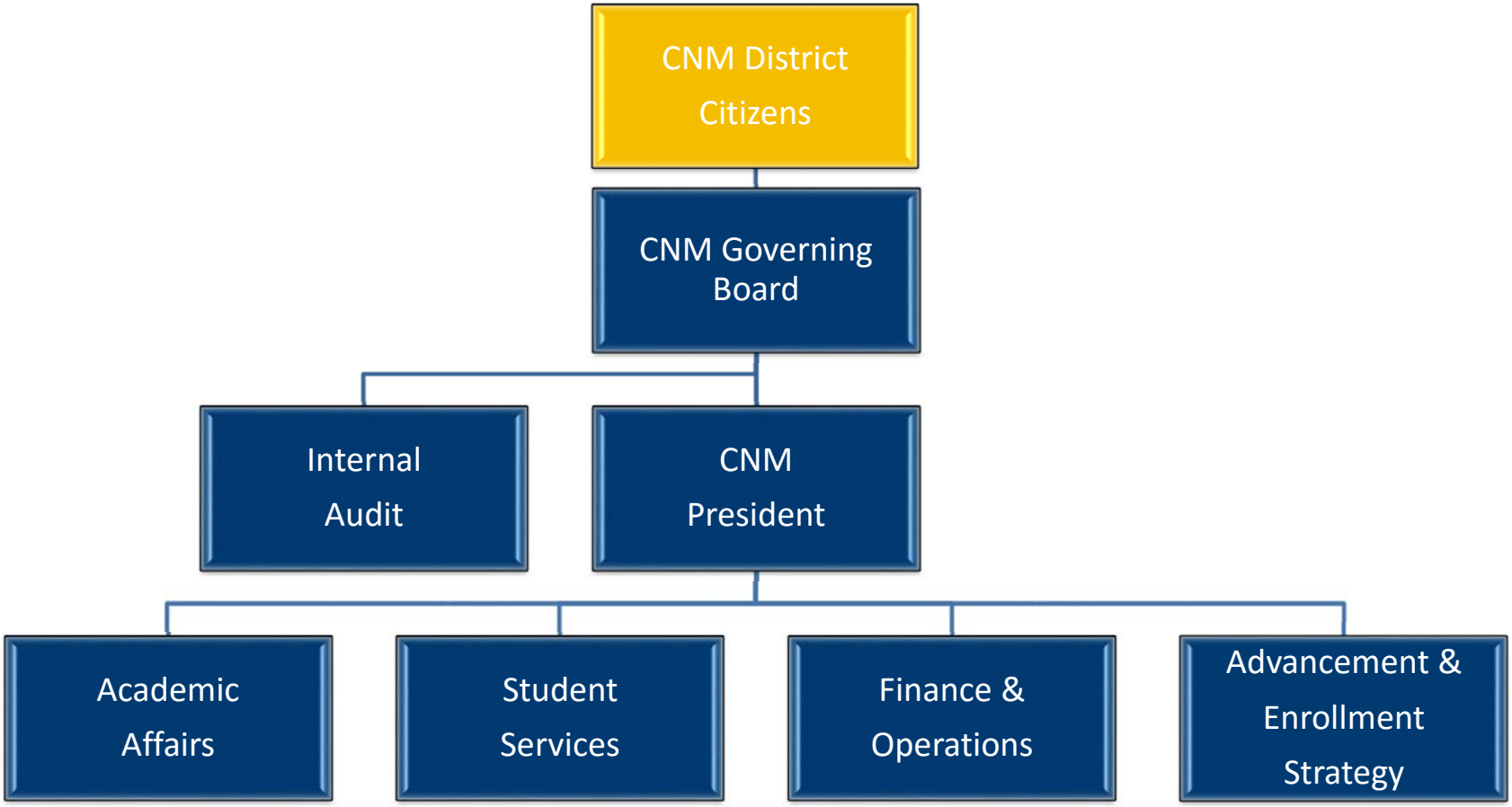
Respectfully,

Dr. Katharine W. Winograd
President

Tracy Hartzler
Vice President Finance and Operations

Wanda Helms, CPA CGMA
Comptroller

CNM ORGANIZATIONAL CHART



List of Elected and Administrative Officials

ELECTED OFFICIALS

Pauline J. Garcia, Chair
District 1

Retired, Utility Services Manager

Term Expires - 2021

Nancy Baca, Member
District 5

Business Owner

Term Expires - 2021

Michael Canfield, Member
District 2

President/CEO of the Indian Cultural Center and Indian Pueblos Marketing

Term Expires - 2019

Virginia M. Trujillo, Secretary
District 6

Retired Educator

Term Expires - 2019

Thomas E. Swisstack, Vice Chair
District 3

Former Mayor of Rio Rancho and Former New Mexico Congressman

Term Expires - 2021

Michael J. Glennon, Member
District 7

Former CNM President

Term Expires - 2021

Annette Chavez y De La Cruz, Member
District 4

Retired CNM Administrator

Term Expires - 2019

ADMINISTRATIVE OFFICIALS

Dr. Katharine W. Winograd	President
Dr. Sydney Gunthorpe	Vice President for Academic Affairs
Phillip Bustos	Vice President for Student Services
Tracy Hartzler	Vice President for Finance and Operations
Samantha Sengel	Vice President for Advancement & Enrollment Strategies
Wanda Helms, CPA, CGMA	Comptroller
Wencui Yang	Senior Accounting Advisor/Audit Coordinator
Allen Leatherwood, CPA	Director of Internal Auditors

Vision, Mission, Values, Goals, and Strategies

Vision
Be a Leader in Education and Training

Mission
Changing Lives, Building Community

Values
Be Caring | Be Ethical | Be Inspiring | Be Courageous | Be Connected |Be Exceptional | **Be CNM**

Goals
Student Success | Community Success | Organizational Excellence and Innovation

2016-2020	Student Success	Community Success	Organizational Excellence and Innovation
Develop Student Work Experience Program	x	x	x
Create Comprehensive Online College	x	x	
Expand Fast-Track Degree Offerings	x	x	
Increase Percentage Of First-Time, Full-Time, Degree-Seeking Students	x		
Implement Competency-Based Education Options	x	x	
Expand Credit For Prior Learning	x		
Grow Intersession	x		
Expand College & Career High School	x	x	
Develop Global Learning Initiative	x	x	x
Transition From College-Owned Technology To Student-Owned Technology	x		x
Expand Non-Credit Offerings Through Boot camps, Academies	x	x	
Develop Early Childhood Connect Center Of Excellence	x		
Create A Student-Centered Course Schedule	x		
Expand Dual Credit	x		
Incorporate Sustainability Initiatives Into Course Offerings	x		
All First-Time, Full-Time, Degree-Seeking Students Have An Academic Plan	x		
Expand Business Support Through Business Accelerator and SBDCs		x	
Develop and Implement Comprehensive Makerspace		x	
Create Business Incubator Spaces		x	
Implement Values-Based Employee Initiatives			x
Transform Customer Service Experience			x
Articulate And Implement Space Efficiency Initiatives			x
Enhance Intellectual Property Initiatives			x
Streamline And Document All Processes And Procedures			x

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Central New Mexico Community College

For its Comprehensive Annual Financial Report for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrill

Executive Director/CEO

Financial Section

Central New Mexico Community College

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INDEPENDENT AUDITOR'S REPORT

To the Governing Board
Central New Mexico Community College
and
Mr. Brian Colón, NM State Auditor
Albuquerque, New Mexico

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of the Central New Mexico Community College (the College) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents. We also have audited the budget comparisons presented as supplemental information, as defined by the Government Accounting Standards Board, as of and for the year ended June 30, 2019, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the College as of June 30, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective budgetary comparisons of the College as of June 30, 2019, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Schedule of College's Proportionate Share of the Net Pension Liability, Schedule of College's Contributions to Pension Plan (ERB), College's Proportionate Share of the Net OPEB Liability and Schedule of College's Contribution to OPEB Plan (NMRHC) on pages 14-24, 65-66 and 68-69 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

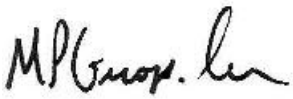
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The introductory section and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements the budgetary comparison schedules and the other schedules required by Section 2.2.2.NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2019, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.



October 28, 2019

Management's Discussion and Analysis

Overview of the Financial Statements and Financial Analysis

The Central New Mexico Community College (CNM) Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2019 provides an overview of CNM's financial activities. The CAFR report consists of the letter of transmittal, certificate of achievement for excellence in financial reporting, independent auditors' report, Management's Discussion and Analysis (MD&A), financial statements, notes to the financial statements and significant accounting policies, statistical data, and the single audit section. This report provides both long-term and short-term financial information on Central New Mexico Community College (the College) as a whole and its component units, the Central New Mexico Community College Foundation, Incorporated (the Foundation) and CNM Ingenuity, Incorporated (Ingenuity).

The purpose of the MD&A is to provide an overview of CNM's performance and future prospects. The discussion and analysis of the College's financial statements provides an overview of its financial activities for the years ended June 30, 2019 and 2018. Responsibility for the completeness and fairness of the information contained in this report resides with CNM's management. CNM has prepared the financial statements and related footnote disclosures along with this discussion and analysis. The MD&A focuses on the College and not the component units. Separately issued financial statements for the Foundation and Ingenuity may be obtained from https://www.cnm.edu/depts/business-office.

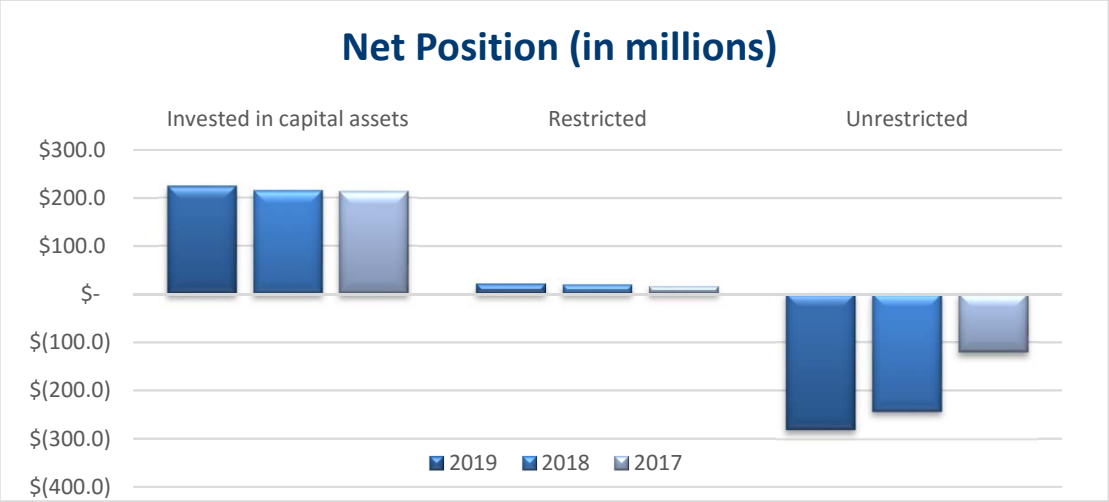
Financial Highlights

The College's net position decreased $25.7 million (-264.5%) during fiscal year 2019, resulting from the combination of a decrease in unrestricted net position of approximately $37.0 million, an increase in capital assets of $9.5 million, and an increase in restricted net position of $1.8 million. Pension related deferred outflows of resources decreased $14.7 million (-15.9%), net pension liability increased $26.1 million (9.3%), and pension related deferred inflows of resources decreased $1.2 million (-11.2%) from 2018. For fiscal year 2019, OPEB related deferred outflows of resources increased $4.5 million (316.4%), net OPEB liability increased $1.1 million (1.4%), and Other Postemployment Benefits other than Pensions (OPEB) related deferred inflows of resource increased $2.7 million (15.1%) from fiscal year 2018. Without recognition of GASB 68 and 75, the college's net position in fiscal year 2019 is $296.4 million, an increase of $13.0 million (4.6%) from 2018 of $283.4 million, and an increase of $25.2 million (9.3%) from 2017 of $271.2 million.

The College's net position decreased $116.6 million (-109.1%) during fiscal year 2018, resulting from the combination of a decrease in unrestricted net position of approximately $122.0 million, an increase in capital assets of $1.7 million, and an increase in restricted net position of $3.7 million. Pension related deferred outflows of resources increased $63.6 million (218.5%), net pension liability increased $91.1 million (48.0%), and pension related deferred inflows of resources increased $7.1 million (190.4%) from 2017. For fiscal year 2018, OPEB related deferred outflows of resources was $1.4 million, and OPEB related deferred inflows of resource was $17.7 million. Without recognition of GASB 68 and 75, the college's net position in fiscal year 2018 is $283.4 million, an increase of $12.2 million (4.5%) from 2017 of $271.2 million, and an increase of $27.0 million (10.5%) from 2016 of $256.4 million.

Management does not believe that the negative effects of GASB 68 and GASB 75 have an impact on either the college's solvency or the college's status as a going concern.

The following graph illustrates the comparative change in net position by category for the fiscal years 2019, 2018, and 2017.



Basic Financial Statements

The basic financial statements include the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows, which provide information about the activities of the College as a whole and present a long-term view. The financial statements also include notes that provide selected detailed data. The statements are followed by the "Required Supplementary Information" section that provides schedules and notes related to the pension and OPEB liabilities. The primary focus of the basic financial statement is on the results and activities for FY19. As a reference point, comparative data is presented from the prior fiscal year, FY18 to illustrate trends for determining the College's overall financial health.

The Statements of Net Position and Statement of Revenues, Expenses, and Changes in Net Position

The statements of net position and statements of revenues, expenses, and changes in net position reports the College's net position and how it has changed. Net position - the difference between assets, deferred outflow of resources, liabilities, and deferred inflow of resources - is one way to measure the College's financial health. Over time, increases or decreases in the College's net position is an indicator of whether its financial health is improving or declining. Nonfinancial factors are also important to consider, including student enrollment and the condition of campus buildings.

These statements include all assets, liabilities, and deferrals using the accrual basis of accounting, which is consistent with the accounting method used by private sector institutions. All of the current year's revenues and expenses are recognized when earned or incurred, regardless of when cash is received or paid.

Net Position, End of Year (in Thousands)

	2019	2018	2017
Assets:			
Current assets	$ 141,023	$ 111,422	$ 130,424
Capital assets, net	302,032	287,248	279,041
Other noncurrent assets	3,922	4,778	4,137
Total assets	446,977	403,448	413,602
Deferred outflows of resources:			
Bond refunding	84	120	158
OPEB related	5,976	1,435	-
Pension related	77,968	92,667	29,099
Total deferred outflows	84,028	94,222	29,257
Liabilities:			
Current liabilities	45,693	39,678	47,464
Noncurrent liabilities			
Bonds payable	104,920	80,485	95,098
Net OPEB liability	78,941	77,886	-
Net pension liability	306,775	280,703	189,649
Total Liabilities	536,329	478,752	332,211
Deferred inflows of resources:			
OPEB related	20,397	17,727	-
Pension related	9,677	10,903	3,754
Total deferred outflows	30,074	28,630	3,754
Net position:			
Net investment in capital assets	224,970	215,430	213,703
Restricted	20,582	18,750	15,051
Unrestricted (deficit)	(280,950)	(243,892)	(121,860)
Total net position	$ (35,398)	$ (9,712)	$ 106,894

Total assets increased $33.4 million (8.1%) over a two-year period driven by $10.6 million increase in current assets and $23.0 million increase in capital assets. The current assets increase resulted from a increase in investments due to bonds proceeds of the College's 2018A and 2018B bonds issuance. The increase to capital assets was primarily due to the construction of Educational Collaborative (EC) building and the Max Salazar Hall building renovation.

During fiscal year 2019, total liabilities increased by $57.6 million (12.0%) from fiscal year 2018, primarily due to long term bonds payable increase of $24.4 million (30.4%), net pension liability increase of $26.1 million (9.3%), and current liabilities increase of $6.0 million (15.2%). During fiscal year 2018, total liabilities increased by $146.5 million (44.1%) from fiscal year 2017, primarily due to record net OPEB liability of $77.9 million and increase in net pension liability of $91.1 million (48.0%). Current liabilities decreased $7.8 million (-16.4%) and long term bonds payable decreased $14.6 million (-15.4%).

The following table summarizes the College's revenues, expenses, and changes in net position for the years ended June 30:

	2019	2018	2017
Operating revenues	$ 29,907	$ 29,889	$ 28,935
Operating expenses	(206,065)	(194,945)	(167,135)
Operating gain/(loss)	(176,158)	(165,056)	(138,200)
Non-operating revenues and expenses	144,775	139,876	131,743
Income before other revenues, expenses, gains, or losses	(31,383)	(25,180)	(6,457)
Capital grants and appropriations	5,697	1,090	11,628
Increase/(decrease) in net positions	$ (25,686)	$ (24,090)	$ 5,171
Net position, beginning of year	(9,712)	106,894	101,723
Beginning net position recognized by GASB 75	-	(92,516)	-
Net position, end of year	$ (35,398)	$ (9,712)	$ 106,894

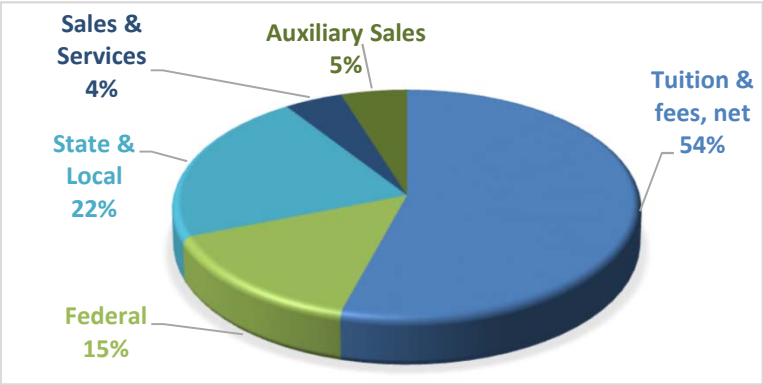
Operating Revenues

In fiscal year 2019, operating revenues of $29.9 million is about the same when compared to 2018 and increased by $1.0 million (3.4%) when compared to 2017. There were no significant or unexpected changes overall. The following table summarizes the College's operating revenues for the years ended June 30:

Operating Revenues (in Thousands)

	2019	2018	2017
Tuition and fees, net	$ 16,247	$ 16,584	$ 14,697
Federal grants and contracts	4,432	4,090	4,181
State and local grants and contracts	6,432	6,504	7,398
Sales & services of educational departments	1,311	926	893
Auxiliary enterprises	1,485	1,785	1,766
Total	$ 29,907	$ 29,889	$ 28,935

FY19 Operating Revenues



Operating Expenses

Operating expenses increased $11.1 million (5.7%) in fiscal year 2019 as compared to fiscal year 2018, primarily due to salary and benefit increases of $7.9 million, New Mexico Educational Retirement Board (ERB) pension plan proportionate shared expense increase of $5.6 million, and New Mexico Retiree Health Care Authority (RHCA) OPEB plan proportionate shared expense decrease of $2.3 million.

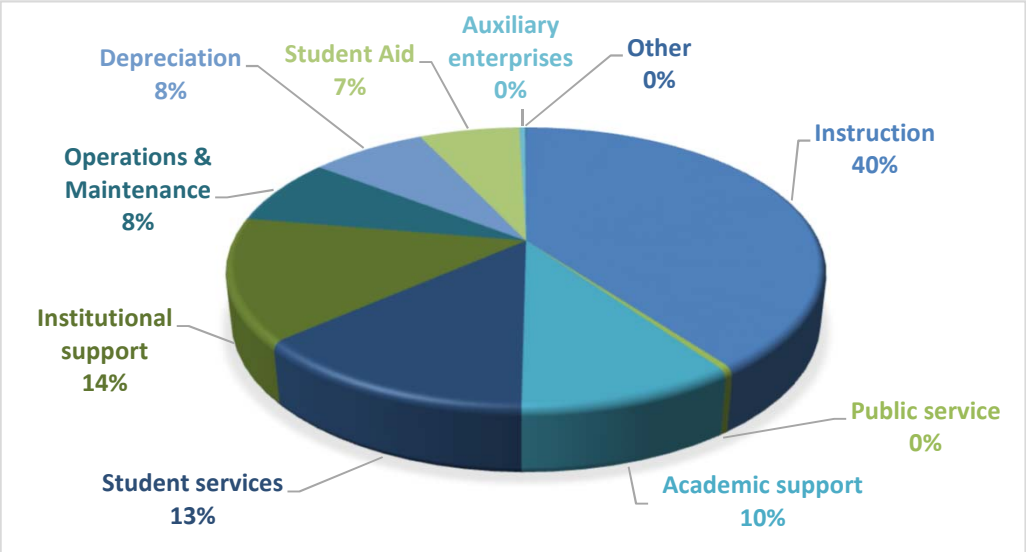
Over a two-year period, expenses for instruction increased $20.4 million (33.2%), academic support increased $5.4 million (35.7%), student services increased $5.7 million (26.4%), and institutional support increased $8.3 million (39.4%). From 2017 through 2019, operating expenses increased $38.9 million overall, a 23.3% increase. Student aid decreased $3.6 million (-21.2%) because of lower student enrollment.

The following table summarizes the College's operating expenses for the years ended June 30:

Operating Expenses (in Thousands)

	2019	2018	2017
Instruction	$ 82,090	$ 77,173	61,641
Public service	854	656	503
Academic support	20,511	18,927	15,113
Student services	27,437	25,412	21,700
Institutional support	29,218	25,466	20,967
Operation and maintenance of plant	15,962	16,010	15,226
Depreciation	15,592	16,209	13,887
Student aid	13,496	14,422	17,135
Auxiliary enterprises	791	547	812
Other	114	123	151
Total	$ 206,065	$ 194,945	167,135

FY19 Operating Expenses



Non-operating Revenues and Expenses

Non-operating revenues and expenses increased by $4.9 million (3.5%) in fiscal year 2019 when compared to the prior year. Primarily, this increase is attributed to the net of Pell grant decreasing, state and local appropriation revenue increasing, and investment income increase in 2019. In fiscal year 2019, the College funded its component unit CNM Ingenuity Inc. a total of $5.0 million, which is $0.7 million more than the $4.3 million in fiscal year 2018 but $6.8 million less than the $11.8 million in fiscal year 2017. This is reflected in the other non-operating expenses. Over a two-year period, state appropriations have increased by $2.4 million (4.5%). Over the same period, Pell grant revenue has decreased $3.1 million (–13.9%), due to the decline of student enrollment.

The following table summarizes the College's non-operating revenue and expenses for the years ended June 30:

Non-operating Revenue and Expenses (in Thousands)

	2019	2018	2017
State appropriations	$ 55,678	$ 52,995	53,276
Local appropriations - operating	54,870	52,728	50,859
Local appropriations - debt service	19,255	18,586	18,032
Federal Pell grant	18,930	20,271	21,988
Investment income	2,442	1,125	466
Interest on capital asset related debt	(3,046)	(2,382)	(2,049)
Other	(3,354)	(3,447)	(10,829)
Total	$ 144,775	$ 139,876	131,743

Capital Grants and Appropriations

Capital appropriations increased $4.6 million in fiscal year 2019 when compared to fiscal year 2018, primarily due to the state funding of Max Salazar Hall renovations in 2019. There were no other significant or unexpected changes in capital grants and appropriations.

The following table summarizes the College's other revenues, expenses, gains, or losses for the years ended June 30:

Capital Grants and Appropriations (in Thousands)

	2019	2018	2017
Capital appropriations	$ 5,697	$ 1,085	11,608
Capital grants and gifts	-	5	20
Additions to permanent endowments	-	-	-
Total	$ 5,697	$ 1,090	11,628

Capital Asset and Debt Administration

Capital Assets

At June 30, 2019, the College had approximately $302.0 million invested in net capital assets, net of accumulated depreciation of $153.0 million. Depreciation expense for the current fiscal year totaled $15.6 million compared to $16.2 million in fiscal year 2018 and $13.9 million in fiscal year 2017.

The following table summarizes the College's capital assets, net of accumulated depreciation, as of June 30:

Capital Assets, Net (in Thousands)

	2019	2018	2017
Land and land improvements	$ 35,840	$ 36,637	36,543
Buildings	214,739	224,752	200,082
Infrastructure	4,080	4,546	4,802
Furniture, fixtures, and equipment	7,852	8,803	8,916
Library materials	842	987	1,190
Art	720	720	720
Construction in progress	37,959	10,803	26,788
Capital assets, end of year	$ 302,032	$ 287,248	279,041

Major capital expenditures (in Thousands) during fiscal year 2019 include:

Max Salazar Hall Phase II	$ 11,916
Educational Collaborative (EC) building	9,821
CTS HVAC & Roof	1,847
Access Control	1,596

Major capital expenditures (in Thousands) during fiscal year 2018 include:

Richard Barr (J) Building Renovation	$ 10,304
CNM/APS/NACA Facility	2,622
Access Control	2,522
Max Salazar Hall Phase II	1,349
Smith Brasher Renovation	1,045
CTS HVAC & Roof	865

Additional information about the College's capital assets and construction commitments are presented in notes 4 and 10 to the basic financial statements.

Bonds Payable

As of June 30, 2019, the College has $117.2 million in outstanding bonds, an increase of $26.8 million when compared to 2018 and an increase of $15.3 million when compared to 2017. In August 2018, the College issued $32.4 million of 2018A General Obligation bonds with $1.8 million premium and $8.0 million of 2018B Taxable General Obligation bonds with no premium which netted with the scheduled debt service payment results in the increase of outstanding bonds payable.

The following table summarizes outstanding long term liabilities by series as of June 30:

Bonds Payable (in Thousands)

Bond Series:	2019	2018	2017
Series 2009	$ 5,400	$ 6,550	7,700
Series 2011	19,990	21,200	22,400
Series 2014A	20,400	21,850	23,300
Series 2014B	6,455	8,215	9,915
Series 2016	24,525	32,525	38,525
Series 2018A	32,395	-	-
Series 2018B	8,000	-	-
Total bond principal	117,165	90,340	101,840
Bond premium	5,147	4,728	6,024
Total debt outstanding	$ 122,312	$ 95,068	107,864

In August 2018, Standard & Poor's reviewed their rating of Central New Mexico Community College general obligation bonds and assigned 'AA+/Stable' long term rating. Moody's assigned an 'Aa1' rating to the College's 2018 general obligation bond series in July 2018. Additional information related to the College's long term liabilities is presented in note 11 to the basic financial statements.

The Schedule of Budgetary Comparisons – Budgetary Basis, Unrestricted and Restricted – All Operations

Revenues (Budgetary Basis)

The schedule of budgetary comparisons – budgetary basis reports the College's actual versus budgeted revenues, expenditures, transfers, and their variance. The annual budget of the College is adopted on a basis consistent with the reporting requirements of the New Mexico Higher Education Department, which are based on the fund accounting principles applicable prior to GASB Statements No. 34, 35, 37, and 38 (budgetary basis). By contrast, the College prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP Basis).

The final revenue budget compared to the original budget decreased by $0.1 million (-0.03%). The most significant changes were $1.3 million (-19.0%) decrease in state government contracts/grants and $1.5 million (72.4%) increase in private contracts and grands.

Actual revenues were $14.4 million (-6.1%) less than the final budget. The variance in capital outlay revenue, a difference of $8.9 million (-25.6%) was due to timing of spending on capital project construction. Federal government contracts and grants revenue was $4.6 million (-16.6%) less than budget, partially due to decreased Pell grant awards. Private contracts and grants was $1.5 million (-44.2%) less than the final budget.

The following table summarizes the College's original budget, final budget, actuals, and variance for revenues:

Budgeted Revenue (In Thousands)

	Original budget	Final budget	Actuals (budgetary basis)	Variance favorable/ (unfavorable)
Tuition	$ 23,492	22,822	21,954	(868)
Miscellaneous fees	4,018	3,902	3,761	(141)
State government appropriations	55,678	55,678	55,678	0
Local government appropriations	52,950	54,264	54,874	610
Federal government contracts/grants	29,266	28,050	23,403	(4,647)
State government contracts/grants	6,890	5,578	5,402	(176)
Local government contracts/grants	65	52	86	34
Private contracts/grants	2,018	3,478	1,942	(1,536)
Endowments	13	12	6	(6)
Sales and services	1,806	1,887	1,597	(290)
Other	2,517	2,514	3,373	859
Capital outlay	34,231	34,575	25,723	(8,852)
Building renewal & replacement	3,590	3,619	3,711	92
Retirement of indebtedness	18,925	18,963	19,479	516
Total revenues	$ 235,457	235,394	220,989	(14,405)

Expenditures (Budgetary Basis)

The final expenditure budget increased by approximately $0.8 million (0.3%) versus the original budget. The final budget for operation and maintenance of plant increased by $1.1 million (7.2%), and the final budget for retirement of indebtedness increased by $1.1 million (6.3%). The final budget for instruction decreased by $1.5 million (-2.4%) and student aid decreased by $1.3 million (-4.4%) as compared to the original budget.

Actual expenditures were $31.3 million (-12.6%) less than the final budget. Actual expenditures for instruction were $1.6 million (-2.6%) less than budget due to reduction in part-time faculty salary expense related to declining enrollment. Operation and maintenance of plant was $1.8 million (-11.5%) and student aid was $3.7 million (-12.7%) under final budget. Capital outlay was under budget by $15.0 million (-36.2%), and building renewal and replacement was under budget by $3.2 million (-29.5%) due to the timing of capital projects.

The following summarizes the College's original budget, final budget, actuals, and variance for expenditures:

Budgeted Expenditures (In Thousands)

	Original budget	Final budget	Actuals (budgetary basis)	Variance favorable/ (unfavorable)
Instruction	$ 65,183	63,642	61,995	1,647
Academic support	17,292	17,835	16,298	1,537
Student services	23,318	23,030	21,507	1,523
Institutional support	25,066	25,602	23,824	1,778
Operation & maintenance of plant	14,789	15,853	14,034	1,819
Student social & cultural activities	136	136	114	22
Public services	1,044	1,224	855	369
Internal services	61	94	82	12
Student aid grants and stipends	30,703	29,363	25,643	3,720
Auxiliary enterprise	859	848	778	70
Capital outlay	41,750	41,500	26,469	15,031
Building renewal & replacement	10,183	11,000	7,760	3,240
Retirement of indebtedness	17,155	18,236	17,747	489
Total expenditures	$ 247,539	248,363	217,106	31,257

Change in Net Position (budgetary basis)

The following schedule summarizes the change in net position for the College:

Budgeted Categories (In Thousands)

	Original budget	Final budget	Actuals (budgetary basis)	Variance favorable/ (unfavorable)
Beginning balance budgeted	$ 54,613	64,589	64,589	-
Revenues	235,457	235,394	220,989	(14,405)
Expenditures	247,539	248,363	217,106	31,257
Change in net position	(12,082)	(12,969)	3,883	16,852
Net position (budgetary basis)	$ 42,531	51,620	68,472	

Economic Outlook

The College's economic outlook is closely related to its role as the state's largest community college. The College is dependent upon ongoing financial and political support from state government. Between FY2009 and FY2019, state appropriations fell as a percent of the College's total revenue from 35 percent to 25 percent, respectively. To offset this drop, local government support as well as tuition and fee revenues have increased over this same period. Since FY2015, the College has invested in strategic efforts to develop other revenue streams. Increasing international, career and technical training offerings and expanding online and fast-tracked programs are beginning to generate additional revenues.

Another significant factor in the College's economic position relates to its ability to recruit and retain students. As compared to final student enrollment of 23,553 in Fall 2018 and 24,442 in Fall 2017, current census date, data for Fall 2019 reports 23,358 students in college credit programs. This represents a decrease of 889 students (-3.6%) from Fall 2017 to Fall 2018 and a decrease of 195 students (-0.8%) from Fall 2018 to current student enrollment data in Fall 2019. Similarly, student credit hour production decreased 4.1% from 187,804 in Fall 2017 to 180,003 in Fall 2018 and 1.1% from Fall 2018 to current Fall 2019 data of 178,074 student credit hours. Based on the current performance formula model, enrollment fluctuations may impact future state appropriation revenue.

As such, the College has expanded its efforts to diversify revenues. The formation of Ingenuity, Inc., pursuant to the University Research Park and Economic Development Act, enables the College to expand innovative program offerings and attract new students, business partners and community connections. These efforts will serve to generate additional revenue sources, while supporting growth in the local, state and regional economy.

Component Unit Financial Statements

Central New Mexico Community College Foundation, Incorporated and CNM Ingenuity, Incorporated are component units of the College. Both entities separately issue their financial statements under Governmental Accounting Standards Board (GASB) format. Separately issued financial statements for the CNM Foundation and CNM Ingenuity may be obtained from https://www.cnm.edu/depts/business-office.

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Statements of Net Position

June 30, 2019 and 2018

	Primary Institution		Component Units			
			Foundation		Ingenuity	
	2019	2018	2019	2018	2019	2018
Assets:						
Current assets:						
Cash and cash equivalents	$ 3,976,480	4,335,220	54,716	26,746	8,862,860	9,913,443
Cash and cash equivalents – restricted	-	-	2,232,998	1,409,569	-	-
Investments - unrestricted	52,639,712	52,718,024	-	-	-	-
Investments - restricted	65,659,811	40,470,500	-	-	-	-
Endowment investments – restricted	119,692	14,026	-	-	-	-
Accounts receivable students, net	6,439,719	6,148,023	-	-	-	-
Grants and contracts receivable	6,768,491	2,328,622	-	-	-	-
Mill levy receivable	3,165,490	3,154,226	-	-	-	-
Pledges receivable - unrestricted, net	-	-	16,930	22,459	50,000	50,000
Other receivable	294,517	379,737	15,470	21,401	410,859	397,760
Inventories	47,776	55,619	-	-	-	14,642
Other assets	1,910,942	1,817,889	-	-	64,433	70,945
Total current assets	141,022,630	111,421,886	2,320,114	1,480,175	9,388,152	10,446,790
Noncurrent assets:						
Investments - restricted	-	826,239				
Endowment investments – restricted	1,805,000	1,805,000	9,630,416	8,835,505	-	-
Mill levy receivable	1,881,344	1,884,102	-	-	-	-
Pledges receivable - restricted, net	-	-	38,847	49,401	91,823	141,823
Notes receivable	137,617	155,753	-	-	-	-
Other assets	98,667	106,667	-	-	11,076,102	4,977,569
Capital assets, net	302,032,308	287,247,877	-	-	5,027,796	4,578,619
Total noncurrent assets	305,954,936	292,025,638	9,669,263	8,884,906	16,195,721	9,698,011
Total assets	446,977,566	403,447,524	11,989,377	10,365,081	25,583,873	20,144,801
Deferred outflows of resources:						
Bond refunding	83,547	120,679	-	-	-	-
OPEB related	5,976,478	1,434,615	-	-	-	-
Pension related	77,967,534	92,666,770	-	-	-	-
Total deferred outflow of resources	84,027,559	94,222,064	-	-	-	-
Liabilities:						
Current liabilities:						
Accounts payable to suppliers	9,816,548	6,867,153	297,134	100,496	561,496	523,028
Accounts payable - loans	109,271	106,697	-	-	-	-
Accrued compensated absences	2,764,176	2,392,733	-	-	-	-
Accrued payroll and payroll taxes	5,268,807	5,970,611	-	-	-	-
Accounts payable – other	291,546	280,402	-	-	-	-
Accrued interest payable	1,697,635	1,343,400	-	-	-	-
Unearned revenue	8,353,206	8,133,572	958,044	201,425	1,370,097	1,449,476
Bonds payable – current portion	17,392,249	14,583,421	-	-	-	-
Total current liabilities	45,693,438	39,677,989	1,255,178	301,921	1,931,593	1,972,504
Noncurrent liabilities						
Bonds payable	104,919,489	80,484,621	-	-	-	-
Net OPEB liabilities	78,941,338	77,885,864				
Net pension liability	306,774,935	280,702,869	-	-	-	-
Total noncurrent liabilities	490,635,762	439,073,354	-	-	-	-
Total liabilities	536,329,200	478,751,343	1,255,178	301,921	1,931,593	1,972,504
Deferred inflows of resources:						
OPEB related	20,396,988	17,726,639	-	-	-	-
Pension related	9,676,841	10,903,153	-	-	-	-
Total deferred inflow of resources	30,073,829	28,629,792	-	-	-	-
Net position:						
Net investment in capital assets	224,969,509	215,430,308	-	-	5,027,796	4,578,619
Restricted:						
Nonexpendable:						
Scholarships	-	-	7,358,827	6,947,887	-	-
Department programs	1,805,000	1,805,000	245,050	438,021	-	-
Expendable:						
Scholarships	-	-	2,180,993	1,758,348	-	-
Department programs	147,958	48,122	572,476	515,093	141,823	250,128
Debt service	18,629,083	16,897,099	-	-	-	-
Unrestricted	(280,949,454)	(243,892,076)	376,853	403,811	18,482,661	13,343,550
Total net position	$ (35,397,904)	(9,711,547)	10,734,199	10,063,160	23,652,280	18,172,297

See accompanying notes to basic financial statements.

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Statements of Revenues, Expenses, and Changes in Net Position

Years ended June 30, 2019 and 2018

	Primary Institution		Component Units			
			Foundation		Ingenuity	
	2019	2018	2019	2018	2019	2018
Operating revenues:						
Tuition and fees*	16,246,755	$ 16,584,282	-	-	3,747,143	3,194,784
Federal grants and contracts	4,432,577	4,090,119	-	-	-	-
State and local grants and contracts	6,431,713	6,503,753	353,947	228,424	1,240,035	961,386
Sales & services of educational depts.	1,311,498	925,307	-	-	-	-
Gifts and pledges	-	-	932,444	698,830	35,102	176,133
Auxiliary enterprise	1,484,640	1,785,148	-	-	-	-
Total operating revenues	29,907,183	29,888,609	1,286,391	927,254	5,022,280	4,332,303
Operating expenses:						
Instruction and general:						
Instruction	82,089,993	77,172,732	-	-	-	-
Public service	854,519	656,344	-	-	-	-
Academic support	20,511,127	18,927,132	-	-	-	-
Student services	27,437,483	25,412,303	-	-	-	-
Institutional support	29,217,884	25,465,759	-	-	-	-
Operation and maintenance of plant	15,961,695	16,010,027	-	-	-	-
Depreciation	15,592,070	16,208,509	-	-	208,446	130,232
Student aid	13,495,708	14,422,485	-	-	-	-
Auxiliary enterprises	790,621	546,785	-	-	-	-
Other expenses	114,015	122,717	1,541,995	1,105,854	5,536,648	4,156,212
Total operating expenses	206,065,115	194,944,793	1,541,995	1,105,854	5,745,094	4,286,444
Operating income (loss)	(176,157,932)	(165,056,184)	(255,604)	(178,600)	(722,814)	45,859
Nonoperating revenues (expenses):						
State appropriations	55,677,500	52,995,400	-	-	-	-
Local appropriations – operating	54,870,490	52,728,165	-	-	-	-
Local appropriations – debt service	19,255,402	18,585,780	-	-	-	-
Federal pell grant	18,929,812	20,270,992	-	-	-	-
Gifts	802,430	646,596	-	-	-	-
Investment income (loss)	2,442,468	1,124,448	752,299	468,175	891,620	(480,195)
Interest on capital asset related debt	(3,046,239)	(2,381,535)	-	-	-	-
Gain (Loss) on disposition of assets	(349,181)	(159,109)	-	-	-	-
Other nonoperating revenues	1,215,058	400,273	-	-	4,889,900	4,225,000
Other nonoperating expenses	(5,023,179)	(4,334,387)	-	-	-	-
Net nonoperating revenues (expenses)	144,774,561	139,876,623	752,299	468,175	5,781,520	3,744,805
Income (loss) before capital grants and appropriations	(31,383,371)	(25,179,561)	496,695	289,575	5,058,706	3,790,664
Capital appropriations	5,697,014	1,085,258	-	-	-	-
Capital grants and gifts	-	5,000	-	-	-	-
Additions to permanent endowments	-	-	174,344	265,562	-	-
Total other changes	5,697,014	1,090,258	174,344	265,562	-	-
Increase (decrease) in net position	(25,686,357)	(24,089,303)	671,039	555,137	5,058,706	3,790,664
Net position, beginning of year	(9,711,547)	106,893,768	10,063,160	9,508,023	18,172,297	14,381,633
Beginning net position recognized by GASB75		(92,516,012)				
Merger Net Assets recognized by GASB 69					421,277	
Net position, end of year	(35,397,904)	(9,711,547)	10,734,199	10,063,160	23,652,280	18,172,297

* Net of scholarship allowances of $12,147,618 for 2019 and $12,044,890 for 2018.

See accompanying notes to basic financial statements.

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Statements of Cash Flows
Years ended June 30, 2019 and 2018

	2019	2018
Cash flows from operating activities:		
Tuition and fees	$ 16,132,157	$ 16,268,124
Federal grants and contracts	4,192,975	3,734,534
State and local grants and contracts	5,971,679	5,850,623
Payments to suppliers	(22,677,432)	(30,908,038)
Payments for utilities	(3,817,588)	(4,592,070)
Payments to employees	(82,114,216)	(75,788,712)
Payments for benefits	(28,818,305)	(26,250,298)
Payments for scholarships	(13,365,802)	(14,397,360)
Loans issued to students	-	(11,420)
Collection of loans to students	18,136	8,839
Auxiliary enterprise charges	1,471,342	1,603,751
Sales and services of educational activities	1,311,498	925,307
Other expenses	(5,023,179)	(4,334,387)
Other receipts	123,666	73,344
Net cash used by operating activities	(126,595,069)	(127,817,763)
Cash flows from noncapital financing activities:		
State appropriations	55,677,500	52,995,400
District mill levies–operating	54,877,484	52,720,895
District mill levies–debt service	19,239,901	18,474,606
Federal Pell grant	18,828,172	20,201,099
Education Loan receipts	6,297,576	6,983,271
Education Loan disbursements	(6,284,267)	(7,002,264)
Gifts and contribution for permanent endowment	802,430	646,596
Student organization agency transactions	2,734	(11,971)
Net cash provided by noncapital financing activities	149,441,530	145,007,632
Cash flows from capital financing activities:		
Proceeds from capital debt	42,152,373	-
Capital appropriations	3,257,255	2,659,922
Proceeds from sale of capital assets	39,882	49,067
Purchases of capital assets	(29,143,204)	(23,287,074)
Principal paid on capital debt and leases	(13,570,000)	(11,500,000)
Interest paid on capital debt and leases	(3,993,550)	(3,813,400)
Net cash provided (used) by capital financing activities	(1,257,244)	(35,891,485)
Cash flows from investing activities:		
Proceeds from sale and maturity of investments	96,256,190	118,288,300
Interest on investments	2,442,468	1,124,448
Purchase of investments	(120,646,615)	(96,762,438)
Net cash (used) provided by investing activities	(21,947,957)	22,650,310
Net increase (decrease) in cash and cash equivalents	(358,740)	3,948,694
Cash and cash equivalents, beginning of year	4,335,220	386,526
Cash and cash equivalents, end of year	$ 3,976,480	$ 4,335,220

See accompanying notes to basic financial statements.

(continued)

Statements of Cash Flows (continued)
Years ended June 30, 2019 and 2018

	2019	2018
Reconciliation of net operating loss to net cash used by operating activities:		
Operating loss	$ (176,157,932)	$ (165,056,184)
Adjustments to reconcile net operating loss to net cash used by operating activities:		
Other expenses - nonoperational	(5,023,179)	(4,334,387)
Other receipts - nonoperational	123,666	73,344
Depreciation expense	15,592,070	16,208,509
OPEB plan expense proportion	835,833	3,096,491
OPEB plan expense - prior year difference and/or rounding	(115,792)	-
CNM OPEB (RHCA) current year contribution	(1,536,081)	(1,434,615)
Pension plan expense proportion	50,272,598	44,658,886
Pension plan expense - prior year difference and/or rounding	-	(1,537)
CNM pension (ERB) current year contribution	(10,727,608)	(10,021,773)
Changes in assets and liabilities:		
Receivables, net	(1,029,909)	(517,754)
Inventories	7,843	(1,657)
Prepaid expenses	(85,053)	(774,310)
Accounts payable and accrued expenses	631,719	(8,764,723)
Unearned revenue	245,313	(990,995)
Compensated absences	371,443	42,942
Net cash used by operating activities	$(126,595,069)	$ (127,817,763)
Noncash transactions:		
Capital gifts	-	5,000

See accompanying notes to basic financial statements.

1) Summary of Significant Accounting Policies

a) Reporting Entity

Central New Mexico Community College was created under Sections 21-16-1 through 21-16-24, State of New Mexico Statutes Annotated (NMSA), 1978 Compilation, to provide post-secondary vocational and technical education. The College is governed by an elected seven-member board (Governing Board) and reports to the New Mexico Higher Education Department (NMHED). The mission of the College is to promote and provide higher education, skill development, and workforce training relevant to contemporary needs within the Central New Mexico Community College district and the State of New Mexico. The overall goal of the College is to provide dynamic education for the community.

b) Discretely Presented Component Units

In accordance with Governmental Accounting Standards Board (GASB) guidance, certain organizations warrant inclusion as part of the financial reporting entity because of the nature and significance of their relationship with the primary government, including their ongoing financial support of the primary government. Generally, GASB requires reporting, as a discretely presented component unit, a legally separate organization that raises and holds significant economic resources for the direct benefit of a governmental unit. Based upon the criteria established by GASB, these financial statements present the College and its component units, Central New Mexico Community College Foundation, Incorporated (Foundation) and CNM Ingenuity, Incorporated (Ingenuity).

Separate financial statements for the Central New Mexico Community College Foundation and CNM Ingenuity can be obtained by visiting https://www.cnm.edu/depts/business-office.

The following is a discretely presented component unit:

The Central New Mexico Community College Foundation was organized in 1986 pursuant to Section 53-8-30, NMSA 1978 Compilation as a nonmember, not-for-profit New Mexico corporation under Section 501(c)(3) of the Internal Revenue Code. The Foundation was incorporated for the purpose of providing support to the College and is authorized through its articles of incorporation to receive and hold any property, real or personal, given, devised, bequeathed, given in trust, or in any other way for the use or benefit of the College, or any student or instructor therein, or for the carrying on at the College in any line of work, teaching or investigation, which the donor, grantor, or testator may designate.

An agreement between the Foundation and the College was entered into on December 2, 1991, and most recently amended in April 2017. This agreement formalizes the relationship between the Foundation and the College and establishes the sole purpose for the Foundation as soliciting, managing, and distributing gifts, grants, and donations given for the benefit of the College, or any student or instructor. The Foundation also serves as custodian and manager of any endowments received from private donors. The College provides support services at no cost to the Foundation. The Foundation is discretely presented in a separate column in the financial statements.

The following is a discretely presented component unit:

CNM Ingenuity, Incorporated, was organized March 17, 2014 pursuant to the provisions of the Nonprofit Corporation Act 53-83-1 to 53-8-99 NMSA 1978 Compilation as a nonmember, not-for-profit New Mexico corporation under Section 501(c)(3) of the Internal Revenue Code. Ingenuity was organized and at all times hereafter shall be operated exclusively for the benefit and support of, to perform the function of, or to carry out the purposes of the Central New Mexico Community College. Ingenuity and CNM entered into a Memorandum of Agreement ("MOA") dated March 2014 and most recently amended in July 2016 that defines their relationship. The MOA provides that CNM will provide critical resources, financial and administrative, until Ingenuity becomes self-supporting. It also provides that Ingenuity's activities will be conducted for the benefit of CNM and must be consistent with CNM's long range plans.

Pursuant to the University Research Park and Economic Development Act Sections 21-28-1 through 21-28-25, New Mexico Statues annotated, 1978 Compilation, as amended, (the Research Park Act), this Corporation is formed for all lawful purposes under the Research Park Act. Ingenuity is discretely presented in a separate column in the financial statements.

c) Financial Statement Presentation

The College, the Foundation and Ingenuity present their financial statements in accordance with U.S. generally accepted accounting principles as prescribed in applicable pronouncements of the Governmental Accounting Standards Board (GASB). The statement presentation required by GASB Statement 35, Basic Financial Statements—and Management's Discussion and Analysis—for Public Colleges and Universities—an amendment of GASB Statement No. 34, provides a comprehensive entity-wide perspective of the College's assets, liabilities, and net position; revenues, expenses and changes in net position; and cash flows.

d) Basis of Accounting

For financial reporting purposes, the College is considered a special purpose government engaged only in business type activities. The financial statements, including financial information of the Foundation and Ingenuity, have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated.

e) Management's Estimates and Assumptions

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 the reported amounts of assets, liabilities, deferred outflows and inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from estimates.

f) Income Taxes

As a state post-secondary vocational and technical College, the College's income is exempt from federal and state income taxes under Section 115(1) to the extent the income is derived from essential governmental functions. However, income generated from activities unrelated to the purpose of the College would be subject to tax under IRC section 511(a)(2)(B).

The Foundation and Ingenuity are not-for-profit corporations and have been recognized as tax-exempt under Section 501(c)(3) of the Internal Revenue Code.

g) Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the College considers all highly liquid investments with original maturities of three months or less to be cash equivalents. Immediate cash needs are met with resources deposited at the College's fiscal agent.

Restricted cash, cash equivalents, and restricted investments represent amounts that are externally restricted to make debt service payments, bond funds restricted for capital purposes, and cash for loans.

The State of New Mexico appropriated funds to the College for the Legislative Nursing Endowment. The College's endowment spending is subject to annual review and provides that the annual amount of potential distributions from each endowment fund shall be limited to an amount determined prudent of the asset value of the endowment fund. At the beginning of each fiscal year, the College's management determines the potential distribution amount for the endowment fund for the ensuing fiscal year. The College has approximately $147,958 available for use. The amount is recorded in the statement of net position as restricted-expendable.

The Foundation's cash and cash equivalents consists of a checking account and money market accounts held with a local investment firm. Money market funds are carried at amortized costs, which approximates fair value.

Ingenuity's cash and cash equivalents consists of a checking account and money market account. Money market funds are carried at amortized cost, which approximates fair value.

h) Investments

Cash resources not needed to meet immediate needs are invested with the New Mexico State Treasurer's Office short term investment pool, LGIP or with the New Mexico State Investment Council. Amounts invested are readily available to the College when needed and are recorded at cost, which approximates fair value. The College considers cash deposited at the State Treasurer's Office and the State Investment Council to be investments.

The Foundation's investments consist primarily of Federal agency obligations, corporate obligations, and marketable securities. Marketable securities are carried at fair value based on quoted market prices. The change in fair value is reported in investment income in the statements of revenues, expenses, and changes in net position.

Ingenuity's investment consist primarily of money market mutual funds and marketable securities. Money market mutual funds are carried at amortized cost, which approximates fair value. Marketable securities are carried at fair value based on quoted market prices.

Ingenuity's private equity investments represent ownership in closely held businesses, which are not publicly traded. These investments are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recordable. These investments are recorded using net asset value (NAV) per share accordance with GASB Statement No 72, *Fair Value Measurement and Application*. Ingenuity considers the reasonableness of the NAV, based on available information, to arrive at the fair value estimates of each investment.

i) Receivables

Receivables consist primarily of amounts due from federal and state governmental entities for grants and contracts, local government entities for unremitted district mill levy collections, and student and third party payers for student tuition and fees. The allowance for doubtful accounts is maintained at a level, which, in the administration's judgment, is sufficient to provide for possible losses in the collection of these accounts.

j) Private Gifts, Revenue, and Pledges

Annual contributions are generally available for unrestricted use in the year donated unless specifically restricted by the donor. Grants and other contributions of cash and other assets are reported as restricted if they are received with donor stipulations that limit the use of the donated assets. Contributions of donated noncash assets are recorded at their estimated fair values in the period received.

The Foundation recognizes unrestricted pledges as increases in assets and revenue upon receipt of a signed pledge commitment, and when all applicable eligibility requirements are met. An allowance for uncollectible pledges is recorded when the pledge is recorded. The allowance is based on past pledge loss experience and other factors that management considers necessary in estimating pledge loss.

k) Inventories

Inventories, which primarily consist of office supplies held for department use, are stated at cost.

l) Capital Assets

Capital assets are recorded at cost or acquisition value at the date of donation in the case of gifts. For equipment, the College's capitalization policy includes all items with a unit cost of $5,000 or more per Section 12-6-10 NMSA 1978 and an estimated useful life of greater than one year.

Renovations to buildings, infrastructure, and land improvements costing $100,000 or more and that significantly increase the value or extend the useful life of the structure are capitalized. Software purchased for internal use with a unit cost of $5,000 or more is capitalized and depreciated. Routine repairs and maintenance are charged to operating expense in the year in which the expense is incurred. Depreciation is computed using the straight line method over the estimated useful lives of the asset, generally 5 to 40 years for building and building improvements, 5 to 40 years for infrastructure and land improvements, 10 years for library books, and 5 to 12 years for equipment.

m) Noncurrent Cash and Cash Equivalents

Cash and cash equivalents that are externally restricted to make debt service payments, not needed in the next year, and funds to be invested in perpetuity are classified as noncurrent assets in the statement of net position.

n) Compensated Absences

Accumulated annual leave is reported as a liability. Annual leave is provided to full and part-time, non-instructional employees. Up to 30 days annual leave may be accumulated and carried over to a subsequent fiscal year.

o) Unearned Revenue

For government mandated and voluntary non-exchange transactions, the College, the Foundation, and Ingenuity recognize receivables and revenues when all applicable requirements, including time requirements are met. Resources received before the eligibility requirements are met are reported as unearned revenues. Resources received in advance where all eligibility requirements have been met are recorded as revenues when received.

Unearned revenue at June 30, 2019 and 2018 for CNM consists primarily of unearned summer term tuition in the amounts of $2,990,712 and $2,508,689 respectively; unearned fall tuition and fees in the amount of $4,987,185 and $5,177,709 respectively; and $375,309 and $447,174 respectively from grants and contract sponsors that have not yet been earned. Total unearned revenue at June 30, 2018 and 2017 are $8,353,206 and $8,133,572 respectively.

Unearned revenue at June 30, 2019 and 2018 for the CNM Foundation are $958,044 and $201,425, respectively.

Unearned revenue at June 30, 2019 and 2018 for Ingenuity are $1,370,097 and $1,449,476 respectively.

p) Noncurrent Liabilities

Noncurrent liabilities include principal amounts of bonds payable that will not be paid within the next fiscal year. Net pension liability and Net OPEB liability , are reflected in noncurrent liabilities.

q) Deferred outflows of resources

A consumption of net assets by the government that is applicable to a future reporting period.

r) Deferred inflows of resources

An acquisition of net assets by the government that is applicable to a future reporting period.

s) Classification of Net Position

The College's net position is classified as follows:

Net investment in capital assets – This represents the College's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of invested in capital assets, net of related debt. At June 30, 2019 and 2018, approximately $44,040,699 and $21,386,946 of bond proceeds remain unexpended, respectively.

Restricted net position – expendable – Restricted expendable net position includes resources in which the College is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties. At year-end, the College had $147,958 endowment earnings available for use.

Restricted net position – nonexpendable – Nonexpendable restricted net position consists of endowment funds in which the donors have stipulated, as a condition of the gift instrument, that the principal is to be maintained in perpetuity and invested for the purpose of producing present and future income. The income generated from the principal may be expended or added to principal.

Unrestricted net position – Unrestricted net position represents resources derived from student tuition and fees, state appropriations, district mill levies, investment income, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the College and may be used at the discretion of the Governing Board to meet current expenses for any purpose. These resources also include auxiliary enterprises, which are substantially self-supporting activities that provide services for students, faculty, and staff.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the College's policy is to first apply the expense toward restricted resources and then toward unrestricted resources.

t) State Appropriations

For government-mandated and voluntary non-exchange transactions, the College recognizes revenues when all applicable requirements including time requirements are met.

Unexpended state appropriations do not revert to the State of New Mexico at the end of the fiscal year and are available to the College in subsequent years, pursuant to the General Appropriation Act.

u) District Mill Levies

District mill levies attach as an unsubordinated enforceable lien on property as of January 1 of the assessment year. Current year taxes are levied on November 1 and are due in equal semiannual installments on November 10 and April 10 of the next year. Taxes become delinquent 30 days after the due dates unless the original levy date has been formally extended. The mill levy is collected by the respective County treasurers and is remitted to the College.

Revenue from the operational mill levy is recorded in the period for which the lien is levied. A separate mill levy for the retirement of debt on the General Obligation 2009 bond series, 2011 bond series, 2014A bond series, 2014B bond series, 2016 bond series, 2018A bonds series, and 2018B bonds series (note 11) is collected and remitted to the College. Following the symmetrical recognition concept of GASB Statement 33 and 36, the College recorded an estimated receivable of $5,046,834 and $5,038,328 as of June 30, 2019 and 2018, respectively, based on levied tax information received from the respective county Treasurer's office. Based on historical collections, no allowance for uncollectible accounts has been recorded.

v) Classification of Revenues

The College has classified its revenues as either operating or non-operating according to the following criteria:

Operating revenues – Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship allowances; (2) sales and services of auxiliary enterprises; (3) most federal, state, and local grants and contracts; and (4) sale of educational services.

Non-operating revenues – Non-operating revenues include activities that have the characteristics of non-exchange transactions, such as gifts and contributions, and other revenue sources that are defined as non-operating revenues by GASB Statement No. 9, Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Government Entities That Use Proprietary Fund Accounting, and GASB Statement No. 34, such as state appropriations, mill levies, and Pell grant and investment income.

Student tuition and fee revenues and certain other revenues from students, are reported net of scholarship allowances in the statement of revenues, expenses, and changes in net position. Scholarship allowances are the difference between the stated charge for goods and services provided by the College and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other federal, state, or nongovernmental programs, are recorded as either operating or non-operating revenues in the College's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees, other student charges and expenses, the College has recorded a scholarship allowance.

Contract and grant revenues are recognized when all of the eligibility requirements have been met.

w) Classification of Expenses

Expenses are classified as operating or non-operating according to the following criteria:

Operating expenses – Operating expenses include activities that have the characteristics of an exchange transaction, such as (1) employee salaries, benefits, and related expense; (2) scholarships and fellowships, net of scholarship discounts and allowances; (3) utilities, supplies, and other services; (4) professional fees; and (5) depreciation expenses related to the College's capital assets.

Non-operating expenses – Non-operating expenses include activities that have the characteristics of non-exchange transactions, such as interest on capital asset related debt and bond expenses that are defined as non-operating expenses by GASB Statement No. 9, Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting, and GASB Statement No. 34.

x) Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Educational Retirement Board (ERB) and additions to/deductions from ERB's fiduciary net position have been determined on the same basis as they are reported by ERB. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value. See Note 12.

y) Postemployment Benefits Other Than Pensions (OPEB)

The New Mexico Retiree Health Care Authority (NMRHCA) was formed February 13, 1990, under the New Mexico Retiree Health Care Act (the Act) of New Mexico Statutes Annotated, as amended (NMSA 1978), to administer the Fund under Section 10-7C-1-19 NMSA 1978. The Fund was created to provide comprehensive group health insurance coverage for individuals (and their spouses, dependents and surviving spouses) who have retired or will retire from public service in New Mexico. Approximately 299 public entities including cities, counties, universities and charter schools participate in NMRHCA. The Authority currently provides coverage to approximately 156,025 retirees and their dependents. These benefits are considered Other Postemployment Benefits (OPEB) under GASB Statements No. 43 and 45. The College implemented GASB Statement No. 75 *Financial Reporting for Postemployment Benefits Other Than Pension Plans* in fiscal year 2018. See Note. 13.

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

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

z) New *Accounting Pronouncements Adopted*

For the fiscal year ending June 30, 2019 (FY19), the College adopted the following GASB Statements:

Statement No. 83, "Certain Asset Retirement Obligations." The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2019. The adoption of GASB No.83 does not have any impact on the College's financial statements.

GASB Statement No. 88. Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements. Effective Date: For reporting periods beginning after June 15, 2018 and will take effect for financial statements starting with the fiscal year that ends June 30, 2019. The adoption of GASB No.88 does not have any impact on the College's financial statements.

GASB Statement No. 89. *Accounting for Interest Cost Incurred before the End of a Construction Period.* Effective Date: For reporting periods beginning after December 12, 2019. The College early adopted GASB Statement No. 89. in fiscal year 2018. For the years ended June 30, 2019 and 2018, the College capitalized interest expense of $0 and $0 respectively.

aa) Subsequent Accounting Pronouncements

The GASB has issued the following statements:

GASB Statement No. 84, *Fiduciary Activities.* Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2018 and will take effect for financial statements starting with the fiscal year that ends June 30, 2020.

GASB Statement No. 87. *Leases.* Effective Date: For reporting periods beginning after December 15, 2019 and will take effect for financial statements starting with the fiscal year that ends June 30, 2021.

GASB Statement No. 90. *Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61.* Effective Date: For reporting periods beginning after December 12, 2018 and will take effect for financial statements starting with the fiscal year that ends June 30, 2020.

Earlier application of these statements is encouraged. For the original pronouncements please visit the GASB's Website www.gasb.org

bb) Reclassifications and Prior Year Adjustment

Certain prior year amounts have been reclassified in order to be consistent with current year presentation.

2) Deposits and Investments

State statutes authorize the investment of 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. Management of the College is not aware of any investments that did not properly follow State investment requirements as of June 30, 2019.

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

The following is a summary of deposits and investments as of June 30,

College	2019	2018
Cash on hand	$ 8,175	$ 8,125
Deposits with financial institutions	3,968,305	4,327,095
Investments with NM State Investment Counc	1,924,692	1,819,026
Investments with NM State Treasurer	118,299,523	94,014,763
Total cash and investments	$ 124,200,695	$ 100,169,009

Foundation	2019	2018
Deposits with financial institutions	$ 396,964	$ 515,902
Money market with Merrill Lynch	1,890,750	920,413
Federal agency obligations	1,102,936	1,075,803
Corporate obligations	632,042	588,131
Corporate stock	6,079,602	5,465,422
Mutual funds	1,815,836	1,706,149
Certificates of Deposit	-	-
Total cash and investments	$ 11,918,130	$ 10,271,820

Ingenuity	2019	2018
Deposits with financial institutions	$ 380,679	$ 358,560
Money market with Wells Fargo	5,679,547	1,425,921
Money Market with Merrill Lynch	2,802,236	8,128,762
Petty Cash	398	200
Federal agency obligations	1,666,459	774,293
Corporate obligations	815,555	327,509
Corporate stock	6,544,963	2,842,463
Mutual funds	1,904,280	853,109
Total cash and investments	$ 19,794,117	$ 14,710,817

a) Custodial Credit Risk

The custodial credit risk for deposits is the risk that in the event of a depository institution failure, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

All deposits and investments in commercial banks are collateralized as required by Section 6–10–16 to Section 6–10–17 NMSA 1978. All deposits of the College are either insured or collateralized by using the Dedicated Method. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the College's agent in the College's name.

At June 30, 2019 and 2018, the College's deposits had a carrying amount of $3,968,305 and $4,327,095 respectively, and a bank balance of $4,362,251 and $4,321,728 respectively. Of the bank balance, $250,000 was covered by federal depository insurance. At June 30, 2019 and 2018, $5,508,288 and $4,651,386 respectively, was collateralized with securities held by the College's financial institution's trust department in the College's name under the Dedicated Method. None of these balances were uninsured and/or uncollateralized at June 30, 2019 and 2018. Effective January 1, 2018, the College began self-insuring its health benefits for employees. $2,652,449 for self insured health benefits are in a checking account which increased June 30, 2019 cash balance.

A summary of the College's insured and collateralized accounts at June 30, 2019 and 2018 is as follows:

				2019
Wells Fargo Bank checking accounts				$ 4,362,251
FDIC Insurance				(250,000)
Public funds in excess of FDIC Insurance				4,112,251
50% collateral requirement of $ 4,112,252				2,056,126
Total collateral requirements				$ 2,056,126
Collateral (at fair value):	CUSIP	Rate	Maturity	
FNMA FNMS	3138NXFX0	3.000%	2/1/2043	765,475
FNMA FNMS	3138WH2U5	2.500%	9/1/2031	4,742,813
Total collateral				5,508,288
Over collateral requirement				$ 3,452,162

				2018
Wells Fargo Bank checking account				$ 4,321,728
FDIC Insurance				(250,000)
Public funds in excess of FDIC Insurance				4,071,728
50% collateral requirement of $ 4,071,728				2,035,864
Total collateral requirements				$ 2,035,864
Collateral (at fair value):	CUSIP	Rate	Maturity	
FMAC-FGPC	3128MJTQ3	4.00%	11/1/2043	1,008,220
FMAC-FGPC	3128PWMK1	3.00%	9/1/2026	3,488,658
FNMA-FNMS	3138NXFX0	3.00%	2/1/2043	154,507
Total collateral				4,651,385
Over collateral requirement				$ 2,615,521

Wells Fargo Banks has pledged the above collateral which is being held in safekeeping by The Bank of New York Mellon.

b) Investments

The College's investment policy is set forth by the Governing Board pursuant to Governing Board Handbook sections 8.06 and 8.07. In November 2016, The College's Governing Board revised its investment policy and investment policy for endowment funds. They provides investment standards for long-term, short-term, and other types of investments, and collateral requirements in accordance with 6-10-30 NMSA 1978.

The College invests excess cash in the New Mexico Local Government Investment Pool (LGIP), which is managed by the New Mexico State Treasurer. These investments are valued at fair value based on quoted market prices as of the valuation date. The LGIP is not Securities and Exchange Commission (SEC) registered. Section 6-10-10 I, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investment fund in securities that are issued by the United States government or its departments or agencies and are either direct obligations of the United States or are backed by the full faith and credit of the United States government or are agencies sponsored by the United States government. The LGIP investments are monitored by the same investment committee and the same policies and procedures that apply to all other state investments. The pool does not have unit shares. Per Section 6-10-10.1F, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the fund amounts were invested. Participation in the local government investment pool is voluntary.

The College invests its endowment funds with the State Investment Council pooled funds. Pursuant to New Mexico law Section 6-8-7I of NMSA 1978, as amended, the State Investment Council manages several equity and bond investment pools to provide long-term investment opportunities for State agencies and designated institutions that have funds available for a long-term investment program that will extend for more than one year. The College maintained a balance of $1,924,692 in State Investment Council (SIC) endowment investments at year-end which require fair value disclosure. NMSIC issues a separate, publicly available financial report that includes financial statements and required supplementary information.

Foundation

The Foundation revised the investment policy in July 2015. The fundamental goal of the policy is to produce the maximum return possible while preserving the Foundation's assets. Investments are divided into three main portfolios: (1) Temporarily Restricted, (2) Endowments , and (3) Eloy Reyes Title V Memorial Endowment for La Communidad.

Temporarily Restricted Portfolio investments will consist of money market or other conservative investments with an average maturity of less than three years meeting the following criteria: (1) Certificates of deposit are authorized to the extent of FDIC insurance coverage; (2) portfolio can contain U.S. Treasury bills and notes and U.S. agency securities; (3) the average credit quality of the fixed income portfolio shall be AA or higher as defined by Moody's with an effective maturity of less than 3 years; and (4) no single issuer of debt or equity should make up more than 5% of the Portfolio except for U.S. government obligations.

Endowment Portfolio investments consist of equity securities, certificates of deposit, U.S. Treasury bills and notes, and U.S. agency securities. Investment managers may purchase fixed income securities issued by U.S. corporations that carry a credit rating characterized as below investment grade Moody's (lower than Baa3) at the time of purchase. The fixed income portion of the portfolio is limited to a 15% allocation to high yield bonds. Investment managers may also purchase fixed income securities issued by non-U.S. sovereign governments or corporations. The fixed income portion of the portfolio is limited to a 10% allocation to non U.S bonds. Up to twenty-five percent of the Portfolio can be invested in foreign issues of debt or equity. No single issuer of debt or equity should make up more than 5% of the Portfolio except for U.S. government obligations. On June 30, 2018, the portfolio consisted of 12.3% of U.S. government obligations.

Ingenuity

Ingenuity implemented Restricted Fund Investment Policy on April 26, 2018. The overall investment objective of Ingenuity's Restricted Fund is to maximize the return on invested assets while minimizing risk and expenses through prudent investing and planning, as well as through the maintenance of a diversified portfolio. Investments are registered in the name of Ingenuity and are held by an outside investment firm.

c) Fair Value Measurement

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

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

Level 2 Inputs to the valuation methodology include:

* Quoted prices for similar assets or liabilities in active markets;
* Quoted prices for identical or similar assets or liabilities in inactive markets;
* Inputs other than quoted prices that are observable for the asset or liability;
* Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The investments that are reported as Level 2 have various pricing sources including International Data Corporation (IDC), Pricing Direct, Reuters, Markit Partners, Bloomberg and Standard & Poor's (S&P).

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

d) Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit quality information is commonly expressed in terms of the credit ratings issued by nationally recognized statistical rating organizations such as Standard & Poor's, and provides a current depiction of potential variable cash flows and credit risk.

The College's investments at June 30 are summarized as follows:

	Rating	2019 Fair Value	2018 Fair Value
New Mexico LGIP (Level 1)	AAAm	$ 118,299,523	$ 94,014,763
State Investment Council (SIC)	Unrated		
Core Plus Bonds (Level 2)		588,791	543,233
Large Cap Index (Level 2)		717,033	652,034
Small Mid Cap (Level 2)		274,460	278,815
Non-US Emerging Active (Level 2)		84,958	83,468
Non-US Developed Active (Level 2)		259,450	261,476
Total securities		$ 120,224,215	$ 95,833,789

The following table provides information on the credit ratings associated with Ingenuity's investment in

	Rating	2019 Fair Value	2018 Fair Value
Corporate Stock (Level 1):	Unrated	$ 6,544,963	$ 2,842,463
Mutual Funds (Level 1)	Unrated	1,904,280	853,109
Total unrated securities		$ 8,449,243	$ 3,695,572
Federal agency obligations			
Federal home loan mortgage corp. (Level 2)	AA+	$ 83,980	$ 129,515
Federal national mortgage assoc. (Level 2)	AA+	771,470	346,216
US treasury notes (Level 1)	AAA	397,508	208,989
US treasury bonds (Level 1)	AAA	413,501	89,572
		1,666,459	774,293
Corporate obligations:			
Corporate bonds (Level 2)	AAA	136,915	37,944
Corporate bonds (Level 2)	A+	-	25,940
Corporate bonds (Level 2)	A	-	28,147
Corporate bonds (Level 2)	A-	196,050	78,545
Corporate bonds (Level 2)	A--	58,651	
Corporate bonds (Level 2)	BBB+	403,817	146,001
Corporate bonds (Level 2)	BBB	20,122	10,933
		815,555	327,509
Total rated securities		$ 2,482,014	$ 1,101,802
Total securities		$ 10,931,257	$ 4,797,374

The following table provides information on the credit ratings associated with the Foundation's investment in debt securities at June 30:

	Rating	2019 Fair Value	2018 Fair Value
Corporate Stock (Level 1):	Unrated	$ 6,079,602	$ 5,465,422
Mutual Funds (Level 1)	Unrated	1,815,836	1,706,149
Total unrated securities		$ 7,895,438	$ 7,171,571
Federal agency obligations:			
Federal home loan mortgage corp. (Level 2)	AA+	$ 263,124	$ 349,112
Federal national mortgage assoc. (Level 2)	AA+	405,373	439,730
US treasury notes (Level 1)	AAA	77,028	117,962
US treasury bills (Level 1)	AAA	-	-
US treasury bonds (Level 1)	AAA	350,209	164,158
US treasury inflation bonds (Level 1)	AAA	7,202	4,841
		1,102,936	1,075,803
Corporate obligations:			
Corporate bonds (Level 2)	AAA	72,431	65,172
Corporate bonds (Level 2)	AA+	3,099	2,938
Corporate bonds (Level 2)	AA	3,199	2,996
Corporate bonds (Level 2)	AA -	53,100	3,968
Corporate bonds (Level 2)	A+	-	50,359
Corporate bonds (Level 2)	A	2,007	49,631
Corporate bonds (Level 2)	A-	164,733	147,068
Corporate bonds (Level 2)	BBB+	325,090	255,147
Corporate bonds (Level 2)	BBB	8,383	9,894
Corporate bonds (Level 2)	BBB-	-	958
		632,042	588,131
Total rated securities		$ 1,734,978	$ 1,663,934
Total securities		$ 9,630,416	$ 8,835,505

e) Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The College, the Foundation and Ingenuity do not have formal investment policies that limit investment maturities as a means of managing its exposure to changing interest rates.

A summary of the investments and respective maturities at June 30, 2019 and 2018 and the exposure to interest rate risk is as follows:

	2019 - Investment Maturities			
	Fair Value	Less than 1 year	1 - 5 years	5 years +
CNM - NM LGIP (Level 1)	$ 118,299,523	118,299,523	-	-
CNM - NM SIC (Level 1)	1,335,901	1,335,901	-	-
CNM - NM SIC (Level 2)	588,791	588,791	-	-
Foundation Federal (Level 1)	1,102,936	52,376	6,235	1,044,325
Foundation Corporate (Level 2)	632,042	-	165,928	466,114
Ingenuity Federal (Level 1)	1,666,459	96,889	255,128	1,314,442
Ingenuity Corporate (Level 2)	815,555	20,002	259,197	536,356

	2018 - Investment Maturities			
	Fair Value	Less than 1 year	1 - 5 years	5 years +
CNM - NM LGIP (Level 1)	$ 94,014,763	94,014,763	-	-
CNM - NM SIC (Level 1)	1,275,793	1,275,793	-	-
CNM - NM SIC (Level 2)	543,233	543,233	-	-
Foundation Federal (Level 1)	1,075,803	127,639	83,492	864,672
Foundation Corporate (Level 2)	588,131	3,010	135,967	449,154
Ingenuity Federal (Level 1)	774,293	76,749	173,604	523,940
Ingenuity Corporate (Level 2)	327,509	5,052	52,722	269,735

The State Treasurer manages its exposure for the New Mexico LGIP for declines in fair values by calculation of the weighted average maturity (WAM) of its investment portfolio. The gains/losses are not allocated to participating entities. At June 30, 2019, the WAM (R) was 35 days and WAM (F) was 112 days, and at June 30, 2018, the WAM (R) was 50 days and WAM (F) was 100 days. For additional GASB 40 disclosure information regarding funds held by the State Treasurer, please refer to the separate audit report issued by the state Treasurer's Office as of and for the year ended June 30, 2019.

f) Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributable to the magnitude of the College, the Foundation's, or Ingenuity's investment in a single issuer. Investments in any one issuer that represent 5% or more of total investments are considered to be exposed to the concentrated risk. Investments issued by the U.S. government and investments in mutual funds are excluded from this requirement. The Foundation had 11.0% of the portfolio on June 30, 2019 and 11.0% of the investment portfolio on June 30, 2018 in U.S. government obligations, which exceeds the 5% limitation in any single type of security per the Foundation's investment policy statement (IPS). However, under section J of the IPS, U.S. government obligations are exempt from the 5% limit.

g) Foreign Currency Risk

Foreign currency risk is the potential risk of loss arising from investments denominated in foreign currencies when there are changes in exchange rates. The potential risk of loss arising from changes in exchange rates can be significant. At June 30, 2019 and 2018, the College, the Foundation and Ingenuity held no investments denominated in foreign currencies, and therefore had no foreign currency risk.

3) Receivables

The College's receivables represent revenues earned from student tuitions and fees, loans, advances to

Accounts Receivable	2019	2018
Accounts receivable students, (net)	$ 6,439,719	$ 6,148,023
Grant and contract receivables (net)	6,768,491	2,328,622
Other receivable	294,517	379,737
Mill levy receivable	3,165,490	3,154,226
	$ 16,668,217	$ 12,010,608
Allowance for doubtful accounts	$ 9,553,588	$ 8,568,477
Mill levy receivable	$ 1,881,344	$ 1,884,102
Notes receivable	137,617	155,753
Total noncurrent receivables	$ 2,018,961	$ 2,039,855

4) Capital Assets

Capital assets consist of the following:

Year ended June 30, 2019	Balance June 30, 2018	Additions and transfers	Dispositions and transfers	Balance June 30, 2019
Capital assets (non depreciated):				
Land	$ 27,519,494	-	-	27,519,494
Art	720,301	-	650	719,651
Construction in process	10,803,036	28,061,545	905,129	37,959,452
Depreciable capital assets:				
Land improvements	18,084,825	-	-	18,084,825
Buildings	326,722,436	1,350,622	-	328,073,058
Infrastructure	7,515,054	-	-	7,515,054
Furniture, fixtures, and equip	34,540,640	2,190,654	4,020,619	32,710,675
Library materials	2,675,738	67,872	332,868	2,410,742
	428,581,524	31,670,693	5,259,266	454,992,951
Less accumulated depreciation:				
Land improvements	8,967,496	796,537	-	9,764,033
Buildings	101,970,749	11,363,279	-	113,334,028
Infrastructure	2,968,946	466,537	-	3,435,483
Furniture, fixtures, and equip	25,738,006	2,752,926	3,632,206	24,858,726
Library materials	1,688,450	212,791	332,868	1,568,373
	141,333,647	15,592,070	3,965,074	152,960,643
Net carrying amount	$ 287,247,877	16,078,623	1,294,192	302,032,308

Year ended June 30, 2018	Balance June 30, 2017	Additions and transfers	Dispositions and transfers	Balance June 30, 2018
Capital assets (non depreciated):				
Land	$ 27,519,494	-	-	27,519,494
Art	720,301	-	-	720,301
Construction in process	26,788,487	21,423,745	37,409,196	10,803,036
Depreciable capital assets:				
Land improvements	17,100,113	984,712	-	18,084,825
Buildings	290,853,581	36,218,274	349,419	326,722,436
Infrastructure	7,271,391	243,663	-	7,515,054
Furniture, fixtures, and equip	35,117,840	3,098,531	3,675,731	34,540,640
Library materials	2,900,099	63,932	288,293	2,675,738
	408,271,306	62,032,857	41,722,639	428,581,524
Less accumulated depreciation:				
Land improvements	8,077,041	890,455	-	8,967,496
Buildings	90,771,595	11,515,615	316,461	101,970,749
Infrastructure	2,469,622	499,324	-	2,968,946
Furniture, fixtures, and equip	26,202,130	3,036,390	3,500,514	25,738,006
Library materials	1,710,018	266,725	288,293	1,688,450
	129,230,406	16,208,509	4,105,268	141,333,647
Net carrying amount	$ 279,040,900	45,824,348	37,617,371	287,247,877

In fiscal year 2018, the College early adopted GASB Statement No. 89. Accounting for Interest Cost Incurred before the End of a Construction Period. For the years ended June 30, 2019 and 2018, the College capitalized interest expense of approximately $0 and $0 respectively.

5) Risk Management

Effective July 1, 2018, the College moved to a traditional commercial insurance program which provides broader coverage and includes some retention of risks through self-insurance retention (SIR) and deductibles. Risk management insurance includes property, crime, fiduciary liability, general liability, employment practices liability, professional liability (including medical malpractice), aviation, cyber, fine arts and automobile liability. The College is self-insured for the first $50,000 of each employment practice liability claim. The general liability and professional liability insurance does not have a deductible or SIR. The property insurance has a deductible of $25,000 for each loss event and the auto insurance has a deductible of $1,000 for each vehicle physical damage loss. The College also maintains excess liability coverage of $20,000,000.

6) Self-Insurance

Effective January 1, 2018, the College began self-insuring its health benefits for employees. Under the plan, all eligible employee are provided access to the provider networks of Blue Cross Blue Shield and Presbyterian Health Plan for health services. Blue Cross Blue Shield of New Mexico and Presbyterian Health Plan provide administrative claim payment services for the College's health plans and Delta Dental for the dental plan. Liabilities are based on an estimate of claims that have been incurred but not reported (IBNR), invoices received but not yet paid, and catastrophic claims not covered by the College's excess claims carriers. At June 30, 2019, the estimated amount of the College's claims and accrued invoices was $537,000, which is included in accrued payroll liability. The liability for claims incurred but not reported was based on the actuarial analysis performed by Arthur J. Gallagher's Healthcare Analytics Consulting.

Changes in the reported self-insurance liability for health benefits for the college resulted from the following:

	Beginning Balance	Claims and Changes in Estimates	Claim Payments	Ending Balance
Fiscal Year 2019	$ 845,000.00	10,041,391	10,349,391	537,000

	Beginning Balance	Claims and Changes in Estimates	Claim Payments	Ending Balance
Fiscal Year 2018	$ -	4,927,610	4,082,610	845,000

7) Accrued Compensated Absences

The following is a summary of accrued compensated absences for the College for the years ending June 30, 2019 and 2018:

Balance June 30, 2018	Additions	Deductions	Balance June 30, 2019	Current Portion
$ 2,392,733	3,057,543	2,686,100	2,764,176	2,764,176

Balance June 30, 2017	Additions	Deductions	Balance June 30, 2018	Current Portion
$ 2,349,792	2,700,448	2,657,507	2,392,733	2,392,733

The liability for compensated absences is all current as the balance at year end is less than additions for the year.

8) Leases

In fiscal year 2010, the College purchased the 4800 Alameda property; a private company leases a majority of one building, which is recorded at $5.6 million with accumulated depreciation of approximately $1,354,775 at June 30, 2019. The term of the original lease was from January 2010 to September 30, 2014. A new lease was signed on November 1, 2018 with the term from November 1, 2018 to April 30, 2030. The future minimum receipts, assuming a 2.0% CPI-U, are as follows:

Year	Amount
2020	878,160
2021	895,723
2022	913,637
2023	931,910
2024	950,548
2025	969,559
2026	988,950
2027	1,008,729
2028	1,028,904
2029	1,049,482
2030	889,096
	$ 10,504,698

9) Endowments (Foundation)

On July 1, 2009, the Uniform Prudent Management of Institutional Funds Act became effective in New Mexico. If a donor has not provided specific instructions, state law permits the Board of Directors to authorize for expenditure the interest, dividends, and net appreciation (realized and unrealized) of the investments of endowment funds.

As of June 30, 2019 and 2018, the value of the Foundation's endowment portfolio was $9,936,001 and $8,921,352, respectively, and the permanent endowment contributions were $7,939,995 and $7,385,908.

10) Commitments and Contingencies

The various federal and state grants and programs included in the current restricted fund are subject to audit by various governmental agencies. These audits may result in disallowance of claimed reimbursable expenditures under rules and regulations of the various grants and programs. Management believes disallowances, if any, will not be material to the financial statements.

The College is party to various legal proceedings in the normal course of business. In management's opinion, after consultation with outside legal counsel, the disposition of these matters will not materially affect the financial position of the College.

Grants, bequests, and endowments require the fulfillment of certain conditions as set forth in the instrument of grant. Failure to fulfill the conditions, or in the case of endowments, failure to continue to fulfill them, could result in the return of the funds to grantors. Although that is a possibility, management of the College, Foundation and Ingenuity deem the contingency remote, since by accepting the gifts and the terms, it has accommodated the objectives of the organization to the provisions of the gift.

At June 30, 2019, the College has $39,597,648 of outstanding capital commitments to contractors and architects related to the following projects:

Project	Amount
Access Control Project	$ 535,905
Art Facility Ken Chappy Hall Renovation	6,573
BYOD Technical Solution	3,958
Catering and Brewing Project	7,387,317
CNM Marketplace	6,437,992
CTS HVAC & Roof Project	443,200
Customer Relationship Management	510,412
Educational Collaborative (EC) building	5,895,622
EMS Program Relocation to RRC	147,018
IT Security Upgrade	21,851
MS Building Renovation Phase II	12,669,990
Motor Pool Equipment	136,310
Network Replacement	1,525
RB (J) Building Renovation	48,297
Server Replacement	52,053
Site & Safety Improvements RR & WS	2,182,825
Site & Safety Improvements SV/ATC/WTC	117,923
SSC Building Renovation	19,418
Sub meter and Energy Dashboard	14,615
SVII Roof Replacement	27,718
TC Phase 10 Roof Replacement	60,813
Visioning the Future CNM Master Plan	42
VoIP Telephone System	97,583
WS Police Academy Phase I & II Renovation	247,028
WS Solar Array project	2,531,660
	$ 39,597,648

11) Bonds Payable

The following is a summary of bonds payable transactions for the College for the years ended June 30, 2019 and 2018:

	Year ended June 30, 2019				
	Balance June 30, 2018	Additions	Deductions	Balance June 30, 2019	Current portion
Series 2009	$ 6,550,000	-	1,150,000	5,400,000	750,000
Series 2011	21,200,000	-	1,210,000	19,990,000	1,620,000
Series 2014A	21,850,000	-	1,450,000	20,400,000	1,450,000
Series 2014B	8,215,000	-	1,760,000	6,455,000	1,795,000
Series 2016	32,525,000	-	8,000,000	24,525,000	1,865,000
Series 2018A	-	32,395,000	-	32,395,000	2,700,000
Series 2018B	-	8,000,000	-	8,000,000	6,000,000
Total bond principal	90,340,000	40,395,000	13,570,000	117,165,000	16,180,000
Bond premium	4,728,042	1,757,373	1,338,677	5,146,738	1,212,249
	$ 95,068,042	42,152,373	14,908,677	122,311,738	17,392,249

	Year ended June 30, 2018				
	Balance June 30, 2017	Additions	Deductions	Balance June 30, 2018	Current portion
Series 2009	$ 7,700,000	-	1,150,000	6,550,000	1,150,000
Series 2011	22,400,000	-	1,200,000	21,200,000	1,210,000
Series 2014A	23,300,000	-	1,450,000	21,850,000	1,450,000
Series 2014B	9,915,000	-	1,700,000	8,215,000	1,760,000
Series 2016	38,525,000	-	6,000,000	32,525,000	8,000,000
Total bond principal	101,840,000	-	11,500,000	90,340,000	13,570,000
Bond premium	6,023,789	-	1,295,747	4,728,042	1,013,421
	$ 107,863,789	-	12,795,747	95,068,042	14,583,421

On August 19, 2009, the College issued $30,000,000 of General Obligation (Limited Tax Bonds) – Series 2009 (2009 Bonds). The bonds were issued for erecting, furnishing, constructing, purchasing, remodeling and equipping buildings, and utility facilities and making other real property improvements or purchasing grounds throughout the district. The Bonds were authorized at an election held February 7, 2006. The bond funds were used to fund two major capital outlay projects: to build the Rio Rancho Campus and renovate the Jeanette Stromberg Building. The Bonds were also used to fund various renewal and replacement projects. The 2009 Bonds bear interest at rates ranging from 2.50% to 4.00% and are payable from revenues generated by a separate district mill levy approved by the College's district voters on February 7, 2006. The 2009 Bonds mature through August 15, 2024. Bonds maturing on or after August 15, 2020 are subject to redemption prior to their maturity at the option of the College at any time on or after August 15, 2019. By June 30, 2014, the College had spent all of the 2009 Bonds proceeds.

On October 24, 2011, the College issued $33,360,000 of General Obligation (Limited Tax Bonds) – Series 2011 (2011 Bonds). The bonds were issued for erecting, furnishing, constructing, purchasing, remodeling and equipping buildings, and utility facilities and making other real property improvements or purchasing grounds throughout the district. The Bonds were authorized at an election held February 1, 2011.

The bond funds were used to fund three major capital outlay projects: The Jeanette Stromberg Renovation project, L Building Renovation, and the construction of the Westside Phase III instructional facility. The Bonds are also being used to fund various other projects. The 2011 Bonds bear interest at rates ranging from 2.50% to 4.00% and are payable from revenues generated by a separate district mill levy approved by the College's district voters on February 1, 2011. The 2011 Bonds mature through August 15, 2024. Bonds maturing on or after August 15, 2021 are subject to redemption prior to their maturity at the option of the College at any time on or after August 15, 2022. The bonds are under the requirements of the federal arbitrage regulations. By June 30, 2015, the College had spent all of the 2011 Bonds proceeds.

On March 17, 2014, the College issued $33,200,000 of General Obligation (Limited Tax) Bonds – Series 2014A (2014A Bonds). The bonds were issued for erecting, furnishing, constructing, purchasing, remodeling and equipping buildings, and utility facilities and making other real property improvements or purchasing grounds. The Bonds were authorized at an election held February 1, 2011. The bond funds are being used to fund four major capital outlay projects: Site and Safety Improvements, J Building Renovation, A Building Renovation and the Smith Brasher Hall Renovation. The Bonds are also being used to fund various other projects.

The 2014A Bonds bear interest at rates ranging from 3.00% to 5.00% and are payable by a separate district mill levy approved by the College's district voters on February 1, 2011. The 2014A Bonds mature through August 15, 2028. Bonds maturing on or after August 15, 2023 are subject to redemption prior to their maturity at the option of the College at any time on or after August 15, 2022. By June 30, 2018, the College had spent all of the 2014A Bonds proceeds. The bonds are under the requirements of the federal arbitrage regulations.

A deferred outflow on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The June 30, 2019 unamortized deferred loss on refunding was $83,547.

On March 17, 2014, the College issued $13,360,000 of General Obligation (Limited Tax) Refunding Bonds, Series 2014B (2014B Bonds). Bonds were issued for advance refunding of the College's outstanding General Obligation Bonds, Series 2006. The bond funds are being used to advance refund $14,625,000 of General Obligation Bond series 2006. The 2014B Bonds bear interest at rates ranging from 3.00% to 5.00% and are payable from revenues generated by a separate district mill levy approved by the College's district voters on February 1, 2011. The 2014B Bonds mature through August 15, 2021. Bonds maturing on or after August 15, 2021 are subject to redemption prior to their maturity at the option of the College at any time on or after August 15, 2020.

On November 17, 2016, the College issued $38,525,000 of General Obligation (Limited Tax Bonds) – Series 2016 (2016 Bonds). The bonds were issued for erecting, furnishing, constructing, purchasing, remodeling and equipping buildings and utility facilities, and making other real property improvements or purchasing grounds throughout the district. The Bonds were authorized at an election held February 2, 2016. The bond funds are being used to fund three major capital outlay projects: The Montoya Campus J Building Renovation project, Max Salazar Building Renovation and the construction of a Joint Use Instructional facility partially funded by Albuquerque Public Schools. Bonds are also being used to fund various other projects.

The 2016 Bonds bear interest at rates ranging from 3.00% to 5.00% and are payable from revenues generated by a separate district mill levy approved by the College's district voters on February 1, 2016. The 2016 Bonds mature through August 15, 2031. Bonds maturing on or after August 15, 2025 are subject to redemption prior to their maturity at the option of the College at any time on or after August 15, 2024. As of June 30, 2019, the unspent 2016 Bond proceeds is about $1,567,766. The bonds are under the requirements of the federal arbitrage regulations.

On August 29, 2018, the College issued $32,395,000 of General Obligation (Limited Tax Bonds) – Series 2018A (2018A Bonds). The bonds were issued for erecting, furnishing, constructing, purchasing, remodeling and equipping buildings and utility facilities, making other real property improvements, and purchasing and installing computer hardware and software, or any combinations of those. The Bonds were authorized at an election held February 2, 2016. The bond funds are being used to fund five major capital outlay projects: The Art Facility Renovation, Max Salazar Building Renovation Phase II, the construction of Catering and Brewing Facility, Site and Safety Improvement at South Valley, ATC and WTC sites, and Site and Safety Improvement at Rio Rancho and Westside Campuses. Bonds are also being used to fund various other projects.

The 2018A Bonds bear interest at rates ranging from 3.00% to 5.00% and are payable from revenues generated by a separate district mill levy approved by the College's district voters on February 1, 2016. The 2018 Bonds mature through August 15, 2033. Bonds maturing on or after August 15, 2026 are subject to redemption prior to their maturity at the option of the College at any time on or after August 15, 2025. As of June 30, 2019, $186,084 of 2018A bonds has been spend and the outstanding capital commitments for this bond funds is about $7,892,715. The bonds are under the requirements of the federal arbitrage regulations.

On August 29, 2018, the College issued $8,000,000 of Taxable General Obligation (Limited Tax Bonds) – Series 2018B (2018B Bonds). The bonds were issued for erecting, furnishing, constructing, purchasing, remodeling and equipping buildings and utility facilities and making other real property improvements or purchasing grounds throughout the District. The Bonds were authorized at an election held February 2, 2016. The bond funds are being used to fund one major capital outlay projects: The CNM Marketplace.

The 2018B Bonds bear interest at rates ranging from 2.69% to 2.90% and are payable from revenues generated by a separate district mill levy approved by the College's district voters on February 1, 2016. The 2018B Bonds mature through August 15, 2020 and are not subject to optional or mandatory redemption prior to maturity. As of June 30, 2019, $303,290 of 2018B bonds has been spend and the outstanding capital commitments for this bond funds is about $6,437,992.

The maximum General Obligating (Limited Tax) debt of the College may not exceed 3% of the assessed valuation of the District or approximately $591,321,000. With outstanding bond payable of $117,165,000 at June 30, 2019, the College is currently 19.8% bonded to capacity.

The annual debt service requirements to maturity, including principal and interest at June 30, 2019, is as follows:

	General Obligation Bond Series 2009		
Fiscal year ending June 30,	Principal	Interest	Total debt service
2020	750,000	186,250	936,250
2021	750,000	160,000	910,000
2022	750,000	133,750	883,750
2023	1,150,000	99,063	1,249,063
2024	1,000,000	58,750	1,058,750
2025-2029	1,000,000	20,000	1,020,000
2030-2034	-	-	-
	$ 5,400,000	657,813	6,057,813

General Obligation Bond Series 2011

Fiscal year ending June 30,	Principal	Interest	Total debt service
2020	1,620,000	692,200	2,312,200
2021	1,500,000	649,450	2,149,450
2022	1,500,000	604,450	2,104,450
2023	3,600,000	509,950	4,109,950
2024	3,500,000	367,950	3,867,950
2025-2029	8,270,000	347,875	8,617,875
2030-2034	-	-	-
	$ 19,990,000	3,171,875	23,161,875

General Obligation Bond Series 2014A

Fiscal year ending June 30,	Principal	Interest	Total debt service
2020	1,450,000	732,500	2,182,500
2021	1,450,000	660,000	2,110,000
2022	1,450,000	587,500	2,037,500
2023	1,450,000	515,000	1,965,000
2024	1,450,000	449,750	1,899,750
2025-2029	13,150,000	1,167,000	14,317,000
2030-2034	-	-	-
	$ 20,400,000	4,111,750	24,511,750

General Obligation Bond Series 2014B

Fiscal year ending June 30,	Principal	Interest	Total debt service
2020	1,795,000	231,175	2,026,175
2021	2,325,000	128,175	2,453,175
2022	2,335,000	35,025	2,370,025
2023	-	-	-
2024	-	-	-
2025-2029	-	-	-
2030-2034	-	-	-
	$ 6,455,000	394,375	6,849,375

General Obligation Bond Series 2016

Fiscal year ending June 30,	Principal	Interest	Total debt service
2020	1,865,000	951,025	2,816,025
2021	1,865,000	857,775	2,722,775
2022	1,865,000	764,525	2,629,525
2023	1,865,000	671,275	2,536,275
2024	1,865,000	578,025	2,443,025
2025-2029	9,485,000	1,665,875	11,150,875
2030-2034	5,715,000	257,175	5,972,175
	$ 24,525,000	5,745,675	30,270,675

General Obligation Bond Series 2018A

Fiscal year ending June 30,	Principal	Interest	Total debt service
2020	2,700,000	1,285,850	3,985,850
2021	4,500,000	1,105,850	5,605,850
2022	2,000,000	943,350	2,943,350
2023	2,000,000	843,350	2,843,350
2024	2,000,000	743,350	2,743,350
2025-2029	9,595,000	2,344,675	11,939,675
2030-2034	9,600,000	730,800	10,330,800
	$ 32,395,000	7,997,225	40,392,225

General Obligation Bond Series 2018B

Fiscal year ending June 30,	Principal	Interest	Total debt service
2020	6,000,000	138,700	6,138,700
2021	2,000,000	29,000	2,029,000
2022	-	-	-
2023	-	-	-
2024	-	-	-
2025-2029	-	-	-
2030-2034	-	-	-
	$ 8,000,000	167,700	8,167,700

12) Pension Plan – Educational Retirement Board (ERB)

Plan Description

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

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

Benefits Provided

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

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

Chapter 288, Laws of 2009 changed the eligibility requirements for new members first employed on or after July 1, 2010 and before July 1, 2013. The eligibility for a member who either becomes a new member on or after July 1, 2010 and before July 1, 2013, or at any time prior to July 1, 2010 refunded all member contributions and then became re-employed after July 1, 2010 is as follows: member's age and earned service credit add up to sum of 80 or more; the member is at least sixty-seven years of age and has five or more years of earned service credit; or the member has service credit totaling 30 years or more.

Section 2-11-23.2, NMSA, 1978 added eligibility requirements for new members who were first employed on or after July 1, 2013, or who were employed before July 1, 2013 but terminated employment and subsequently withdrew all contributions, and returned to work for an ERB employer on or after July 1, 2013. These members must meet one of the following requirements: the member's minimum age is 55, and has earned 30 or more years of service credit. Those who retire earlier than age 55, but with 30 years of earned service credit will have a reduction in benefits to the actuarial equivalent of retiring at age 55; the member's minimum age and earned service credit add up to the sum of 80 or more. Those who retire under the age of 65, and who have fewer than 30 years of earned service credit will receive reduced retirement benefits; the member's age is 67, and has earned 5 or more years of service credit.

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; joint 100% survivor benefit, or joint 50% survivor benefit.

All retired members and beneficiaries receiving benefits receive an automatic adjustment in their benefit on July 1 following the later of 1) the year a member retires, or 2) the year a member reaches age 65 (Tier 1 and Tier 2) or age 67 (Tier 3). Tier 1 membership is comprised of employees who became members prior to July 1, 2010; Tier 2 membership is comprised of employees who became members after July 1, 2010, but prior to July 1, 2013; Tier 3 membership is comprised of employees who became members on or after July 1, 2013.

As of July 1, 2013, for current and future retirees the COLA is immediately reduced until the Plan is 100% funded. The COLA reduction is based on the median retirement benefit of all retirees excluding disability retirements. Retirees with benefits at or below the median and with 25 or more years of service credit will have a 10% COLA reduction; their average COLA will be 1.5%. Once the funding is greater than 90%, the COLA reductions will decrease. The retirees with benefits at or below the median and with 25 or more years of service credit will have a 5% COLA reduction; their average COLA will be 1.7%.

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

Contributions

The contribution requirements of defined benefit plan members and the College are established in state statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature.

Employee 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 2015 and thereafter.

Employer Contributions

The College contributed 13.9% of gross covered salary in fiscal year 2018. In fiscal year 2019, the College contributed 13.9% of gross covered salary.

The contribution requirements of plan members and the College are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The College's contributions to ERB for the fiscal years ending June 30, 2019, 2018 and 2017, were $10,727,608, $10,021,733, and $9,996,630 respectively.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability as of June 30, 2018 was based on an actuarial valuation of the total pension liability performed as of June 30, 2017 rolled forward to June 30, 2018. At June 30, 2019, the College reported a liability of $306,774,935 for its proportionate share of the net pension liability. The College's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2018. The contribution amounts were defined by Section 22-11- 21, NMSA 1978. At June 30, 2018, the College's proportion was 2.57982% percent.

For the year ended June 30, 2019, the College's allocated ERB plan pension expense is $50,272,598.

At the June 30, 2019, the College reported deferred outflows of resources and deferred inflows of resources related to ERB pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 223,895	5,838,420
Difference between actual and projected earnings on investments	679,121	-
Changes in assumptions	63,224,864	-
Difference between employer contributions and Proportionated Share of Contributions	3,112,046	3,838,421
The College's contributions subsequent to the measurement date (FY2019 contribution)	10,727,608	-
Total June 30, 2019	$ 77,967,534	9,676,841

Deferred outflows of resources of $10,727,608, related to pensions resulting from the College's contributions subsequent to the measurement date June 30, 2018 but before the end of the reporting period will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2020	$ 34,449,642
2021	22,845,177
2022	259,328
2023	8,938
2024	-
Thereafter	-
Total	57,563,085

Actuarial assumptions

The total pension liability as of June 30, 2018 was based on an actuarial valuation as of June 30, 2017 rolled forward to June 30, 2018 and was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method:	Entry Age Normal
Inflation:	2.50%
Salary Increases:	Composition: 2.50% inflation, plus 0.75% productivity increase rate, plus step rate promotional increases for members with less than 10 years of service
Investment Rate of Return:	7.25%
Single Discount Rate:	5.69%
Retirement Age:	Experience based table of rates based on age and service. Adopted by NMERB on April 21, 2017 in conjunction with the six-year experience study for the period ended June 30, 2016.

Average of Expected Remaining Service Lives		FY 2018	FY 2017	FY 2016	FY 2015
	Service life in yrs	3.56	3.65	3.77	3.92

Mortality:	Healthy Males – RP-2000 Combined Mortality Table with white collar adjustments, generational mortality improvements with Scale BB from the table's base year of 2000. Healthy Females – GRS Southwest Region Teacher Mortality Table, set back one year, generational mortality improvements in accordance with scale BB from the table's base year of 2012.

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

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.) developed for each major asset class.

Discount rate : A single discount rate of 5.69% was used to measure the total pension liability as of June 30, 2018. This single discount rate was based on an expected rate of return on pension plan investments of 7.25% and a municipal bond rate of 3.62%. Based on the stated assumptions and the projection of cash flows, the Plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2050. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the 2050 fiscal year, and the municipal bond rate was applied to all benefit payments after that date.

Sensitivity of the College's proportionate share of the net pension liability to changes in the discount rate

The following table shows the sensitivity of the net pension liability to changes in the discount rate as of June 30, 2018. In particular, the table presents the Plan's net pension liability if it were calculated using a discount rate one percentage point lower (4.69%) or one percentage point higher (6.69%) than the single discount rate.

	1% Decrease (4.69%)	Current Discount Rate (5.69%)	1% Increase (6.69%)
The College's proportionate share of net pension liability	$ 398,689,921	$ 306,774,935	$ 231,778,042

Pension plan fiduciary net position

Detailed information about the ERB's fiduciary net position is available in the separately issued audited financial statements as of and for June 30, 2019 and 2018, which are publicly available at www.nmerb.org.

403(b) Plan

In addition to the ERA plan, the College sponsored a 403(b) defined savings contribution plan for its employees. The College froze the plan on December 31, 2008. The College did not contribute or match any funds in the 403(b) savings program.

457(b) Plan

In March 2002, the Central New Mexico Community College Governing Board adopted the State of New Mexico's Deferred Compensation Plan. The 457 Deferred Compensation plan was implemented in Fall 2003 and provides a voluntary retirement savings option for all employees with the exception of work study student employees. Under the plan in calendar year 2019, employees may voluntarily contribute up to a maximum of $19,000 if under age 50, and up to a maximum of $25,000 if the employee is 50 or older. The College does not contribute or match any funds in the 457(b) savings program. The total amount of employee contributions for the fiscal years 2019 and 2018 was approximately $711,371 and $621,444, respectively.

13) Postemployment Benefits Other Than Pension (OPEB) – State Retiree Health Care Plan

Plan Description

The College contributes to the New Mexico Retiree Health Care Fund (The Fund), a cost-sharing multiple - employer defined benefit post-employment healthcare plan administered by the New Mexico Retiree Health Care Authority (NMRHCA). The Fund provides comprehensive group health insurance coverage for individuals (and their spouses, dependents and surviving spouses) who have retired or will retire from public service in New Mexico. The NMRHCA 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 the period of time made contributions as a participant in plan on the person's behalf, unless that person retires before the employer's effective date, in which event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years.

Additional financial information supporting the preparation of the Schedule of Employer Allocations and the Schedule of OPEB Amounts by Employer, including the disclosure of the net OPEB liability and the unmodified audit opinion on the financial statements, is located in the New Mexico Retiree Health Care Authority financial statements for the fiscal year ended June 30, 2018. Additional financial information is available at www.nmrhca.state.nm.us.

Benefits provided

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

Employees covered by benefit terms

At June 30, 2018, the Fund's measurement date, the following employees were covered by the benefit terms:

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

Contributions

The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the NMRHCA 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 NMRHCA 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 NMRHCA or viewed on their website at www.nmrhca.state.nm.us.

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

Employer and employee contributions to the Fund total 3% for non-enhanced retirement plans and 3.75% of enhanced retirement plans of each participating employee's salary as required by Section 10-7C-15 NMSA 1978. The contributions are established by statute and are not based on an actuarial calculation. All employer and employee contributions are non-refundable under any circumstance, including termination of the employer's participation in the Fund.

The College's contributions to the NMRHCA for the years ended June 30, 2019 and 2018 were $1,536,081, and $1,434,615 respectively, which equal the required contributions for each year.

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

At June 30, 2019, the College reported a liability of $78,941,338 for its proportionate share of the net OPEB liability. The actuarial valuation was performed by the NMRHCA's independent actuary as of June 30, 2017 and rolled forward to June 30, 2018 for measurement of the net OPEB liability and other OPEB amounts. The College's proportion of the net OPEB liability was based on actual contributions provided to the Fund for the year ending June 30, 2018. At June 30, 2018, the School's proportion was 1.81543%.

For the year ended June 30, 2019, the College recognized OPEB expense of $835,833. At June 30, 2019 the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	4,673,833
Changes in assumptions	-	14,737,997
Change in Proportion	4,440,397	
Difference between actual and projected earnings on OPEB investments	-	985,158
The College's contributions subsequent to the measurement date (FY2019 contribution)	1,536,081	-
Total June 30, 2019	$ 5,976,478	20,396,988

Deferred outflows of resources $1,536,081 represent the College's fiscal year 2019 contributions to the Fund made subsequent to the measurement date and will be recognized as a reduction of net OPEB liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

Year ended June 30:	
2020	$ (4,241,673)
2021	(4,241,673)
2022	(4,241,673)
2023	(3,061,387)
2024	(170,185)
Total	$ (15,956,591)

Actuarial assumptions

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

* Valuation Date - June 30, 2017
* Actuarial cost method - Entry age normal, level percent of pay, calculated on individual employee basis
* Asset valuation method - Market value of assets

Actuarial assumptions:

* Inflation - 2.50 % for ERB and 2.25% for
* Projected payroll increases - 3.50% to 12.50%, based on years of service, including inflation
* Investment rate of return - 7.25%, net of OPEB plan investment expense and margin for adverse deviation including inflation
* Health care cost trend rate - 8% graded down to 4.5% over 14 years for Non-Medicare medical plan costs and 7.5% graded down to 4.5% over 12 for Medicare medical plan costs
* Mortality - ERB members: RP-2000 Combined Healthy Mortality Table with White Collar Adjustment (males) and GRS Southwest Region Teacher Mortality Table (females) PERA members: RP-2000 Combined Healthy Mortality

Rate of Return

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

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

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

Discount Rate

The discount rate used to measure the total OPEB liability is 4.08% as of June 30, 2018. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates proportional to the actuary determined contribution rates. For this purpose, employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries are not included. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members through the fiscal year ending June 30, 2029. Thus, the 7.25% discount rate was used to calculate the net OPEB liability through 2029. Beyond 2029, the index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher (3.87%) was applied. Thus 4.08% is the blended discount rate.

Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates

The following presents the net OPEB liability of the College, as well as what the College's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (3.08%)	Current Discount Rate (4.08%)	1% Increase (5.08%)
The College's proportionate share of net OPEB liability	$ 95,537,608	78,941,338	65,859,778

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

	1% Decrease	Current Discount Rate	1% Increase
The College's proportionate share of net OPEB liability	$ 66,733,107	78,941,338	88,512,865

OPEB plan fiduciary net position

Detailed information about the OPEB plan's fiduciary net position is available in NMRHCA's audited financial statements for the year ended June 30, 2019.

Payable Changes in the Net OPEB Liability

At June 30, 2019, the College reported a payable of $0 for outstanding contributions due to NMRHCA for the year ended June 30, 2019.

14) Related Party Transactions

CNM Ingenuity Inc.

On March 17, 2014 CNM Ingenuity, Incorporated was created as a separate corporate entity established in accordance with the University Research Park and Economic Development Act for the purposes set forth in that act in relation to the College, supporting the education, research and service mission of the College. In order for Ingenuity to become self-supporting, the College provides critical resources both financial and administrative. In Fiscal Year 2019, $5,023,179 was contributed. In Fiscal Year 2018, $4,334,387 was contributed. Those were reported in the statement of revenues, expenses, and changes in net position as other non-operating expenses in the College's financial statements.

CNM Foundation Inc.

An agreement between the Foundation and the College was entered into on December 2, 1991, and most recently amended on April 26, 2017. The agreement formalizes the relationship between the Foundation and the College and establishes the sole purpose for the Foundation as soliciting, managing, and distributing private gifts and donations given for the benefit of the College. The Foundation also agreed to be the custodian and manager of any endowments received from private donors or other affiliated organizations. The College agreed to provide staff support, office and meeting space, related physical support services, and other services at no cost to the Foundation.

15) Tax Abatement

Agreements that are entered into by other governments and that reduce the College's tax revenues:

Year ended June 30, 2019

Government name	Taxes being abated		Gross dollar amount
Bernalillo County, New Mexico	Property tax	$	412,017
City of Albuquerque, New Mexico	Property tax		61,497
City of Rio Rancho, New Mexico	Property tax		85,324
New Mexico Hospital Equipment Loan Council	Property tax		24,061
Sandoval County, New Mexico	Property tax		1,206,058
Total gross dollar amount		$	1,788,957

16) Budgets and Budgetary Accounting

Operating budgets for the College are submitted for approval to the Board of Directors, the New Mexico Higher Education Department (HED), and the State Budget Division of the Department of Finance and Administration (DFA). Similarly, separate legislative budget requests are submitted to the Board of Directors, HED and DFA for inclusion in the State of New Mexico Executive Budget for consideration of appropriations by the state legislature. The budgets are prepared on the fund accounting principles which were applicable prior to GASB Statements No. 34, 35, 37 and 38 (Budgetary Basis). By contrast, the College prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP Basis).

Budget revision requests, other than transfers among line items within a category, are subject to joint approval by the HED and DFA.

Procedures for Approval of Operating Budgets:

1. Each institution will submit a governing board approved operating budget to the NM Higher Education Department staff by May 1st.
2. The HED meets about the middle of June and acts on the proposed fiscal year operating budgets submitted for review and recommendation.
3. The budgets as approved by the HED are transmitted to the Budget Division of DFA for official and final approval prior to July.

17) Subsequent Events

None

Required Supplemental Information

CNM
Central New Mexico Community College

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STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Schedule of the College's Proportionate Share of the Net Pension Liability
June 30, 2019

New Mexico Education Retirement Board Pension Plan
Schedule of Ten Year Tracking Data

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Proportion - net pension liability (asset)	2.66%	2.66%	2.64%	2.53%	2.58%	0.00%	0.00%	0.00%	0.00%	0.00%
Proportionate share - net pension Liability	$ 151,964,150	173,380,873	189,649,053	280,702,869	306,774,935	-	-	-	-	-
College's covered payroll	$ 69,469,770	76,091,079	75,144,460	71,918,201	72,098,799	-	-	-	-	-
Employer proportionate share as a percentage of covered payroll	218.75%	227.86%	252.38%	390.31%	425.49%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of total pension liability	66.54%	63.97%	61.58%	52.95%	52.17%	0.00%	0.00%	0.00%	0.00%	0.00%

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Schedule of the College's Contribution to Pension Plan (ERB)
June 30, 2019

New Mexico Education Retirement Board Pension Plan
Schedule of Ten Year Tracking Data

Schedule of Employer Contributions		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Statutorily required employer contributions	$	10,576,660	10,445,080	9,996,630	10,021,733	10,727,608	-	-	-	-	-
Contributions in relation to requirement		10,576,660	10,445,080	9,996,630	10,021,733	10,727,608	-	-	-	-	-
Annual contribution deficiency (excess)	$	-	-	-	-	-	-	-	-	-	-
College's covered payroll	$	76,091,079	75,144,460	71,918,201	72,098,799	77,177,036	-	-	-	-	-
Contributions as a percentage of covered payroll		13.9%	13.9%	13.9%	13.9%	13.9%	0.0%	0.0%	0.0%	0.0%	0.0%

Increase (decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
2017	$ 57,563,085	5		34,449,642	22,845,177	259,328	8,938	-				
2018	-	5			-	-	-	-	-			
2019	-	5				-	-	-	-	-		
2020	-	5					-	-	-	-	-	
2021	-	5						-	-	-	-	-
2022	-	5							-	-	-	-
2023	-	5								-	-	-
2024	-	5									-	-
2025	-	5										-
2026	-	5										
2027	-	5										
			-	34,449,642	22,845,177	259,328	8,938	-	-	-	-	-

Notes to Required ERB Pension Plan Supplementary Information

1. Changes to Benefit provision

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

2. Changes in Assumptions and methods

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

   See also the Actuarial Assumptions subsection of the financial statements note disclosure Pension Plan - Education Retirement Board (ERB)

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

New Mexico Retiree Health Care Authority OPEB Plan
Schedule of Ten Year Tracking Data

	2018	2019 *	2020	2021	2022	2023	2024	2025	2026	2027
Employer's proportion of the net OPEB liability	1.72%	1.82%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Employer's proportionate of the net OPEB liability	$ 77,885,864	78,941,338	-	-	-	-	-	-	-	-
College's covered payroll	$ 71,594,981	71,730,750	-	-	-	-	-	-	-	-
Employer's proportionate share of the net OPEB liability as a percentage of its covered payroll	108.79%	110.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of total OPEB liability	11.34%	13.14%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

Notes to Schedule:
Change to benefit terms: there were no major changes to the benefit terms.
Changes of assumptions: The discount rate used to measure the Fund's total OPEB liability increased from 3.81% as of June 30, 2017 to 4.08% as of June 30, 2018.

See Note 13 for additional information pertaining to the OPEB Plan.

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Schedule of the College's Contribution OPEB Plan (NMRHCA)
June 30, 2019

New Mexico Retiree Health Care Authority OPEB Plan
Schedule of Ten Year Tracking Data

Schedule of Employer Contributions	**2018 ***	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**
Contractually required employer contributions	$ 1,434,615	1,536,081	-	-	-	-	-	-	-	-
Contributions in relation to requirement	1,434,615	1,536,081	-	-	-	-	-	-	-	-
Annual contribution deficiency (excess)	$ -	-	-	-	-	-	-	-	-	-
College's covered payroll	$ 71,730,750	76,804,050	-	-	-	-	-	-	-	-
Contributions as a percentage of covered payroll	2.0%	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

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

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Supplemental Information

Central New Mexico Community College

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STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Schedule of Budgetary Comparisons - Budgetary Basis

Schedule 1: Unrestricted and Restricted – All Operations

Year ended June 30, 2019

	Original budget	Final budget	Actuals (budgetary basis)	Actuals vs Final Budget favorable (unfavorable)
Unrestricted and Restricted Beginning Net Position	$ 54,613,423	64,588,988	64,588,988	
Unrestricted and restricted revenues:				
Tuition	23,491,690	22,822,190	21,954,423	(867,767)
Miscellaneous fees	4,017,697	3,901,663	3,760,508	(141,155)
State government appropriations	55,677,512	55,677,512	55,677,500	(12)
Local government appropriations	52,949,756	54,264,056	54,873,651	609,595
Federal government contracts/grants	29,266,161	28,050,314	23,403,372	(4,646,942)
State government contracts/grants	6,890,184	5,577,743	5,402,210	(175,533)
Local government contracts/grants	65,000	52,413	85,855	33,442
Private contracts/grants	2,017,755	3,477,786	1,941,578	(1,536,208)
Endowments	12,500	12,283	5,830	(6,453)
Sales and services	1,805,578	1,886,725	1,597,434	(289,291)
Other	2,517,353	2,513,853	3,373,041	859,188
Capital outlay	34,230,500	34,575,500	25,722,922	(8,852,578)
Building renewal and replacement	3,590,188	3,618,688	3,711,044	92,356
Retirement of indebtedness	18,925,000	18,963,000	19,479,373	516,373
Total unrestricted and restricted revenues	235,456,874	235,393,726	220,988,741	(14,404,985)
Unrestricted and restricted expenditures:				
Instruction	65,183,481	63,642,059	61,994,826	1,647,233
Academic support	17,291,871	17,834,325	16,298,235	1,536,090
Student services	23,317,494	23,029,337	21,507,190	1,522,147
Institutional support	25,065,644	25,602,253	23,823,724	1,778,529
Operation and maintenance of plant	14,789,412	15,853,212	14,033,544	1,819,668
Student social and cultural activities	136,171	136,171	114,015	22,156
Public services	1,043,583	1,224,111	854,732	369,379
Internal services	60,568	93,898	82,139	11,759
Student aid grants and stipends	30,703,096	29,363,015	25,643,325	3,719,690
Auxiliary enterprise	859,214	847,638	778,129	69,509
Capital outlay	41,750,000	41,500,000	26,469,179	15,030,821
Building renewal and replacement	10,183,425	11,000,000	7,759,729	3,240,271
Retirement of indebtedness	17,155,400	18,236,400	17,747,388	489,012
Total unrestricted and restricted expenditures	247,539,359	248,362,419	217,106,155	31,256,264
Transfers to (from):				
Instruction and general	(2,932,279)	(6,570,892)	(6,570,892)	-
Student social and cultural	(10,800)	(10,800)	(10,800)	-
Public service	-	-	-	-
Internal service	-	-	-	-
Student aid and grants	2,422,291	2,460,904	2,460,904	-
Auxiliary enterprise	(1,150,000)	(1,150,000)	(1,150,000)	-
Capital outlay	500,000	2,100,000	2,100,000	-
Building renewal and replacement	1,170,788	3,170,788	3,170,788	-
Retirement of indebtedness	-	-	-	-
Net transfers	-	-	-	-
Change in net position (budgetary basis)	(12,082,485)	(12,968,693)	3,882,586	16,851,279
Ending net position	$ 42,530,938	51,620,295	68,471,574	

See accompanying independent auditor's report

Schedule of Budgetary Comparisons - Budgetary Basis

Schedule 2: Unrestricted – Non Instruction & General

Year ended June 30, 2019

	Original budget	Final budget	Actuals (budgetary basis)	Actuals vs Final Budget favorable (unfavorable)
Beginning balance budgeted	$ 38,522,110	42,889,289	42,889,289	
Revenues:				
Tuition		-	-	-
Miscellaneous fees	108,000	108,000	100,752	(7,248)
State government appropriations	-	-	-	-
Local government appropriations	-	-	-	-
Federal government contracts/grants	-	-	-	-
State government contracts/grants	-	-	-	-
Local government contracts/grants	-	-	-	-
Private contracts/grants	-	-	-	-
Endowments	-	-	-	-
Sales and services	1,647,128	1,707,046	1,517,526	(189,520)
Other	60,000	60,000	77,397	17,397
Capital outlay	34,230,500	34,575,500	25,722,922	(8,852,578)
Building renewal and replacement	3,590,188	3,618,688	3,711,044	92,356
Retirement of indebtedness	18,925,000	18,963,000	19,479,373	516,373
Total revenues	58,560,816	59,032,234	50,609,014	(8,423,220)
Expenditures:				
Instruction	-	-	-	-
Academic support	-	-	-	-
Student services	-	-	-	-
Institutional support	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student social and cultural activities	132,171	132,171	114,015	18,156
Public services	50,000	97,000	92,136	4,864
Internal services	3,000	39,500	32,886	6,614
Student aid grants and stipends	2,422,291	2,724,103	2,204,214	519,889
Auxiliary enterprise	855,214	843,638	778,129	65,509
Capital outlay	41,750,000	41,500,000	26,469,179	15,030,821
Building renewal and replacement	10,183,425	11,000,000	7,759,729	3,240,271
Retirement of indebtedness	17,155,400	18,236,400	17,747,388	489,012
Total expenditures	72,551,501	74,572,812	55,197,676	19,375,136
Transfers to (from):				
Instruction and general				-
Student social and cultural	(10,800)	(10,800)	(10,800)	-
Public service	-	-	-	-
Internal service	-	-	-	-
Student aid and grants	2,422,291	2,460,904	2,460,904	-
Auxiliary enterprise	(1,150,000)	(1,150,000)	(1,150,000)	-
Capital outlay	500,000	2,100,000	2,100,000	-
Building renewal and replacement	1,170,788	3,170,788	3,170,788	-
Retirement of indebtedness	-	-	-	-
Total transfers	2,932,279	6,570,892	6,570,892	-
Change in net position (budgetary basis)	(11,058,406)	(8,969,686)	1,982,230	10,951,916
Net position (budgetary basis)	$ 27,463,704	33,919,603	44,871,519	

See accompanying independent auditor's report

Schedule of Budgetary Comparisons - Budgetary Basis

Schedule 3: Restricted – Non Instruction & General

Year ended June 30, 2019

	Original budget	Final budget	Actuals (budgetary basis)	Actuals vs Final Budget favorable (unfavorable)
Beginning balance budgeted	$ -	-	-	-
Revenues:				
Tuition	-	-	-	-
Miscellaneous fees	-	-	-	-
State government appropriations	-	-	-	-
Local government appropriations	-	-	-	-
Federal government contracts/grants	23,771,794	22,380,846	19,886,722	(2,494,124)
State government contracts/grants	4,761,169	4,382,895	3,635,934	(746,961)
Local government contracts/grants	-	-	-	-
Private contracts/grants	527,543	795,317	698,775	(96,542)
Endowments	-	-	-	-
Sales and services	79,450	69,363	29,529	(39,834)
Other	200,000	200,000	-	(200,000)
Capital outlay	-	-	-	-
Building renewal and replacement	-	-	-	-
Retirement of indebtedness	-	-	-	-
Total revenues	29,339,956	27,828,421	24,250,960	(3,577,461)
Expenditures:				
Instruction	-	-	-	-
Academic support	-	-	-	-
Student services	-	-	-	-
Institutional support	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student social and cultural activities	4,000	4,000	-	4,000
Public services	993,583	1,127,111	762,596	364,515
Internal services	57,568	54,398	49,253	5,145
Student aid grants and stipends	28,280,805	26,638,912	23,439,111	3,199,801
Auxiliary enterprise	4,000	4,000	-	4,000
Capital outlay	-	-	-	-
Building renewal and replacement	-	-	-	-
Retirement of indebtedness	-	-	-	-
Total expenditures	29,339,956	27,828,421	24,250,960	3,577,461
Transfers to (from):				
Instruction and general	-	-	-	-
Student social and cultural	-	-	-	-
Public service	-	-	-	-
Internal service	-	-	-	-
Student aid and grants	-	-	-	-
Auxiliary enterprise	-	-	-	-
Capital outlay	-	-	-	-
Building renewal and replacement	-	-	-	-
Retirement of indebtedness				
Total transfers	-	-	-	-
Change in net position (budgetary basis)	-	-	-	-
Net position (budgetary basis)	$ -	-	-	

See accompanying independent auditor's report

Schedule of Revenues, Expenditures, and Changes in Net Position – Budget and Actual
Schedule 4: Unrestricted Instruction and General

Year ended June 30, 2019

	Original budget	Final budget	Actuals (budgetary basis)	Actuals vs Final Budget favorable (unfavorable)
Beginning balance budgeted	$ 16,091,313	21,699,699	21,699,699	
Revenues:				
Tuition	23,491,690	22,822,190	21,954,423	(867,767)
Miscellaneous fees	3,879,697	3,763,663	3,627,606	(136,057)
State government appropriations	55,677,512	55,677,512	55,677,500	(12)
Local government appropriations	52,949,756	54,264,056	54,873,651	609,595
Federal government contracts/grants	60,000	42,835	39,585	(3,250)
State government contracts/grants	114,975	133,975	133,279	(696)
Local government contracts/grants	-	-	-	-
Private contracts/grants	20,000	21,218	21,218	-
Endowments	-	-	-	-
Sales and services	79,000	110,316	50,379	(59,937)
Other	2,257,353	2,253,853	3,295,644	1,041,791
Capital outlay	-	-	-	-
Building renewal and replacement	-	-	-	-
Retirement of indebtedness	-	-	-	-
Total revenues	138,529,983	139,089,618	139,673,285	583,667
Expenditures:				
Instruction	60,828,856	59,244,233	58,601,514	642,719
Academic support	15,270,888	15,678,307	15,097,171	581,136
Student services	21,732,215	21,151,009	20,130,919	1,020,090
Institutional support	24,020,675	24,611,235	23,343,880	1,267,355
Operation and maintenance of plant	14,769,149	15,832,949	14,028,552	1,804,397
Student social and cultural activities	-	-	-	-
Public services	-	-	-	-
Internal services	-	-	-	-
Student aid grants and stipends	-	-	-	-
Auxiliary enterprise	-	-	-	-
Capital outlay	-	-	-	-
Building renewal and replacement	-	-	-	-
Retirement of indebtedness	-	-	-	-
Total Total expenditures	136,621,783	136,517,733	131,202,036	5,315,697
Transfers to (from):				
Instruction and general	(2,932,279)	(6,570,892)	(6,570,892)	-
Student social and cultural	-	-	-	-
Public service	-	-	-	-
Internal service	-	-	-	-
Student aid and grants				-
Auxiliary enterprise				-
Capital outlay				-
Building renewal and replacement				-
Retirement of indebtedness				
Total transfers	(2,932,279)	(6,570,892)	(6,570,892)	-
Change in net position (budgetary basis)	(1,024,079)	(3,999,007)	1,900,357	5,899,364
Net position (budgetary basis)	$ 15,067,234	17,700,692	23,600,056	

See accompanying independent auditors' report.

Schedule of Revenues, Expenditures, and Changes in Net Position – Budget and Actual
Schedule 5: Restricted Instruction and General

Year ended June 30, 2019

	Original budget	Final budget	Actuals (budgetary basis)	Actuals vs Final Budget favorable (unfavorable)
Beginning balance budgeted	$ -	-	-	
Revenues:				
Tuition				
Miscellaneous fees	30,000	30,000	32,150	2,150
State government appropriations	-	-	-	-
Local government appropriations	-	-	-	-
Federal government contracts/grants	5,434,367	5,626,633	3,477,065	(2,149,568)
State government contracts/grants	2,014,040	1,060,873	1,632,997	572,124
Local government contracts/grants	65,000	52,413	85,855	33,442
Private contracts/grants	1,470,212	2,661,251	1,221,585	(1,439,666)
Endowments	12,500	12,283	5,830	(6,453)
Sales and services	-	-	-	-
Other	-	-	-	-
Capital outlay	-	-	-	-
Building renewal and replacement	-	-	-	-
Retirement of indebtedness	-	-	-	-
Total revenues	9,026,119	9,443,453	6,455,482	(2,987,971)
Expenditures:				
Instruction	4,354,625	4,397,826	3,393,311	1,004,515
Academic support	2,020,983	2,156,018	1,201,064	954,954
Student services	1,585,279	1,878,328	1,376,271	502,057
Institutional support	1,044,969	991,018	479,844	511,174
Operation and maintenance of plant	20,263	20,263	4,992	15,271
Student social and cultural activities	-	-	-	-
Public services	-	-	-	-
Internal services	-	-	-	-
Student aid grants and stipends	-	-	-	-
Auxiliary enterprise	-	-	-	-
Capital outlay	-	-	-	-
Building renewal and replacement	-	-	-	-
Retirement of indebtedness	-	-	-	-
Total expenditures	9,026,119	9,443,453	6,455,482	2,987,971
Transfers to (from):				
Instruction and general	-	-	-	-
Student social and cultural	-	-	-	-
Public service	-	-	-	-
Internal service	-	-	-	-
Student aid and grants	-	-	-	-
Auxiliary enterprise	-	-	-	-
Capital outlay	-	-	-	-
Building renewal and replacement	-	-	-	-
Retirement of indebtedness				
Total transfers	-	-	-	-
Change in net position (budgetary basis)	-	-	-	-
Net position (budgetary basis)	$ -	-	-	

See accompanying independent auditors' report.

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Schedule of Budgetary Comparisons - Budgetary Basis
Reconciliation of Budgetary Basis to Financial Statement Basis
Year ended June 30, 2019

Total unrestricted and restricted revenues:		
Budgetary basis	$	220,988,741
Reconciling items:		
Scholarship allowance (not in budgetary basis)		(12,147,618)
Bond proceeds recognized (amount not in financial)		(18,815,230)
Other		(1,228,536)
Total reconciling items		(32,191,384)
Total reconciled unrestricted and unrestricted revenues per Budgetary Basis	$	188,797,357
Basic Financial Statements		
Operating revenues		29,907,183
Nonoperating revenues		158,890,174
Total unrestricted and restricted revenues per financial statement	$	188,797,357
Difference	$	-
Total unrestricted and restricted expenditures		
Budgetary basis		217,106,155
Reconciling items:		
Bond principal payments (not in financial statements)		(13,570,000)
Scholarship allowance (not in budgetary basis)		(12,147,618)
Capitalized expenditures (amount not in financial statement)		(30,765,563)
Depreciation expense (not in budgetary basis)		15,592,070
ERB plan expense recognized (not in budgetary basis)		39,544,990
OPEB plan expense recognized (not in budgetary basis)		720,041
Other		(1,996,361)
total reconciling items		(2,622,441)
Total reconciled unrestricted and unrestricted expenditures per Budgetary Basis	$	214,483,714
Basic Financial Statements		
Operating expenses		206,065,115
Nonoperating expenses		8,418,599
Total unrestricted and restricted expenditures per financial statement	$	214,483,714
Difference	$	-

See accompanying independent auditor's report

Notes to the Budgetary Comparisons

The purpose of the Budget Comparison is to reconcile the change in net position as reported on a budgetary basis to the change in net position as reported using generally accepted accounting principles. The reporting of actuals (budgetary basis) is a non- GAAP accounting method that excludes depreciation expense and includes the cost of capital equipment purchases. The budgetary basis approximates the fund basis of accounting.

Annual budgets are adopted for the current funds, unexpended plant fund, renewals and replacement plant fund, and retirement of indebtedness plant fund. The budget is prepared by management and approved by the Governing Board. The budget is then submitted to and approved by the NMHED and the State Budget Division of the Department of Finance and Administration. All annual appropriations lapse at year- end. Changes from one functional level to another require the approval of the NMHED. Amendments are adopted in a legally prescribed manner.

Under Title 5 of the New Mexico Administrative Code, Chapter 3, Part 4, Paragraph 10 – Items of Budgetary Control: The total expenditures in each of the following budgetary functions will be used as the items of budgetary control. Total expenditures or transfers in each of these items of budgetary control may not exceed the amount shown in the approved budget. A) Unrestricted expenditures and restricted expenditures. B) Instruction and general. C) Each budget function in current funds other than instruction and general. D) Within the plant funds budget: major projects, library bonds, equipment bonds, minor capital outlay, renewals and replacements, and debt service. E) Each individual item of transfer between funds and/or functions.

Schedule 6: Schedule of Individual Deposit and Investment Accounts
June 30, 2019

The College:

Name of depository	Account name	Account Type		Bank balance	Reconciling Items	Book balance
Cash on Hand	Petty cash fund	Cash	$	-	8,175	8,175
Wells Fargo Bank	Student federal fund	Checking		570,138	(121,948)	448,190
	Operational account	Checking		1,012,317	(180,712)	831,605
	Stafford / Direct loans	Checking		67,657	(26,620)	41,037
	Perkins Loans	Checking		59,690	-	59,690
	Payroll	Checking		-	(40,284)	(40,284)
	Student refund	Checking		-	(24,382)	(24,382)
	Benefit Account	Checking		2,652,449	-	2,652,449
Total cash				4,362,251	(385,771)	3,976,480
State of New Mexico						
Office of the Treasurer	Current fund	Investment		29,103,406	-	29,103,406
	Renewal and replacement	Investment		10,641,649	-	10,641,649
	Retirement of indebtedness	Investment		20,292,860	-	20,292,860
	Plant	Investment		58,261,608	-	58,261,608
	Total STO investment			118,299,523	-	118,299,523
State of New Mexico						
State Investment Council	Endowment	Investment		1,924,692	-	1,924,692
	Total SIC Investment			1,924,692	-	1,924,692
Total investments				120,224,215	-	120,224,215
Total deposits and investments - College			$	124,586,466	(385,771)	124,200,695

The Foundation:

Name of depository	Account name	Account Type		Bank balance	Reconciling Items	Book balance
Wells Fargo	Operational account	Checking	$	375,244	4,354	379,598
Nusenda	Temp restricted	Checking		17,366	-	17,366
Merrill Lynch	Temp restricted	Money Market		1,728,985	-	1,728,985
	Portfolio	Money Market		146,557	-	146,557
	Eloy Reyes	Money Market		15,208	-	15,208
Total cash - Foundation				2,283,360	4,354	2,287,714
Merrill Lynch	Endow core portfolio	Federal agency obligations		1,038,370	-	1,038,370
	Endow core portfolio	Corporate obligations		584,788	-	584,788
	Endow core portfolio	Corporate Stock		5,826,015	-	5,826,015
	Endow core portfolio	Mutual funds		1,815,836	-	1,815,836
	Eloy Reyes	Federal agency obligations		64,566	-	64,566
	Eloy Reyes	Corporate obligations		47,254	-	47,254
	Eloy Reyes	Corporate Stock		253,587	-	253,587
Total investments				9,630,416	-	9,630,416
Total deposits and investments - Foundation			$	11,913,776	4,354	11,918,130

Ingenuity:

Name of depository	Account name	Account Type		Bank balance	Reconciling Items	Book balance
Wells Fargo	Operational account	Checking	$	376,375	4,304	380,679
Wells Fargo		Money Market		5,679,547	-	5,679,547
Merrill Lynch	Temp restricted	Money Market		2,802,236	-	2,802,236
Petty Cash				398	-	398
Total cash - Ingenuity			$	8,858,556	4,304	8,862,860
Merrill Lynch	Temp Restricted	Federal agency obligations		1,666,459	-	1,666,459
	Temp Restricted	Corporate obligations		815,555	-	815,555
	Temp Restricted	Corporate Stock		6,544,963	-	6,544,963
	Temp Restricted	Mutual Funds		1,904,280	-	1,904,280
Total investments				10,931,257	-	10,931,257
Total deposits and investments - Ingenuity			$	19,789,813	4,304	19,794,117

See accompanying independent auditor's report.

Statistical Section

Central New Mexico Community College

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Narrative to the Statistical Section

This part of the Central New Mexico Community College comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information provides about the College's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the College's financial performance and well-being have changed over time.

- Net Position by Component
- Changes in Net Position

Revenue Capacity

These schedules contain information to help the reader assess the College's most significant local revenue sources – tuition and fees, state appropriations, and ad valorem taxes.

- Academic Year Tuition and Required Fees
- Assessed Valuation of Taxable Property
- Principal Property Taxpayers
- Property Tax Collections
- District Tax Rates
- Tax Rates – Bernalillo County
- Tax Rates – Sandoval County

Debt Capacity

These schedules present information to help the reader assess the affordability of the College's current levels of outstanding debt and the College's ability to issue additional debt in the future.

- Bond Debt Capacity
- Long-term Bonds Outstanding

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the system's financial activities take place.

- Demographics and Economic Data
- Principal Employers in Albuquerque Area
- Labor Force

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the College's financial report relates to the services the College provides and the activities it performs.

- Faculty and Staff Full-time Equivalency
- Capital Assets, Number of Facilities
- Student Profile
- Student Enrollment

Net Position by Component (Dollars in Thousands)
Last ten fiscal years

	For the Fiscal Year Ended June 30,									
	2019	**2018**	**2017**	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**
Net Investment in Capital Assets	224,970	215,430	213,703	205,823	203,120	193,562	186,638	180,330	156,860	149,419
Restricted, Non-expendable	1,805	1,805	1,805	1,805	1,580	1,580	1,580	1,580	1,580	1,580
Restricted, Expendable	18,777	16,945	13,246	6,467	5,775	6,057	7,542	6,972	8,413	3,701
Unrestricted (2)	(280,950)	(243,892)	(121,860)	(112,372)	(113,104)	43,324	57,041	59,625	65,942	69,468
Total Net Position (1)	**(35,398)**	**(9,712)**	**106,894**	**101,723**	**97,371**	**244,523**	**252,801**	**248,507**	**232,795**	**224,168**
Expressed as a percent of total	%	%	%	%	%	%	%	%	%	%
Net Investment in Capital Assets	(635.5)	(2,218.2)	199.9	(2,119.3)	208.6	79.2	73.8	72.6	67.4	66.7
Restricted, Non-expendable	(5.1)	(18.6)	1.7	(18.6)	1.6	0.6	0.6	0.6	0.7	0.7
Restricted, Expendable	(53.0)	(174.5)	12.4	(66.6)	5.9	2.5	3.0	2.8	3.6	1.7
Unrestricted	793.7	2,511.2	(114.0)	1,157.0	(116.2)	17.7	22.6	24.0	28.3	31.0
Total Net Position	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.1**
Percentage increase/(decrease) from prior year	%	%	%	%	%	%	%	%	%	%
Net Investment in Capital Assets	4.4	0.8	3.8	1.3	4.9	3.7	3.5	15.0	5.0	49.3
Restricted, Non-expendable	-	-	-	14.2	-	-	-	-	-	97.5
Restricted, Expendable	10.8	27.9	104.8	12.0	(4.7)	(19.7)	8.2	(17.1)	127.3	(63.4)
Unrestricted	(15.2)	(100.1)	(8.4)	(0.6)	(361.1)	(24.0)	(4.3)	(9.6)	(5.1)	(6.0)
Total Net Position	**(264.5)**	**(109.1)**	**5.1**	**4.5**	**(60.2)**	**(3.3)**	**1.7**	**6.7**	**3.8**	**21.3**

(1) In Fiscal Year 2013, GASB Statement No. 63 required a change from net assets to net position.
(2) GASB 68 implemented in Fiscal Year 2015, resulting in restatement of beginning net position by -$145.7 million.

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Changes in Net Position (Dollars in Thousands)
Last ten fiscal years

	For the Fiscal Year Ended June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Revenues										
Operating Revenues										
Student Tuition and Fees	28,395	28,629	26,642	26,318	24,235	24,730	23,906	24,508	22,194	17,919
Less: Scholarship Allowances	(12,148)	(12,045)	(11,944)	(12,045)	(12,278)	(12,470)	(9,577)	(9,933)	(8,319)	(6,795)
Federal Grants and Contracts	4,432	4,090	4,181	4,652	3,873	3,682	4,399	3,639	5,896	3,963
State/Private Grants and Contracts	6,432	6,504	7,398	7,187	7,408	6,995	7,142	8,324	7,221	6,570
Sales and Service	1,311	926	893	818	3,511	2,977	3,058	2,903	3,273	2,366
Auxiliary Enterprises	1,485	1,785	1,766	2,188	3,150	3,416	3,306	3,384	3,388	2,996
Total Operating Revenues	**29,907**	**29,889**	**28,935**	**29,118**	**29,899**	**29,330**	**32,234**	**32,825**	**33,653**	**27,019**
Expenses										
Operating Expenses										
Education and General										
Instruction	82,090	77,173	61,641	62,021	64,016	62,317	59,736	57,520	59,497	56,497
Public Service	854	656	503	559	599	739	1,299	964	1,092	1,359
Academic Support	20,511	18,927	15,113	15,221	16,753	15,299	11,832	11,195	11,090	9,360
Student Services	27,437	25,412	21,700	22,171	22,576	21,065	17,942	17,670	16,975	14,453
Institutional Support	29,218	25,466	20,967	21,305	20,933	19,563	17,326	15,403	16,143	15,919
Operations and Maintenance of Plant	15,962	16,010	15,226	14,995	16,430	15,403	13,650	14,275	14,768	11,797
Depreciation Expense	15,592	16,209	13,887	13,142	12,510	11,935	10,633	8,628	8,604	6,078
Student Aid	13,496	14,422	17,135	19,480	23,541	27,846	32,711	34,882	35,567	29,034
Auxiliary Enterprises	791	547	812	764	2,050	2,294	2,484	2,409	2,200	1,929
Other Operating Expenses	114	123	151	123	134	96	98	81	118	91
Total Operating Expenses	206,065	194,945	167,136	169,781	179,542	176,557	167,711	163,027	166,054	146,517
Operating Income (Loss)	(176,158)	(165,056)	(138,201)	(140,663)	(149,643)	(147,227)	(135,477)	(130,202)	(132,401)	(119,498)

Fiscal Year Ended June 30,	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Non-operating Expenses										
Non-operating Expenses										
State Appropriations	55,678	52,995	53,276	56,801	55,644	51,972	47,750	43,086	47,851	47,104
Local Appropriations	74,125	71,314	68,892	59,737	58,587	57,763	57,572	55,080	54,396	54,279
Federal Student Aid	18,930	20,271	21,988	24,308	27,990	32,815	35,037	37,494	37,243	30,535
Investment Income (Loss)	2,442	1,125	466	110	123	81	114	203	287	171
Interest on Capital Asset-related Debt	(3,046)	(2,382)	(2,049)	(1,765)	(2,031)	(1,909)	(1,723)	(1,657)	(1,386)	(990)
Gain (Loss) on Disposal of Capital Assets	(349)	(159)	(109)	33	(85)	(3)	(119)	(70)	(29)	18
Other Non-Operating Revenues/Expenses	(3,005)	(3,288)	(10,721)	1,341	1,136	(2,954)	1,009	935	1,376	1,008
Total Non-operating Revenues/Expenses	**144,775**	**139,876**	**131,743**	**140,565**	**141,364**	**137,765**	**139,640**	**135,071**	**139,738**	**132,125**
Income (Loss) before Other Revenue (Expenses)	(31,383)	(25,180)	(6,458)	(98)	(8,279)	(9,462)	4,163	4,869	7,337	12,627
Capital Appropriations	5,697	1,085	11,608	4,209	6,813	978	130	10,818	1,293	11,064
Capital Contributions		5	20	242	-	208	-	22	-	137
Additions to permanent endowments	-	-	-	225	-	-	-	-	-	-
Increase/(Decrease) in Fund Net Position	**(25,686)**	**(24,090)**	**5,170**	**4,353**	**(1,466)**	**(8,276)**	**4,293**	**15,709**	**8,630**	**23,828**
Total Revenues	183,425	173,238	174,355	175,624	179,056	169,985	173,846	180,463	176,099	171,317
Total Expenses	209,111	197,327	169,185	171,513	180,522	178,469	169,553	164,754	167,469	147,489
Increase (Decrease) in Fund Net Position	**(25,686)**	**(24,089)**	**5,170**	**4,110**	**(1,466)**	**(8,484)**	**4,293**	**15,709**	**8,630**	**23,828**

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Revenue Capacity
Academic Year Tuition and Required Fees

Last ten academic years

Year	Resident Career Technical Education Tuition	Resident Academic / Transfer Tuition	Non-Resident Tuition	Registration Fee	Technology Fee
2019-20	672.00	672.00	3,552.00	45.00	9.00
2018-19	564.00	660.00	3,516.00	45.00	9.00
2017-18	480.00	648.00	3,444.00	45.00	8.00
2016-17	384.00	624.00	3,312.00	40.00	8.00
2015-16	306.00	612.00	3,240.00	40.00	8.00
2014-15	216.00	600.00	3,240.00	40.00	6.00
2013-14	168.00	594.00	3,240.00	40.00	6.00
2012-13	126.00	579.00	3,156.00	40.00	3.00
2011-12	120.00	579.00	3,008.00	40.00	3.00
2010-11	60.00	528.00	2,616.00	40.00	3.00

Tuition is based on 12 to 18 credit hours. Technology fee is assessed per credit hour. In addition to the above, pass-through fees may be required depending on the courses taken.

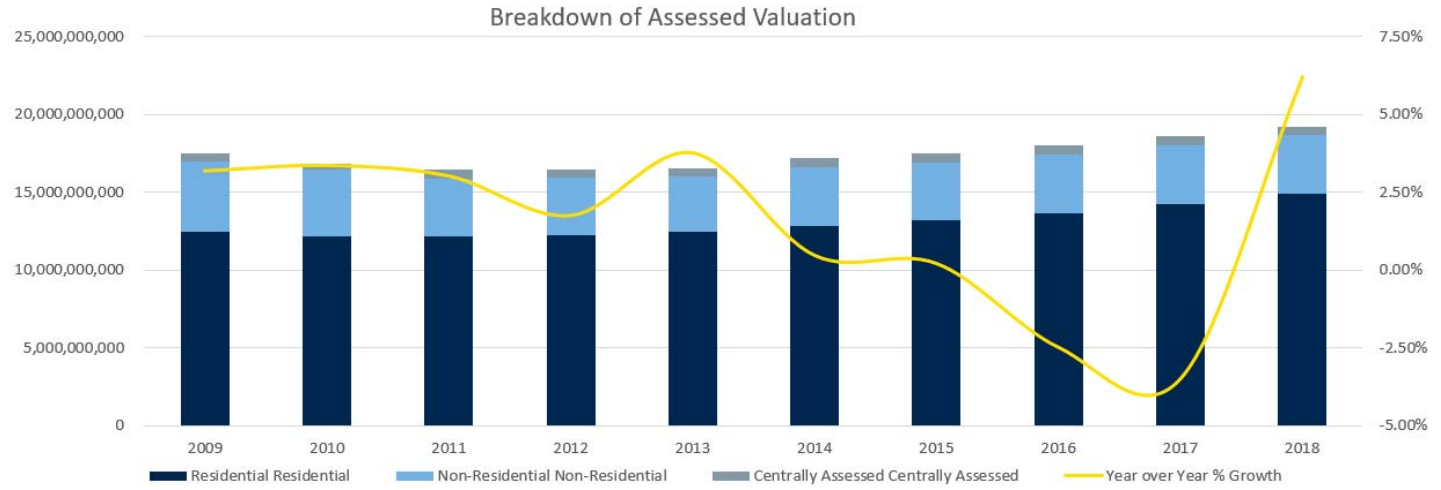
Assessed Valuation of Taxable Property

Assessed Valuation of Taxable Property
Bernalillo and Sandoval Counties
Last ten tax years

Tax Year	Residential	Percent of Total AV	Year over Year % Growth	Non-Residential	Percent of Total AV	Year over Year % Growth	Centrally Assessed	Percent of Total AV	Year over Year % Growth	Central New Mexico Community College	Year over Year % Growth
2018	14,878,850,549	77.48%	4.34%	3,775,865,837	19.66%	0.64%	548,782,956	2.86%	-8.43%	19,203,499,342	3.18%
2017	14,260,434,424	76.62%	4.30%	3,751,899,594	20.16%	-0.11%	599,297,360	3.22%	3.55%	18,611,631,378	3.35%
2016	13,672,673,810	73.46%	3.76%	3,756,124,705	20.18%	0.21%	578,725,953	3.21%	4.23%	18,007,524,468	3.02%
2015	13,176,671,365	75.38%	2.48%	3,748,117,273	21.44%	-0.70%	555,254,334	3.18%	1.35%	17,480,042,972	1.75%
2014	12,857,739,256	74.84%	3.46%	3,774,449,235	21.97%	4.64%	547,853,036	3.19%	4.69%	17,180,041,527	3.76%
2013	12,427,468,679	75.05%	1.70%	3,607,129,356	21.78%	-2.61%	523,293,887	3.16%	-5.92%	16,557,891,922	0.47%
2012	12,219,893,918	74.15%	0.29%	3,703,861,661	22.47%	-0.16%	556,205,288	3.38%	0.65%	16,479,960,867	0.21%
2011	12,183,978,327	74.08%	0.32%	3,709,653,790	22.56%	-13.76%	552,605,829	3.36%	32.39%	16,446,237,946	-2.48%
2010	12,145,322,572	72.02%	-2.25%	4,301,523,400	25.51%	-5.55%	417,413,475	2.48%	-15.22%	16,864,259,447	-3.48%
2009	12,425,441,052	71.12%	4.86%	4,554,045,336	26.07%	11.84%	492,360,473	2.82%	-7.06%	17,471,846,861	6.20%

5 Year Average Annual Growth 3.01%
10 Year Average Annual Growth 1.60%

Source: Bernalillo and Sandoval County Assessor's Office



STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Principal Property Taxpayers

Current Year and Ten Years Ago

	2018 Assessed Valuation			2009 Assessed Valuation		
Rank	**Taxpayer**	**2018 Taxable Assessed Valuation**	**% of Total Taxable Assessed**	**Taxpayer**	**2009 Taxable Assessed Valuation**	**% of Total Taxable Assessed Valuation**
1	Public Service Co. of New Mexico (Electric Service)	$ 219,171,876	1.36%	Public Service Co. of New Mexico (Electric)	$ 116,979,142	0.84%
2	QWest Communications	46,060,892	0.29%	QWest Communications	97,142,728	0.70%
3	Public Service Co. of New Mexico (Gas Service)	41,793,720	0.26%	Public Service Co. of New Mexico (Gas)	39,527,720	0.28%
4	Comcast of NM Inc.	33,780,329	0.21%	Southwest Airlines	23,890,766	0.17%
5	Verizon Wireless	22,073,128	0.14%	Mesa Del Sol LLC	23,040,098	0.16%
6	Southwest Airlines	16,592,713	0.10%	GCC Rio Grande Inc.	20,165,175	0.14%
7	Simon Property Group, Ltd (Cottonwood Mall)	15,960,737	0.10%	Comcast of NM Inc.	17,498,511	0.13%
8	AT&T Mobility	15,441,237	0.10%	Simon Property Group, Ltd (Cottonwood Mall)	15,960,737	0.13%
9	Presbyterian Healthcare	14,638,889	0.09%	Verizon Wireless	14,771,926	0.11%
10	Molina Healthcare	14,192,841	0.09%	Hub Albuquerque LLC	14,261,573	0.10%
						0.00%
	Top Ten Centrally and Locally Assessed Values	**439,706,362**	**2.73%**	**Top Ten Centrally and Locally Assessed Values**	**383,238,376**	**2.74%**
	Total Assessed Valuation	**$ 16,116,114,678**	**100.00%**	**Total Assessed Valuation**	**$ 13,973,092,003**	**100.00%**

Source: Bernalillo County Treasurer's Office

Property Tax Collections
Last ten tax years

		Bernalillo County			CNM	
Tax Year	Fiscal Year	Net Taxes Charged to Treasurer	Current Tax Collections (1)	Current Collections as a % of Net Levied	Operational	Debt Service
2018	18/19	711,281,421	689,522,592	96.94%	47,194,715	16,549,948
2017	17/18	685,422,485	663,957,789	96.87%	45,350,331	15,893,376
2016	16/17	663,107,919	642,661,947	96.92%	43,939,404	15,274,847
2015	15/16	641,680,120	621,125,053	96.80%	43,474,474	8,331,221
2014	14/15	626,867,177	606,258,064	96.71%	42,266,534	8,097,122
2013	13/14	614,299,642	593,530,750	96.62%	41,585,722	7,937,680
2012	12/13	601,844,884	580,736,950	96.49%	40,733,810	7,869,380
2011	11/12	592,768,182	570,354,626	96.22%	39,170,090	7,774,978
2010	10/11	585,432,230	559,806,155	95.62%	38,059,535	7,700,043
2009	09/10	594,170,426	561,435,327	94.49%	37,437,999	7,813,930

Source: Bernalillo County Treasurer's Office

		Sandoval County			CNM	
Tax Year	Fiscal Year	Net Taxes Charged to Treasurer	Current Tax Collections	Current Collections as a % of Net Levied	Operational	Debt Service
2018	18/19	119,987,465	116,428,185	97.03%	7,678,937	2,699,299
2017	17/18	114,531,876	110,892,832	96.82%	7,333,220	2,577,992
2016	16/17	124,318,657	120,420,512	96.86%	7,048,543	2,537,560
2015	15/16	119,015,424	115,023,384	96.65%	7,037,701	1,350,582
2014	14/15	115,903,449	111,651,378	96.33%	6,991,254	1,342,799
2013	13/14	115,729,254	110,756,348	95.70%	7,016,859	1,341,529
2012	12/13	114,396,660	109,098,898	95.37%	6,968,990	1,349,030
2011	11/12	111,937,913	107,182,149	95.75%	7,009,023	1,394,375
2010	10/11	115,121,965	107,439,020	93.33%	7,064,288	1,439,120
2009	09/10	112,053,132	104,094,225	92.90%	6,917,293	1,454,187

Source: Sandoval County Treasurer's Office
(1) As of June 30 of each year

District Tax Rates

Last ten tax years

	Operational		Debt Service	Total Tax Rate	
Tax Year	Residential	Non-Residential	Debt Service	Residential	Non-Residential
2019	2.823	3.00	1.000	3.823	4.000
2018	2.799	3.00	1.000	3.799	4.000
2017	2.789	3.00	1.000	3.789	4.000
2016	2.776	3.00	1.000	3.776	4.000
2015	2.831	3.00	0.550	3.381	3.550
2014	2.827	3.00	0.550	3.377	3.550
2013	2.842	3.00	0.550	3.392	3.550
2012	2.794	3.00	0.550	3.344	3.550
2011	2.687	3.00	0.550	3.237	3.550
2010	2.608	3.00	0.550	3.158	3.550

Source: NM Department of Finance & Administration.

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Tax Rates - Bernalillo County

Last ten tax years

Within 20 Mill Limit for General Purposes										
Total Levy	**2018**	**2017**	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**
State of New Mexico	$0.000	$0.000	$0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Bernalillo County	7.022	6.996	7.090	7.245	7.254	7.320	7.208	6.866	6.665	6.340
City of Albuquerque	6.253	6.241	6.339	6.493	6.494	6.544	6.544	6.544	6.389	6.072
AMAFCA	0.172	0.171	0.173	0.177	0.177	0.179	0.176	0.170	0.165	0.165
Albuquerque MSD # 12	0.267	0.266	0.270	0.275	0.276	0.278	0.274	0.264	0.256	0.244
Total	**$13.714**	**$13.674**	**$13.872**	**14.190**	**14.201**	**14.321**	**14.202**	**13.844**	**13.475**	**12.821**
Over 20 Mill Limit - Interest, Principal, Judgement, etc.										
State of New Mexico	$1.360	$1.360	$1.360	1.360	1.360	1.360	1.360	1.362	1.530	1.150
Bernalillo County	1.468	1.467	1.265	1.476	1.277	1.259	0.910	1.010	1.051	0.994
City of Albuquerque	4.976	4.976	4.976	4.976	4.976	4.976	4.976	4.976	4.976	4.976
AMAFCA	0.675	0.675	0.675	0.675	0.675	0.675	0.675	0.675	0.675	0.675
Albuquerque MSD #12	10.206	10.186	10.217	10.256	10.255	10.187	10.189	10.188	10.191	10.190
UNM Hospital	6.400	6.400	6.198	6.334	6.342	6.400	6.400	6.400	6.400	6.400
CNM Community College (Operating)	**2.799**	**2.789**	**2.776**	**2.831**	**2.827**	**2.842**	**2.794**	**2.687**	**2.608**	**2.496**
CNM Community College (Debt Service)	**1.000**	**1.000**	**1.000**	**0.550**	**0.550**	**0.550**	**0.550**	**0.550**	**0.550**	**0.550**
Total	**$28.884**	**$28.853**	**$28.467**	**28.458**	**28.262**	**28.249**	**27.854**	**27.848**	**27.981**	**27.431**
TOTAL LEVY										
City of Albuquerque	**2018**	**2017**	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**
State of New Mexico	$1.360	$1.360	$1.360	1.360	1.360	1.360	1.360	1.362	1.530	1.150
Bernalillo County	8.490	8.463	8.561	8.721	8.531	8.579	8.118	7.876	7.716	7.334
City of Albuquerque	11.229	11.217	11.315	11.469	11.470	11.520	11.520	11.520	11.365	11.048
AMAFCA	0.847	0.846	0.848	0.852	0.852	0.854	0.851	0.845	0.840	0.840
Albuquerque MSD #12	10.473	10.452	10.487	10.531	10.531	10.465	10.463	10.452	10.447	10.434
UNM Hospital	6.400	6.400	6.198	6.334	6.342	6.400	6.400	6.400	6.400	6.400
CNM Community College	**3.799**	**3.789**	**3.776**	**3.381**	**3.377**	**3.392**	**3.344**	**3.237**	**3.158**	**3.046**
Total Residential in Albuquerque	**$42.598**	**$42.527**	**$42.545**	**42.648**	**42.463**	**42.570**	**42.056**	**41.692**	**41.456**	**40.252**
Total Non-Residential in Albuquerque	**$47.310**	**$46.788**	**$46.788**	**46.336**	**46.132**	**45.995**	**45.648**	**45.651**	**45.862**	**46.264**

Source: New Mexico Department of Finance and Administration

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Tax Rates - Sandoval County

Last ten tax years

Within 20 Mill Limit for General Purposes										
Total Levy	**2018**	**2017**	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**
State of New Mexico	$0.000	$0.000	$0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Sandoval County	6.455	6.383	6.354	6.339	6.240	6.137	5.964	5.621	6.665	6.340
SSCAFCA	0.828	0.828	0.828	0.828	0.828	0.828	0.828	0.844	6.389	6.072
City of Rio Rancho	7.525	7.492	7.650	7.426	7.307	7.181	6.990	6.518		
Rio Rancho Schools	0.266	0.264	0.458	0.262	0.258	0.254	0.247	0.230	0.256	0.244
Total	**$15.074**	**$14.967**	**15.290**	**14.855**	**14.633**	**14.400**	**14.029**	**13.213**	**13.310**	**12.656**
Over 20 Mill Limit - Interest, Principal, Judgement, etc.										
State of New Mexico	$1.360	$1.360	$1.360	1.360	1.360	1.360	1.360	1.362	1.530	1.150
Sandoval County	0.593	0.984	1.047	0.852	0.539	1.030	1.031	1.038	1.051	0.994
SSCAFCA	1.242	1.242	1.249	1.249	1.248	1.248	1.247	1.023	4.976	4.976
City of Rio Rancho	2.768	2.051	2.016	1.848	1.881	1.789	1.617	1.645	0.675	0.675
Rio Rancho Schools	10.544	10.540	10.540	10.540	10.524	10.537	10.538	10.542		
UNM Hospital	0.000	0.000	4.250	4.250	4.250	4.250	4.250	4.250	6.400	6.400
CNM Community College (Operating)	**2.799**	**2.789**	**2.381**	**2.831**	**2.827**	**2.842**	**2.794**	**2.687**	**2.608**	**2.496**
CNM Community College (Debt Service)	**1.000**	**1.000**	**1.000**	**0.550**	**0.550**	**0.550**	**0.550**	**0.550**	**0.550**	**0.550**
Total	**$20.306**	**$19.966**	**23.843**	**23.480**	**23.179**	**23.606**	**23.387**	**23.097**	**17.790**	**17.241**
TOTAL LEVY										
City of Rio Rancho	**2018**	**2017**	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**
State of New Mexico	$1.360	$1.360	$1.360	1.360	1.360	1.360	1.360	1.362	1.530	1.150
Sandoval County	7.048	7.367	7.401	7.191	6.779	7.167	6.995	6.659	7.716	7.334
SSCAFCA	2.070	2.070	2.077	2.077	2.076	2.076	2.075	1.867	11.365	11.048
City of Rio Rancho	10.293	9.543	9.666	9.274	9.188	8.970	8.607	8.163	0.675	0.675
Rio Rancho Schools	10.810	10.804	10.998	10.802	10.782	10.791	10.785	10.772	0.256	0.244
UNM Hospital	0.000	0.000	4.250	4.250	4.250	4.250	4.250	4.250	6.400	6.400
CNM Community College	**3.799**	**3.789**	**3.381**	**3.381**	**3.377**	**3.392**	**3.344**	**3.237**	**3.158**	**0.550**
Total Residential in Rio Rancho	**$35.380**	**$34.933**	**39.133**	**38.335**	**37.812**	**38.006**	**37.416**	**36.310**	**31.100**	**27.401**
Total Non-Residential in Rio Rancho	**$35.505**	**$41.671**	**40.354**	**39.256**	**41.003**	**37.840**	**35.633**	**45.862**	**46.264**	**45.613**

Source: New Mexico Department of Finance and Administration

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Bond Debt Capacity (Dollars in thousands)
Last ten fiscal years

	Fiscal Year Ended June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Assessed Valuation (1) [3]	19,710,692	19,203,499	18,611,631	18,007,524	17,480,043	17,180,042	16,557,892	16,479,961	16,446,238	18,864,259
Ratio of Limitation	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Constitutional Debt Limitation	591,321	576,105	558,349	540,226	524,401	515,401	496,737	494,399	493,387	565,928
Outstanding Bond Debt (2)	117,165	90,340	101,840	70,780	77,810	84,935	60,385	66,935	42,075	44,825
Available Bond Debt Capacity	474,156	485,765	456,509	469,446	446,591	430,466	436,352	427,464	451,312	521,103
% Bonded to Capacity	19.8%	15.7%	18.2%	13.1%	14.8%	16.5%	12.2%	13.5%	8.5%	7.9%

(1) From assessed property valuation table in the revenue capacity portion of this statistical data section
(2) From long-term bonds table in the debt capacity portion of this statistical data section
(3) 2019 Assessed Valuation is Preliminary

Long-term Bonds Outatanding (Dollars in thousands)
Last ten fiscal years

	Fiscal Year Ended June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Bonds Payable	117,165	90,340	101,840	70,780	77,810	84,935	60,385	66,935	42,075	44,825
Unamortized Premium	5,147	4,728	6,024	3,562	4,330	5,111	1,828	1,963	419	451
Net Long-term Bonds	122,312	95,068	107,864	74,342	82,140	90,046	62,213	68,898	42,494	45,276
District Population [4]	923,518	915,927	909,906	908,252	906,209	905,213	901,932	902,794	899,149	892,014
Bond Debt per Capita	132	104	119	82	91	99	69	76	47	51

(4) 2019 population is preliminary.

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Albuquerque MSA
Demographics and Economic Data
Last ten fiscal years

		Population	Personal Income (Thousands)	Per Capita Income	Median Age	School Enrollment	Unemployment Rate
2009	1	846,390	21,208,841	25,058	35.4	228,362	7.8%
2010	2	892,014	22,670,536	25,415	36.9	238,004	8.0%
2011	3	899,149	23,289,757	25,902	36.7	242,816	7.5%
2012	4	902,794	23,534,034	26,068	36.5	245,447	7.1%
2013	5	901,932	23,511,564	26,068	36.7	247,359	6.8%
2014	6	905,213	23,655,887	26,144	36.9	248,427	6.5%
2015	7	906,209	23,875,889	26,347	37.5	237,162	6.1%
2016	8	908,252	24,817,078	27,324	38.0	234,520	6.0%
2017	9	909,906	25,055,172	27,536	37.9	243,733	5.5%
2018	10	915,927	25,855,703	28,229	38.0	239,212	4.7%

Source: US Census Bureau

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Principal Employers in the Albuquerque Area (Top Ten)

Current and last ten fiscal years

	2018			2009		
Rank	**Employer**	**Business**	**# of Employees**	**Employer**	**Business**	**# of Employees**
1	Albuquerque Public Schools	Education	14,810	Kirtland Air Force Base (Civilian)	Defense	16,533
2	Sandia National Labs	Research Development	10,652	University of New Mexico	Education	15,260
3	Kirtland Air Force Base (1)	Defense	10,125	Albuquerque Public Schools	Education	14,000
4	Presbyterian	Healthcare	7,310	Sandia National Labs	Research Development	8,400
5	City of Albuquerque	Government	6,940	Presbyterian	Healthcare	7,425
6	UNM Hospital	Healthcare	6,021	City of Albuquerque	Government	5,940
7	State of New Mexico	Government	4,950	State of New Mexico	Government	5,710
8	University of New Mexico	Education	4,210	UNM Hospital	Healthcare	5,455
9	Lovelace Health Systems	Healthcare	4,000	Kirtland Air Force Base (Military)	Defense	4,188
10	Bernalillo County	Government	2,648	Lovelace	Healthcare	3,400

(1) For 2016 and after, Kirtland's employment number includes active duty military, guard reserve, civil service and contract employees

Source: Albuquerque Economic Development, 2018 and 2009

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Labor Force
Last ten fiscal years

	Albuquerque MSA		State of New Mexico		United States
Year[(1)]	Labor Force	% Unemployed	Labor Force	% Unemployed	% Unemployed
2018	429,850	4.70%	939,957	4.90%	3.90%
2017	425,588	5.50%	929,567	6.20%	4.40%
2016	422,320	6.00%	926,666	6.70%	4.90%
2015	413,906	6.10%	919,889	6.60%	5.30%
2014	414,571	6.50%	918,206	6.50%	6.20%
2013	415,874	6.80%	922,960	6.90%	7.40%
2012	418,195	7.10%	928,050	7.10%	8.10%
2011	421,377	7.50%	929,862	7.60%	8.90%
2010	424,972	8.00%	936,088	8.10%	9.60%
2009	404,223	7.80%	940,352	7.50%	9.30%

(1) Numbers are annual averages.

Source: U.S. Bureau of Labor Statistics

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Faculty and Staff Full-time Equivalency (Fall Employment)
Last ten fiscal years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Faculty										
Full time	330	328	332	358	357	335	350	329	338	327
Part-time	630	653	654	726	758	779	747	717	907	771
Total	960	981	986	1084	1115	1114	1097	1046	1245	1098
Percent										
Full time	34%	33%	34%	33%	32%	30%	32%	31%	27%	30%
Part-time	66%	67%	66%	67%	68%	70%	68%	69%	73%	70%
Staff and Administration										
Full-time	858	816	819	912	886	868	824	795	781	738
Part-time	104	100	98	117	125	149	118	109	115	110
Total	**962**	**916**	917	1029	1011	1017	942	904	896	848
Percent										
Full time	89%	89%	89%	89%	88%	85%	87%	88%	87%	87%
Part-time	11%	11%	11%	11%	12%	15%	13%	12%	13%	13%

Source: CNM Office of Planning and Institutional Effectiveness

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Capital Assets, Number of Facilities

Last ten fiscal years

Fiscal Year Ended June 30,	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Academic / Support Facilities										
Main Campus	19	19	19	19	19	19	19	19	19	18
Montoya Campus	7	7	7	7	7	7	7	7	7	7
South Valley Campus	3	3	3	3	3	3	3	3	3	3
Workforce Training Center	1	1	1	1	1	1	1	1	1	1
Westside Campus	3	3	3	3	3	3	3	2	2	2
Advanced Technology Center	2	2	2	2	2	2	2	2	2	2
Rio Rancho Campus	1	1	1	1	1	1	1	1	1	—
Total	36	36	36	36	36	36	36	35	35	33

Source: The College's Physical Plant Department

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Student Profile (Fall Enrollment/Headcount)
Last ten academic years

Gender	2018	%	2017	%	2016	%	2015	%	2014	%	2013	%	2012	%	2011	%	2010	%	2009	%
Male	9,840	42%	10,571	43%	10,598	43%	11,236	44%	11,690	44%	12,737	44%	12,325	44%	12,929	44%	13,242	44%	12,430	44%
Female	13,713	58%	13,871	57%	14,183	57%	14,524	56%	15,081	56%	15,948	56%	15,938	56%	16,251	56%	16,706	56%	15,569	56%
Total	23,553	100%	24,442	100%	24,781	100%	25,760	100%	26,771	100%	28,685	100%	28,263	100%	29,180	100%	29,948	100%	27,999	100%
Ethnicity																				
Asian	515	2%	541	2%	506	2%	501	2%	565	2%	511	2%	504	2%	517	2%	589	2%	624	2%
Black, non-Hispanic	660	3%	654	3%	618	2%	681	3%	767	3%	980	3%	961	3%	1,037	4%	1,114	4%	959	3%
Hispanic	12,135	52%	12,509	51%	12,485	50%	12,594	49%	12,734	48%	13,249	46%	12,654	45%	12,213	42%	12,774	43%	11,222	40%
Native American	1,406	6%	1,589	7%	1,586	6%	1,761	7%	1,848	7%	2,040	7%	1,925	7%	2,046	7%	2,103	7%	2,092	7%
Native Hawaiian	57	0%	55	0%	56	0%	53	0%	71	0%	88	0%	86	0%	102	0%	90	0%		0%
Non-Resident Alien	40	0%	11	0%	15	0%	18	0%	976	4%	877	3%	834	3%	610	2%	585	2%	418	1%
Other	1,600	7%	1,592	7%	1,686	7%	1,799	7%	890	3%	1,057	4%	1,084	4%	1,386	5%	1,038	3%	2,768	10%
Two or More Races	555	2%	567	2%	570	2%	574	2%	611	2%	614	2%	641	2%	637	2%	530	2%		0%
White, non-Hispanic	6,585	28%	6,924	28%	7,259	29%	7,779	30%	8,309	31%	9,269	32%	9,574	34%	10,632	36%	11,125	37%	9,916	35%
Total	23,553	100%	24,442	100%	24,781	100%	25,760	100%	26,771	100%	28,685	100%	28,263	100%	29,180	100%	29,948	100%	27,999	100%
Age																				
18 and Under	5,752	24%	5,772	24%	5,472	22%	5,173	20%	5,003	19%	4,839	17%	4,356	15%	3,886	13%	3,712	12%	3,369	12%
19-25	9,255	39%	9,611	39%	9,816	40%	10,267	40%	10,584	40%	11,274	39%	11,287	40%	11,371	39%	11,748	39%	11,308	40%
26-30	2,871	12%	3,160	13%	3,160	13%	3,412	13%	3,591	13%	4,032	14%	4,127	15%	4,572	16%	4,834	16%	4,494	16%
31-40	3,206	14%	3,323	14%	3,512	14%	3,785	15%	4,117	15%	4,522	16%	4,512	16%	5,030	17%	5,144	17%	4,562	16%
41-50	1,461	6%	1,512	6%	1,653	7%	1,845	7%	2,139	8%	2,444	9%	2,513	9%	2,732	9%	2,832	9%	2,723	10%
Over 50	1,008	4%	1,064	4%	1,167	5%	1,277	5%	1,335	5%	1,570	5%	1,466	5%	1,584	5%	1,666	6%	1,533	5%
Unknown	—	0%	-	0%	1	0%	1	0%	2	0%	4	0%	2	0%	5	0%	12	0%	10	0%
Total	23,553	99%	24,442	100%	24,781	100%	25,760	100%	26,771	100%	28,685	100%	28,263	100%	29,180	100%	29,948	100%	27,999	100%

Student information based on fall enrollment of the fiscal year.
Source: The College's Office of Planning and Institutional Effectiveness

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Student Enrollment (Fall Enrollment/Headcount)
Last ten academic years

Student Classification	2018	%	2017	%	2016	%	2015	%	2014	%	2013	%	2012	%	2011	%	2010	%	2009	%
Dual Credit	3655	16%	3,729	15%	3,462	14%	3,064	12%	2,755	10%	2,302	8%	1,753	6%	1,388	5%	1,262	4%	926	3%
Freshman	9224	39%	9,458	39%	9,531	38%	9,988	39%	10,924	41%	12,489	44%	12,759	45%	13,849	47%	14,815	49%	14,223	51%
Sophomore	9833	42%	10,388	43%	10,729	43%	11,425	44%	11,854	44%	12,599	44%	12,484	44%	12,328	42%	11,630	39%	10,031	36%
Undergrad non-degree	841	4%	867	4%	1,059	4%	1,283	5%	1,238	5%	1,295	5%	1,267	4%	1,615	6%	2,241	7%	2,819	10%
Total	23,553	100%	24,442	100%	24,781	100%	25,760	100%	26,771	100%	28,685	100%	28,263	100%	29,180	100%	29,948	100%	27,999	100%
Semester Hour Load																				
Less that 3	618	3%	574	2%	564	2%	522	2%	481	2%	579	2%	618	2%	879	3%	986	3%	950	3%
3-5 semester hours	7604	32%	8,075	33%	7,837	32%	7,362	29%	7,142	27%	7,275	25%	6,897	24%	6,675	23%	7,258	24%	6,842	24%
6-8 semester hours	5576	24%	5,529	23%	5,660	23%	6,362	25%	6,716	25%	7,071	25%	6,989	25%	7,374	25%	7,288	24%	7,010	25%
9-11 semester hours	3410	14%	3,580	15%	3,615	15%	3,866	15%	4,140	15%	4,533	16%	4,541	16%	4,677	16%	4,598	15%	4,432	16%
12-14 semester hours	4899	21%	5,255	21%	5,571	22%	6,080	24%	6,691	25%	7,729	27%	7,708	27%	7,921	27%	8,136	27%	7,219	26%
15-17semester hours	1293	5%	1,276	5%	1,373	6%	1,379	5%	1,428	5%	1,344	5%	1,365	5%	1,489	5%	1,493	5%	1,351	5%
18 and over semester hours	153	1%	153	1%	161	1%	189	1%	173	1%	154	1%	145	1%	165	1%	189	1%	195	1%
Total	23,553	100%	24,442	100%	24,781	100%	25,760	100%	26,771	100%	28,685	100%	28,263	100%	29,180	100%	29,948	100%	27,999	100%
Tuition Status																				
Resident tuition: in-district	19790	84%	20,484	84%	20,565	83%	21,713	84%	22,905	86%	24,864	87%	24,756	88%	25,464	87%	26,443	88%	24,937	89%
Resident tuition: out-of-district	2864	12%	2,974	12%	2,730	11%	1,475	6%	1,388	5%	1,274	4%	2,370	8%	1,251	4%	1,167	4%	893	3%
Non-resident tuition	899	4%	984	4%	1,486	6%	2,572	10%	2,478	9%	2,547	9%	1,137	4%	2,465	8%	2,338	8%	2,169	8%
Total	23,553	100%	24,442	100%	24,781	100%	25,760	100%	26,771	100%	28,685	100%	28,263	100%	29,180	100%	29,948	100%	27,999	100%

Student information based on fall enrollment of the fiscal year.
Source: The College's Office of Planning and Institutional Effectiveness

Single Audit and Other Information

CNM
Central New Mexico Community College

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

To the Governing Board
Central New Mexico Community College
and
Mr. Brian Colón, NM State Auditor
Albuquerque, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate discretely presented component units of the Central New Mexico Community College (the College), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and the related budgetary comparisons of the College, presented as supplemental information, and have issued our report thereon dated October 28, 2019.

Internal Control over Financial Reporting

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

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

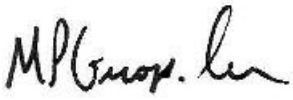
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

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



October 28, 2019

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

To the Governing Board
Central New Mexico Community College
and
Mr. Brian Colón, NM State Auditor
Albuquerque, New Mexico

Report on Compliance for Each Major Federal Program

We have audited Central New Mexico Community College's (the College) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2019. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

8500 Menaul NE, Ste A220 • Albuquerque, NM 87112 • Phone: 505-340-2020

Opinion on Each Major Federal Program

In our opinion, the College, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

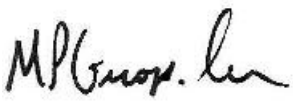
Report on Internal Control over Compliance

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

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

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

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



October 28, 2019

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Schedule of Expenditures of Federal Awards
For the Period July 1, 2018 through June 30, 2019

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Agency or pass-through number	Federal Expenditures
U.S. DEPARTMENT OF EDUCATION			
Direct			
Student Financial Assistance Cluster			
Federal Supplemental Educational Opportunity Grant 2018-2019	84.007	P007A172635	$ 597,599
Federal Supplemental Educational Opportunity Grant 2017-2018	84.007	P007A162635	19,496
Federal Work Study 2018-2019	84.033	P033A172635	577,775
Federal Pell Grant 2018-2019	84.063	P063P182545	18,929,812
TOTAL STUDENT FINANCIAL ASSISTANCE CLUSTER			20,124,682
TRIO Cluster			
TRIO Student Support Services Grant-Main	84.042	P042A151030	281,097
TRIO Student Support Services Grant-JMMC	84.042	P042A151031	240,681
TOTAL TRIO CLUSTER			521,778
TOTAL U.S. DEPARTMENT OF EDUCATION (DIRECT)			20,646,460
Passed Through from New Mexico Department of Education			
Perkins-Career and Technical Education FY 2018-2019	84.048A	V048A180031-18A	1,266,890
Perkins-Career and Technical Education GY 2017-2018 Redistribution	84.048A	V048A170031-17A	6,265
Perkins-Career and Technical Education FY 2017-18	84.048A	V048A170031	(13)
Perkins-Career and Technical Education GY 2016-2017 Redistribution	84.048A	V048A160031-16A	100,279
Adult Education FY 19	84.002	V002A180032	389,405
TOTAL U.S. DEPARTMENT OF EDUCATION (PASS-THROUGH)			1,762,826
TOTAL U.S.DEPARTMENT OF EDUCATION			22,409,286
U.S. DEPARTMENT OF LABOR			
Direct:			
American Apprenticeship Initiative	17.268	AP-27942-15-60-A-35	507,633
TOTAL U.S. DEPARTMENT OF LABOR (DIRECT)			507,633
Passed Through from Santa Fe Community College			
Trade Adj. Asst. Community College & Career Training-SUN PATH	17.282	TC-26486-14	6,362
Passed Through from New Mexico Department of Workforce Solutions			
Apprenticeship USA	17.285	17-631-3001-000045	104,970
TOTAL U.S. DEPARTMENT OF LABOR (PASS-THROUGH)			111,332
TOTAL U.S. DEPARTMENT OF LABOR			618,965
AIR FORCE RESEARCH LABORATORY			
Passed Through from New Mexico Institute of Mining and Technology			
AFRL-NM Technology Transfer	12.615	FA9453-18-3-0073	45,901
TOTAL DEPARTMENT OF DEFENSE			45,901
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through from N.M. Energy, Minerals and Natural Resources Department	10.664	14-521-0410000000-0102	1,231
Passed Through from N.M. Energy, Minerals and Natural Resources Department	10.664		20,827
TOTAL U.S. DEPARTMENT OF AGRICULTURE			22,058
NATIONAL SCIENCE FOUNDATION			
Passed through from New Mexico State University			
New Mexico Alliance for Minority Participation	47.076	1826758	350
Passed through from University of New Mexico			
NM Green: Advancing Sustainable Construction Technology Education	47.076	1601121	49,527
Passed Through from Idaho State University			

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Schedule of Expenditures of Federal Awards
For the Period July 1, 2018 through June 30, 2019

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Agency or pass-through number	Federal Expenditures
CDS&E: Regularization Adaption Processes for Multivariate Calibration and	47.049	15-98A-RCHM29	25,805
TOTAL NATIONAL SCIENCE FOUNDATION			75,682
SMALL BUSINESS ADMINISTRATION			
Passed Through from New Mexico Small Business Development Center			
Small Business Development Center-CNM	59.037	N/A	62,132
SBA Growth Accelerator Fund Competition (Direct)	59.067	N/A	1,030
TOTAL SMALL BUSINESS ADMINISTRATION			63,162
NATIONAL INSTITUTE OF HEALTH			
Passed Through from University of New Mexico Health Sciences Center			
Academic Science Education and Research Training	93.859	5K12GM088021-10	7,126
Passed Through from University of New Mexico Health Sciences Center			
Academic Science Education and Research Training	93.859	5K12GM088021-09	4,678
TOTAL NATIONAL INSTITUTE OF HEALTH			11,804
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE			
Direct			
AmeriCorps	94.013	44-0103-0-1-506	109,736
TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE			109,736
TOTAL FEDERAL AWARDS			$ **23,356,594**
Reconciling items:			
Federal Direct loans advanced to students			5,944,874
Perkins loans outstanding			209,345
Perkins loans advanced to students			-
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ **29,510,813**

Note 1:

The schedule of expenditures of federal awards is prepared on the accrual basis of accounting. The College did not use the 10% de minimums indirect cost rate as allowed by the Uniform Guidance

Note 2:

Perkins loans outstanding at June 30, 2019 totaled $209,345.

Note 3:

During the fiscal year ended June 30, 2019, there were no federal funds available in the form of non-cash assistance.

Note 4:

The Schedule of Expenditures of Federal Awards includes negative expenditures. These amounts represent funds returned for program years outside of the current program year.

Schedule of Findings and Questioned Costs
Year Ended June 30, 2018

Section A - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting: Material weakness reported?	No
Significant deficiencies reported?	None noted
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major federal programs: Material weakness reported?	No
Significant deficiencies reported?	No
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (a)?	No

Identification of major federal program and type of auditor's report issued on compliance for major federal programs:

CFDA Numbers	Name of Federal Program or Cluster	Opinion
Various	Student Financial Aid Cluster	Unmodified

Dollar threshold used to distinguish between type A and type B programs:	$750,000
Auditee qualified as low-risk auditee?	Yes

Schedule of Findings and Questioned Costs
Year Ended June 30, 2018

Section B – Financial Statement Findings

None Noted

Section C – Federal Award Findings and Questioned Costs

None Noted

Section D – Findings - Component Units

Status of Prior Year Audit Findings

Status of Prior Year Audit Findings	Current Status
Section D - Findings - Component Units	
2018-001 Restatement (Material Weakness)	Resolved

Exit Conference

An exit conference was held in a closed session on October 28, 2019, to discuss the audit report and current and prior year auditor's comments. The parties agreed to the factual accuracy of the comments contained herein. In attendance were the following individuals:

Representing the Governing Board of the Central New Mexico Community College

Thomas E. Swisstack	Chair CNM Governing Board Audit Committee
Pauline J. Garcia	Governing Board Member
Michael J. Glennon	Governing Board Member

Representing Central New Mexico Community College

Dr. Katharine Winograd	President
Tracy Hartzler	Vice President Finance & Operations
Samantha Sengel	Vice President Advancement & Enrollment Strategy
Dr. Eugene Padilla	Vice President Student Services
Erin Bradshaw	Governing Board Executive Assistant
Allen Leatherwood	Director of Internal Audit
Mark Lovato	Senior Internal Auditor
Lisa Archuleta	Senior Internal Auditor
Wanda Helms	Comptroller
Wencui Yang	Senior Accounting Advisor/Audit Coordinator

Representing MP Group Inc.

Scott Peck	Partner

Representing New Mexico State Auditor's Office

Lynette Kennard	Financial Audit Director
Liza Kerr	Audit Manager