

STATE OF NEW MEXICO ALAMOGORDO PUBLIC SCHOOLS

**Financial Statements and
Supplementary Information**

June 30, 2021



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**OFFICIAL ROSTER
JUNE 30, 2021**

STATE OF NEW MEXICO ALAMOGORDO PUBLIC SCHOOLS

BOARD OF EDUCATION

ANGELA CADWALLADER

President

RYAN SHERWOOD

Vice President

CAROL TEWELEIT

Secretary

JUDY RABON

Member

ANTHONY TORRES

Member

COLONEL BRYAN CALLAHAN

Holloman Air Force Base Ex Officio Member

ADMINISTRATIVE OFFICIALS

JERRETT PERRY

Superintendent

CARA MALONE

Deputy Superintendent of Teaching and Learning

COLLEEN TAGLE

Deputy Superintendent of Human Resources and Support Services

BRYAN RUNYAN

Contract Business Manager





FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

JAG JARAMILLO
ACCOUNTING
GROUP

CREATING CLARITY FROM COMPLEXITY



INDEPENDENT AUDITOR'S REPORT

The Board of Education
Alamogordo Public Schools
Alamogordo, New Mexico

and

Mr. Brian Colón, Esq.
New Mexico State Auditor
Santa Fe, New Mexico

REPORT ON FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of the Alamogordo Public Schools (the District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

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 District's internal control. Accordingly, we express no such opinion.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

OPINIONS

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District of June 30, 2021, and the respective changes in financial positions thereof and the respective budgetary comparisons for the general fund and the major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

OTHER MATTERS

Required Supplementary Information

Management has omitted the *Management Discussion and Analysis* that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for the placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basis financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the Required Supplementary Information on pages 51 - 54 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 District's basic financial statements. The combining and individual nonmajor fund financial statements, the Schedule of Expenditures of Federal Awards as required by Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the schedules required by NMAC 2.2.2 (Combining Statement of Fiduciary Net Position – Fiduciary Funds, Combining Statement of Changes in Fiduciary Net Position – Fiduciary Funds, Schedule of Collateral Pledged by Depository for Public Funds, Schedule of Cash and Temporary Investments Accounts, and Schedule of Cash Reconciliation), other information, such as the Introductory Section and the Corrective Action Plan, which are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the Schedule of Expenditures of Federal Awards, and the schedules required by NMAC 2.2.2 (Combining Statement of Fiduciary Net Position – Fiduciary Funds, Combining Statement of Changes in Fiduciary Net Position – Fiduciary Funds, Schedule of Collateral Pledged by Depository for Public Funds, Schedule of Cash and Temporary Investments Accounts, and Schedule of Cash Reconciliation), are the responsibility of management and were derived from and relate directly to the

underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the Schedule of Expenditures of Federal Awards, and the schedules required by NMAC 2.2.2 (Combining Statement of Fiduciary Net Position – Fiduciary Funds, Combining Statement of Changes in Fiduciary Net Position – Fiduciary Funds, Schedule of Collateral Pledged by Depository for Public Funds, Schedule of Cash and Temporary Investments Accounts, and Schedule of Cash Reconciliation), are fairly stated in all material respects in relation to the basic financial statements as a whole.

The Introductory Section and Corrective Action Plan have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Jaramillo Accounting Group LLC (JAG)
Albuquerque, New Mexico
November 15, 2021

Basic Financial Statements

STATEMENT OF NET POSITION

JUNE 30, 2021

	Governmental Activities
ASSETS	
Current assets	
Cash and cash equivalents	\$ 9,683,268
Receivables	4,302,261
Inventory and other assets	86,226
Total current assets	14,071,755
Non-current assets	
Restricted cash	21,298,239
Capital assets, net	97,399,545
Total non-current assets	118,697,784
Total assets	132,769,539
DEFERRED OUTFLOWS OF RESOURCES	
Related to pensions	103,446,180
Related to OPEB	8,561,016
Total deferred outflows of resources	112,007,196
LIABILITIES	
Current Liabilities	
Accounts payable and accrued liabilities	3,885,850
Accrued interest	341,982
Accrued compensated absences	400,387
Bonds payable, current	3,900,000
Total current liabilities	8,528,219
Non-current Liabilities	
Accrued compensated absences	30,568
Bonds payable, long-term	34,860,000
Bond premium, net	1,755,824
Net pension liability	216,709,240
Net OPEB liability	29,724,070
Total non-current liabilities	283,079,702
Total liabilities	291,607,921
DEFERRED INFLOWS OF RESOURCES	
Related to pensions	1,350,811
Related to OPEB	10,901,061
Total deferred inflows of resources	12,251,872
NET POSITION	
Net investment in capital assets	56,883,721
Restricted for	
Debt service	5,670,260
Capital projects	20,858,847
Special revenue	1,090,623
Other	858
Unrestricted (deficit)	(143,587,367)
Total net position (deficit)	\$ (59,083,058)

See Accompanying Notes.

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government					
Governmental activities					
Instruction	\$ 82,736,248	\$ -	\$ 11,559,921	\$ -	\$ (71,176,327)
Support services					
Students	7,163,731	20,139	-	-	(7,143,592)
Instruction	4,190,695	-	-	-	(4,190,695)
General administration	2,662,043	-	-	-	(2,662,043)
School administration	3,063,022	-	-	-	(3,063,022)
Other support services	-	-	-	-	-
Central services	3,470,646	-	-	-	(3,470,646)
Operation & maintenance of plant	10,768,836	-	-	6,712,192	(4,056,644)
Student transportation	1,592,371	-	1,094,618	-	(497,753)
Food services operation	3,203,479	11,169	3,253,053	-	60,743
Interest/amortization and bond cost on long-term debt	<u>1,118,742</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,118,742)</u>
Total primary government	<u>\$ 119,969,813</u>	<u>\$ 31,308</u>	<u>\$ 15,907,592</u>	<u>\$ 6,712,192</u>	<u>(97,318,721)</u>

Property taxes	
Levied for general purposes	333,204
Levied for debt service	5,458,358
Levied for capital projects	2,958,359
State Equalization Guarantee	44,865,694
Remittal of cash balances to PED	(4,553)
Miscellaneous	<u>286,949</u>
Total general revenues	<u>53,898,011</u>
Change in net position (deficit)	(43,420,710)
Net position - beginning (deficit)	<u>(15,662,348)</u>
Net position - ending (deficit)	<u>\$ (59,083,058)</u>

See Accompanying Notes.

**BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2021**

	Operational Funds			
	11000	13000	14000	24101
	General	Pupil Transportation	Instructional Materials	Title I IASA
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 2,856,865	\$ 58,889	\$ 378	\$ -
Accounts receivable				
Taxes	20,317	-	-	-
Due from other governments	-	-	-	1,746,104
Other	505	-	-	-
Interfund receivables	3,447,564	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	81,256	-	-	-
Total assets	\$ 6,406,507	\$ 58,889	\$ 378	\$ 1,746,104
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Current Liabilities				
Accounts payable	\$ 122,588	\$ 9	\$ -	\$ -
Accrued payroll liabilities	2,740,565	58,400	-	117,936
Interfund payables	-	-	-	1,628,168
Total liabilities	2,863,153	58,409	-	1,746,104
DEFERRED INFLOWS OF RESOURCES				
Unearned revenue - property taxes	12,807	-	-	-
FUND BALANCES				
Nonspendable	81,256	-	-	-
Restricted	-	480	378	-
Unassigned	3,449,291	-	-	-
Total fund balances	3,530,547	480	378	-
Total liabilities, deferred inflows and fund balances	\$ 6,406,507	\$ 58,889	\$ 378	\$ 1,746,104

See Accompanying Notes.

BALANCE SHEET – GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2021

	24106	31100	41000	Other	Total
	IDEA-B	Bond		Governmental	Governmental
	Entitlement	Building	Debt Service	Funds	Funds
ASSETS					
Current Assets					
Cash and cash equivalents	\$ -	\$ 17,575,357	\$ 5,468,583	\$ 5,021,435	\$ 30,981,507
Accounts receivable					
Taxes	-	-	321,107	177,952	519,376
Due from other governments	274,496	-	-	1,761,780	3,782,380
Other	-	-	-	-	505
Interfund receivables	-	-	-	-	3,447,564
Prepaid expenditures	-	-	-	4,970	4,970
Inventory	-	-	-	-	81,256
Total assets	<u>\$ 274,496</u>	<u>\$ 17,575,357</u>	<u>\$ 5,789,690</u>	<u>\$ 6,966,137</u>	<u>\$ 38,817,558</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Current Liabilities					
Accounts payable	\$ -	\$ 386,651	\$ -	\$ 162,298	\$ 671,546
Accrued payroll liabilities	54,176	-	-	243,227	3,214,304
Interfund payables	220,320	-	-	1,599,076	3,447,564
Total liabilities	<u>274,496</u>	<u>386,651</u>	<u>-</u>	<u>2,004,601</u>	<u>7,333,414</u>
DEFERRED INFLOWS OF RESOURCES					
Unearned revenue - property taxes	-	-	204,280	110,952	328,039
FUND BALANCES					
Nonspendable	-	-	-	4,970	86,226
Restricted	-	17,188,706	5,585,410	4,845,614	27,620,588
Unassigned	-	-	-	-	3,449,291
Total fund balances	<u>-</u>	<u>17,188,706</u>	<u>5,585,410</u>	<u>4,850,584</u>	<u>31,156,105</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 274,496</u>	<u>\$ 17,575,357</u>	<u>\$ 5,789,690</u>	<u>\$ 6,966,137</u>	<u>\$ 38,817,558</u>

See Accompanying Notes.

**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2021**

	Governmental Funds
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Fund balances - total governmental funds	\$ 31,156,105
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	97,399,545
Defined benefit pension and OPEB plan deferred outflows are not financial resources and, therefore, are not reported in the funds.	112,007,196
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:	
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be unearned revenue in the fund financial statements, but are considered revenue in the Statement of Activities.	328,039
Accrued Interest	(341,982)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:	
Net pension liability	(216,709,240)
Net OPEB liability	(29,724,070)
Accrued compensated absences	(430,955)
General obligation bonds	(38,760,000)
Bond premiums	(1,755,824)
Defined benefit pension and OPEB plans deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(12,251,872)</u>
Net Position (Deficit) - Total Governmental Activities	<u>\$ (59,083,058)</u>

See Accompanying Notes.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	Operational Fund		
	11000 General	13000 Pupil	14000 Instructional
REVENUES			
Property taxes	\$ 332,460	\$ -	\$ -
State grants	45,178,120	1,094,618	-
Federal grants	1,192,720	-	-
Miscellaneous	268,521	2,559	378
Interest	-	-	-
Total revenues	<u>46,971,821</u>	<u>1,097,177</u>	<u>378</u>
EXPENDITURES			
Current			
Instruction	27,588,122	-	24,155
Support services			
Students	4,896,512	-	-
Instruction	913,968	-	-
General administration	2,036,633	-	-
School administration	2,981,950	-	-
Central services	3,341,803	-	-
Operation & maintenance of plant	6,776,449	-	-
Student transportation	11,878	1,101,250	-
Other support services	-	-	-
Food services operations	-	-	-
Capital outlay	6,151	-	-
Debt service			
Costs of issuance	-	-	-
Principal	-	-	-
Interest	-	-	-
Total expenditures	<u>48,553,466</u>	<u>1,101,250</u>	<u>24,155</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,581,645)</u>	<u>(4,073)</u>	<u>(23,777)</u>
Other financing sources			
Remittal of cash balances to PED	-	(4,553)	-
Operating transfers	-	-	-
Bond underwriter premium	-	-	-
Proceeds from bond issues	-	-	-
Total other financing sources	<u>-</u>	<u>(4,553)</u>	<u>-</u>
Net changes in fund balances	(1,581,645)	(8,626)	(23,777)
Fund balances, beginning of year	<u>5,112,192</u>	<u>9,106</u>	<u>24,155</u>
Fund balances, end of year	<u>\$ 3,530,547</u>	<u>\$ 480</u>	<u>\$ 378</u>

See Accompanying Notes.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
(CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	24101 Title I IASA	24106 IDEA-B	31100 Bond Building
REVENUES			
Property taxes	\$ -	\$ -	\$ -
State grants	-	-	-
Federal grants	2,753,207	1,434,104	-
Miscellaneous	-	-	1,388
Interest	-	-	7,912
Total revenues	2,753,207	1,434,104	9,300
EXPENDITURES			
Current			
Instruction	1,855,402	1,014,494	-
Support services			
Students	191,579	332,434	-
Instruction	599,201	-	-
General administration	61,099	87,176	-
School administration	561	-	-
Central services	50,775	-	-
Operation & maintenance of plant	-	-	-
Student transportation	-	-	-
Other support services	-	-	-
Food services operations	-	-	-
Capital outlay	-	-	2,600,696
Debt service			
Costs of issuance	-	-	121,577
Principal	-	-	-
Interest	-	-	-
Total expenditures	2,758,617	1,434,104	2,722,273
Excess (deficiency) of revenues over (under) expenditures	(5,410)	-	(2,712,973)
Other financing sources			
Remittal of cash balances to PED	-	-	-
Operating transfers	-	-	-
Bond underwriter premium	-	-	205,883
Proceeds from bond issues	-	-	3,830,000
Total other financing sources	-	-	4,035,883
Net changes in fund balances	(5,410)	-	1,322,910
Fund balances, beginning of year	5,410	-	15,865,796
Fund balances, end of year	\$ -	\$ -	\$ 17,188,706

See Accompanying Notes.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
 (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2021

	41000 Debt Service	Other Funds	Total Funds
REVENUES			
Property taxes	\$ 5,425,964	\$ 2,968,320	\$ 8,726,744
State grants	-	8,001,586	54,274,324
Federal grants	-	7,831,123	13,211,154
Miscellaneous	-	34,308	307,154
Interest	1,398	1,793	11,103
Total revenues	<u>5,427,362</u>	<u>18,837,130</u>	<u>76,530,479</u>
EXPENDITURES			
Current			
Instruction	-	3,428,971	33,911,144
Support services			
Students	-	1,741,217	7,161,742
Instruction	-	267,622	1,780,791
General administration	54,180	395,361	2,634,449
School administration	-	80,511	3,063,022
Central services	-	51,373	3,443,951
Operation & maintenance of plant	-	363,303	7,139,752
Student transportation	-	261,269	1,374,397
Other support services	-	-	-
Food services operations	-	3,185,346	3,185,346
Capital outlay	-	9,022,239	11,629,086
Debt service			
Costs of issuance	-	-	121,577
Principal	4,065,000	-	4,065,000
Interest	997,165	-	997,165
Total expenditures	<u>5,116,345</u>	<u>18,797,212</u>	<u>80,507,422</u>
Excess (deficiency) of revenues over (under) expenditures	<u>311,017</u>	<u>39,918</u>	<u>(3,976,943)</u>
Other financing sources			
Remittal of cash balances to PED	-	-	(4,553)
Operating transfers	-	-	-
Bond underwriter premium	-	-	205,883
Proceeds from bond issues	-	-	3,830,000
Total other financing sources	<u>-</u>	<u>-</u>	<u>4,031,330</u>
Net changes in fund balances	311,017	39,918	54,387
Fund balances, beginning of year	5,274,393	4,810,666	31,101,718
Fund balances, end of year	<u>\$ 5,585,410</u>	<u>\$ 4,850,584</u>	<u>\$ 31,156,105</u>

See Accompanying Notes.

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

	Governmental Funds
Amounts reported for governmental activities in the Statement of Activities are different because:	
Net changes in fund balances - total governmental funds	\$ 54,387
<p>Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which depreciation exceeds capital outlays for the period.</p>	
Depreciation expense	(3,801,127)
Capital outlays	8,321,811
Loss on disposal of capital assets	(167,373)
<p>Revenues that do not provide current financial resources are not reported as revenues in the fund statements but are reporting in the Statement of Activities:</p>	
Change in unavailable revenue related to property tax receivable	23,177
<p>The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities:</p>	
Change in accrued interest payable	26,047
Change in accrued compensated absences	(84,589)
Bond proceeds	(3,830,000)
Principal payments on bonds	4,065,000
Premium on bond issuance	(205,883)
Amortization of bond premium	149,510
Contributions to pension plan subsequent to measurement date	4,838,943
Contributions to OPEB plan subsequent to measurement date	684,024
Pension income	(54,619,901)
OPEB income	<u>1,125,264</u>
Changes in Net Position - Total Governmental Activities	<u>\$ (43,420,710)</u>

See Accompanying Notes.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL - GENERAL FUND (11000)
 FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Property taxes	\$ 326,616	\$ 326,616	\$ 334,981	\$ (8,365)
State grants	50,223,130	44,605,966	45,178,120	(572,154)
Federal grants	1,478,587	1,478,587	1,192,720	285,867
Miscellaneous	-	131,012	268,408	(137,396)
Interest	-	-	-	-
Total revenues	<u>52,028,333</u>	<u>46,542,181</u>	<u>46,974,229</u>	<u>(432,048)</u>
EXPENDITURES				
Current				
Instruction	34,365,307	29,016,987	27,579,327	1,437,660
Support services				
Students	5,310,437	5,465,269	4,896,512	568,757
Instruction	963,226	953,347	913,968	39,379
General administration	1,817,350	1,996,997	2,011,330	(14,333)
School administration	3,342,147	3,321,119	2,981,950	339,169
Central services	3,347,982	3,583,707	3,461,220	122,487
Operation & maintenance of plant	7,372,284	7,417,377	6,804,046	613,331
Student transportation	-	19,657	11,878	7,779
Other support services	24,931	24,931	-	24,931
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	6,151	(6,151)
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>56,543,664</u>	<u>51,799,391</u>	<u>48,666,382</u>	<u>3,133,009</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,515,331)</u>	<u>(5,257,210)</u>	<u>(1,692,153)</u>	<u>2,700,961</u>
Other financing sources				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>\$ (4,515,331)</u>	<u>\$ (5,257,210)</u>	<u>(1,692,153)</u>	<u>\$ 2,700,961</u>
Fund balances - beginning of year			5,278,976	
Fund balances - end of year			<u>\$ 3,586,823</u>	
Reconciliation to GAAP Basis				
Adjustments to revenues			(2,408)	
Adjustments to expenditures			112,916	
Changes in fund balances			<u>\$ (1,581,645)</u>	

See Accompanying Notes.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL – PUPIL TRANSPORTATION FUND (13000)
 FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
State grants	\$ 1,155,059	\$ 1,094,618	\$ 1,094,618	\$ -
Federal grants	-	-	-	-
Miscellaneous	-	2,070	2,559	(489)
Interest	-	-	-	-
Total revenues	<u>1,155,059</u>	<u>1,096,688</u>	<u>1,097,177</u>	<u>(489)</u>
EXPENDITURES				
Student transportation	<u>1,155,059</u>	<u>1,101,241</u>	<u>1,101,241</u>	<u>-</u>
Total expenditures	<u>1,155,059</u>	<u>1,101,241</u>	<u>1,101,241</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(4,064)</u>	<u>(489)</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(4,064)</u>	<u>\$ (489)</u>
Fund balances - beginning of year			<u>9,711</u>	
Fund balances - end of year			<u>\$ 5,647</u>	
Reconciliation to GAAP Basis				
Remittance to PED			(4,553)	
Adjustments to revenues			-	
Adjustments to expenditures			<u>(9)</u>	
Changes in fund balances			<u>\$ (8,626)</u>	

See Accompanying Notes.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL – INSTRUCTIONAL MATERIALS FUND (14000)
 FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
State grants	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	378	(378)
Total revenues	<u>-</u>	<u>-</u>	<u>378</u>	<u>(378)</u>
EXPENDITURES				
Current				
Instruction	-	24,155	24,155	-
Total expenditures	<u>-</u>	<u>24,155</u>	<u>24,155</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(24,155)</u>	<u>(23,777)</u>	<u>(378)</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ (24,155)</u>	<u>(23,777)</u>	<u>\$ (378)</u>
Fund balances - beginning of year			<u>24,155</u>	
Fund balances - end of year			<u>\$ 378</u>	
Reconciliation to GAAP Basis				
Adjustments to revenues			-	
Adjustments to expenditures			<u>-</u>	
Changes in fund balances			<u>\$ (23,777)</u>	

See Accompanying Notes.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL – TITLE I IASA (24101)
 FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Federal grants	\$ 2,286,252	\$ 3,210,665	\$ 2,086,479	\$ 1,124,186
Total revenues	<u>2,286,252</u>	<u>3,210,665</u>	<u>2,086,479</u>	<u>1,124,186</u>
EXPENDITURES				
Current				
Instruction	1,052,333	2,077,825	1,855,402	222,423
Support services				
Students	236,135	236,635	191,579	45,056
Instruction	713,199	599,199	599,201	(2)
General administration	157,480	219,601	61,099	158,502
School administration	74,179	24,479	561	23,918
Central services	52,926	52,926	50,775	2,151
Total expenditures	<u>2,286,252</u>	<u>3,210,665</u>	<u>2,758,617</u>	<u>452,048</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(672,138)</u>	<u>672,138</u>
Other financing sources				
Operating transfers	-	74,025	-	(74,025)
Total other financing sources	<u>-</u>	<u>74,025</u>	<u>-</u>	<u>(74,025)</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ 74,025</u>	<u>(672,138)</u>	<u>\$ 598,113</u>
Fund balances - beginning of year			(1,073,966)	
Fund balances - end of year			<u>\$ (1,746,104)</u>	
Reconciliation to GAAP Basis				
Adjustments to revenues			666,728	
Adjustments to expenditures			-	
Changes in fund balances			<u>\$ (5,410)</u>	

See Accompanying Notes.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL – IDEA B (24106)
 FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Federal grants	\$ 1,907,323	\$ 1,780,450	\$ 2,671,487	\$ (891,037)
Total revenues	<u>1,907,323</u>	<u>1,780,450</u>	<u>2,671,487</u>	<u>(891,037)</u>
EXPENDITURES				
Current				
Instruction	1,500,165	1,353,993	1,014,494	339,499
Support services				
Students	372,158	332,609	332,434	175
Instruction			-	-
General administration	35,000	93,848	87,176	6,672
School administration	-	-	-	-
Central services	-	-	-	-
Total expenditures	<u>1,907,323</u>	<u>1,780,450</u>	<u>1,434,104</u>	<u>346,346</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>1,237,383</u>	<u>(1,237,383)</u>
Other financing sources				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>1,237,383</u>	<u>\$ (1,237,383)</u>
Fund balances - beginning of year			<u>(1,511,878)</u>	
Fund balances - end of year			<u>\$ (274,495)</u>	
Reconciliation to GAAP Basis				
Adjustments to revenues			(1,237,383)	
Adjustments to expenditures			<u>-</u>	
Changes in fund balances			<u>\$ -</u>	

See Accompanying Notes.

STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS
 JUNE 30, 2021

	Custodial Funds
ASSETS	
Cash and cash equivalents	\$ 673,038
Total assets	<u>\$ 673,038</u>
LIABILITIES	
Accounts payable	\$ 540
Accrued payroll liabilities	<u>261</u>
Total liabilities	<u>801</u>
NET POSITION	
Restricted for student organizations	<u>672,237</u>
Total net position	<u>672,237</u>
Total liabilities and net position	<u>\$ 673,038</u>

See Accompanying Notes.

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Custodial Funds</u>
Additions	
Charges for services	\$ 94,951
Contributions	16,655
Investment income	<u>629</u>
Total additions	<u>112,235</u>
Deductions	
Current	
Instruction	169,634
Support services	
Students	<u>1,093</u>
Total deductions	<u>170,727</u>
Change in net position	<u>(58,492)</u>
Net position, beginning of year, as originally stated	<u>-</u>
Implementation of new accounting standard (Note 16)	<u>730,729</u>
Net position, beginning of year, as restated	<u>730,729</u>
Net position - end of year	<u>\$ 672,237</u>

See Accompanying Notes.

Notes to Financial Statements

JUNE 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Alamogordo Public Schools (the District) is a special purpose government corporation governed by an elected five-member Board of Education. The Board of Education is the basic level of government, which has oversight, responsibility and control over the activities related to the public school education of the City of Alamogordo. The District is responsible for all activities related to public elementary and secondary school education within its jurisdiction. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

The Board is authorized to establish policies and regulations for its own government, consistent with the laws of the State of New Mexico and the regulations of the Legislative Finance Committee. The Board is comprised of five members who are elected for terms of four years. The District operates 16 schools within the District, with a total enrollment of approximately 6,000 pupils. In conjunction with the regular educational programs, some of these schools offer special education. In addition, the Board provides transportation and school food services for the students.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standard Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of the District's accounting policies are described below.

A. REPORTING ENTITY

In evaluating how to define the District, for financial reporting purposes, management has considered all potential component units for which the District may be financially accountable and, as such, should be included within the District's financial statements. The District (the primary government) is financially accountable if (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the District. Organizations for which the District is not financially accountable are also included when doing so is necessary in order to prevent the District's financial statements from being misleading. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statement No. 14, as amended by GASB Statements No. 39 and 61. Blended component units, although legally separate entities, are in substance part of the government's operations. Discretely presented Component Units are reported in separate columns in the government-wide financial statements to emphasize that it is legally separate from the government.

The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens. A third criterion used to evaluate potential component units

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. REPORTING ENTITY (CONTINUED)

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

Based upon the application of these criteria, the District has no component units and is not a component unit of another governmental agency.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

GASB No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB No. 65, *Items Previously Reported as Assets and Liabilities*, amend GASB No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis for State and Local Governments*, to incorporate deferred outflows of resources and deferred inflows of resources in the financial reporting model.

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

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

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

In the government-wide Statement of Net Position, the governmental activities column is presented on a consolidated basis by column and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District’s net position is reported in three parts: net investment in capital assets, restricted net position, and unrestricted net position.

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

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

The fiduciary funds are presented using the economic resources measurement focus. Fiduciary funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the District holds for others in a custodial capacity.

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

The District reports the following major governmental funds:

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (CONTINUED)

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

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

The IDEA B Entitlement Fund (24106) is used to account for revenue used to help maximize the resources in meeting the objective of handicapped children. The federal revenues in this fund are received from and administered by the New Mexico Department of Education. Authority for the creation of this fund is Part B of the Handicapped Act, Public Law 105-17. No minimum balance required according to legislation.

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

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

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

Debt Service (41000) – These funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

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

Additionally, the District reports the following fund types:

The Fiduciary Funds are used to report assets held in a trustee or custodial capacity for others that cannot be used to support the government's own programs. Fiduciary funds account for assets held by the District for individuals or student organizations.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (CONTINUED)

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

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

Private-sector standards of accounting and financial reporting issued prior to November 30, 1989, generally are followed in both the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The District has elected not to follow subsequent private-sector guidance.

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

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed. The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. The District does not currently employ indirect cost allocation systems. Depreciation expense is specifically identified by function and is included in the direct expense of each function, except for that portion of depreciation that is identified as unallocated on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Deposits and Investments: The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Money market investments and participating interest-earning investment contracts that have a remaining maturity at the time of purchase of one year or less and are held by governments other than external investment pools should be measured at amortized cost as provided in paragraph 9 of GASB No. 72.

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (CONTINUED)

Receivables and Payables: Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. There is no allowance for doubtful account in the current year. The District receives monthly income from a tax levy in Otero County. The funds are collected by the County Treasurer and are remitted to the School District the following month. Under the modified accrual method of accounting, the amount remitted by the County Treasurer in July and August 2020 is considered “measurable and available” and, accordingly, is recorded as revenue in the governmental fund statements during the year ended June 30, 2021. Period of availability is deemed to be 60 days subsequent to year end.

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

Inventory: The District’s method of accounting for inventory is the consumption method. Under the consumption approach, governments report inventories they purchase as an asset and defer the recognition of the expenditures until the period in which the inventories actually are consumed. Inventory is valued at cost and consist of non-food supplies.

Beginning in fiscal year 2020, food service operations are managed by a food service contractor, who purchases all food and food supplies for the District. The cost of purchased food and USDA commodities is recorded as a credit on contractor billing to the District. Commodities consumed in this manner during the year are reported as revenues and expenditures.

Capital Assets: Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000, per Section 12-6-10 NMSA 1978, and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets received prior to June 15, 2016 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 15, 2016 are recorded at acquisition value. Information Technology Equipment, including software, is being capitalized and included in furniture, fixtures, and equipment in accordance with NMAC 2.20.1.9 C (5). The District was a Phase II government for purposes of implementing GASB Statement No. 34. However, the District does not have any infrastructure assets to report.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (CONTINUED)

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

Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets (retroactive to 1979) are to be included as part of the governmental capital assets reported in the government-wide financial statements. However, infrastructure assets have not been included in the June 30, 2021 financial statements of the District since the District did not own any infrastructure assets as of June 30, 2021. Information technology equipment, including software, is being capitalized and included in furniture and equipment as the District did not maintain internally-developed software. The District expenses the cost of library books when purchased. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Construction projects paid for by the Public School Capital Outlay Council are included in the District’s capital assets.

Capital expenditures made on the District’s building construction projects by the New Mexico Public School Facilities Authority have been recorded as a revenue and expenditure in the fund financial statements and have been included as capital assets in the District’s government-wide financial statements.

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

Land Improvements	20-50 years
Buildings and improvements	20-50 years
Furniture, fixtures, & equipment	5-10 years

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

Deferred Inflows of Resources: In addition to liabilities, the balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Revenue must be susceptible to accrual (measurable and available to finance expenditures of the current fiscal period) to be recognized. If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding liability for deferred inflows of resources. The District has two types of items which arise under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue-property taxes is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In addition, the District has pension-related deferred inflows of resources items that qualify for reporting in this category.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (CONTINUED)

Unearned Revenues: The District recognizes grant revenue at the time the related expense is made if the expenditure of funds is the prime factor for determining eligibility for reimbursement; therefore, amounts received and not expended in the Special Revenue Funds are shown as unearned revenues. Amounts receivable from the property taxes levied for the current year that are not considered to be “available” under the current financial resource’s measurement focus are reported as unearned revenues in the governmental fund financial statements.

Compensated Absences: It is the District’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Twelve-month employees may accumulate up to 20 days of vacation leave; any leave beyond these limits must be used by June 30 of the current contract year unless carryover approval is obtained from the Superintendent. Qualified employees are entitled to accumulate sick leave. There is no limit to the amount of sick leave which an employee may accumulate; however, upon termination, sick leave is not paid out to the employee. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they are matured, for example, as a result of employee resignations and retirements. In the past, the liability has been paid from the general fund.

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

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

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

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

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

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (CONTINUED)

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

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

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

Minimum Fund Balance Policy: The District's policy for maintaining a minimum amount of fund balance for operations is to minimize any sudden and unplanned discontinuity to programs and operations and for unforeseen contingencies. At a minimum, the budget shall ensure that the District holds cash reserves of 5% of the general fund cash balance.

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

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

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

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

Unrestricted Net Position: All other net position that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (CONTINUED)

Pensions: For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the New Mexico 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 the ERB; on the economic resource's measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Post-employment Benefits Other Than Pensions (OPEB): For purposes of measuring the net 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 Plan (ERP) and additions to/deductions from ERP's fiduciary net position have been determined on the same basis as they are reported by ERP. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

E. REVENUES

State Equalization Guarantee: School districts in the State of New Mexico receive a 'state equalization guarantee distribution' which is defined as "that amount of money distributed to each school district to ensure that the school district's operating revenue, including its local and federal revenues as defined (Article 8, Section 22-8-25, NMSA 1978) is at least equal to the school district's program costs."

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education, 2) basic education, 3) special education, 4) bilingual-multicultural education, 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance.

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

Tax notices are sent to property owners by November 1 of each year to be paid in whole or in two installments by November 10 and April 10 of each year. Otero County collects County, City and School taxes and distributes them to each fund once per month, except in June when the taxes are distributed twice to close out the fiscal year.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. REVENUES (CONTINUED)

Instructional Materials: The New Mexico Public Education Department (PED) receives federal material leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, 70% is restricted to the requisition of materials listed in the State Board of Education “State Adopted Instructional Material” list, while 30% of each allocation is available for purchases directly from vendors.

SB-9 State Match: The Director shall distribute to any school district that has imposed a tax under the Public School Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978) an amount from the public school capital improvements fund that is equal to the amount by which the revenue estimated to be received from the imposed tax as specified in Subsection B of Section 22-25-3 NMSA 1978, assuming a 100% collection rate, is less than an amount calculated by multiplying the product obtained by the rate imposed in the District under the Public School Capital Improvements Act. The distribution shall be made by December 1 of each year that the tax is imposed in accordance with Section 22-25-3 NMSA 1978. However, in the event that sufficient funds are not available in the public school capital improvement funds to make the state distribution provided for in this section, the dollar per program unit figure shall be reduced as necessary.

Public School Capital Outlay: The public school capital outlay fund was created under the provisions of Chapter 22, Article 24, NMSA 1978. The money in the fund may be used for: capital expenditures deemed by the public school capital outlay council to be necessary for an adequate educational program per Section 22-24-4(B); core administrative functions of the public school facilities authority and for project management expenses upon approval of the council per Section 22-24-2(G); and for the purpose of demolishing abandoned school district facilities, upon application by a school district to the council, per Section 22-24-4(L).

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

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

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

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

These budgets are prepared on the non-GAAP cash basis, excluding encumbrances, and secure appropriation of funds for only one year and reconciled to the modified accrual GAAP financial statements. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year. Because the budget process in the State of New Mexico requires that the beginning cash balance be appropriated in the budget of the subsequent fiscal year, such appropriated balance is legally restricted and is, therefore, presented as restricted fund balance.

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

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

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

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

1. In April or May, the local Board submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department (PED) a proposed operating budget for the ensuing fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets are submitted to the PED.
2. In May or June of each year, the proposed “operating” budget will be reviewed and approved by the DBPU and certified and approved by the local Board at a public hearing of which notice has been published by the local Board, which fixes the estimated budget for the school district for the ensuing fiscal year.
3. The Board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called.
4. The “operating” budget will be used by the District until they have been notified that the budget has been approved by the DBPU and the local Board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local Board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the DBPU.

The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board and the PED.

5. Budget change requests are processed in accordance with Supplement 1 (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the DBPU.
6. Legal budget control for expenditures is by function.
7. Appropriations lapse at fiscal year-end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year’s budget. The budget schedules included in the accompanying financial statements reflect the approved budget and the final budget.
8. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund, and Capital Projects Funds.
9. Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a cash basis and are reconciled on a GAAP basis. Encumbrances are treated the same way for GAAP purposes and for budget purposes.

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

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

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

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

The accompanying statements of revenues, expenditures and changes in fund balance – budget and actual present comparisons of the legally adopted budget with actual data on a budgetary basis and reconciled to the GAAP basis.

NOTE 3. DEPOSITS AND INVESTMENTS - CASH AND TEMPORARY INVESTMENTS

At June 30, 2021, \$35,255,803 of the District's bank balances of \$36,755,803 were exposed to custodial credit risk.

State statutes authorize the investment of District funds in a wide variety of instruments, including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the District properly followed State investment requirements as of June 30, 2021.

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

The rate of interest in nondemand interest-bearing accounts shall be set by the State Board of Finance, but in no case shall the rate of interest be less than 100% of the asking price on United States Treasury bills of the same maturity on the day of deposit.

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

All of the District's accounts at an insured depository institution, including all noninterest-bearing transaction accounts, are insured by the FDIC up to the standard maximum deposit insurance amount of \$250,000 for all deposit accounts out of state, and up to \$250,000 for all time and saving accounts, plus up to \$250,000 for all demand deposit accounts held at a single institution in state.

Custodial Credit Risk – Deposits: Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978).

At June 30, 2021, \$35,255,803 of the District's bank balances of \$36,755,803 were exposed to custodial credit risk. \$17,772,468 was uninsured and collateralized by collateral held by the pledging bank's trust department not in the District's name and \$17,483,335 was uninsured and uncollateralized.

NOTE 3. DEPOSITS AND INVESTMENTS - CASH AND TEMPORARY INVESTMENTS (CONTINUED)

	First American Bank	First National Bank	Wells Fargo Bank	Total
Deposits				
Checking	\$ 27,631,535	\$ 4,094,888	\$ 5,029,380	\$ 36,755,803
FDIC coverage	(250,000)	(250,000)	(1,000,000)	(1,500,000)
Total uninsured public funds	<u>27,381,535</u>	<u>3,844,888</u>	<u>4,029,380</u>	<u>35,255,803</u>
Collateral requirement (50% of uninsured public funds)	13,690,768	1,922,444	2,014,690	17,627,902
Pledged collateral held by pledging bank's trust department or agent but not in agency's name	<u>14,073,568</u>	<u>3,380,006</u>	<u>318,894</u>	<u>17,772,468</u>
Total over (under) collateralized	<u>\$ 382,801</u>	<u>\$ 1,457,562</u>	<u>\$ (1,695,796)</u>	<u>\$ 144,567</u>
Uninsured and uncollateralized	<u>\$ 13,307,967</u>	<u>\$ 464,882</u>	<u>\$ 3,710,486</u>	<u>\$ 17,483,335</u>

The collateral pledged is listed on the Schedule of Pledged Collateral by Depository for Public Funds. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, district, or political subdivision of the State of New Mexico.

The District utilizes internal pooled accounts for certain programs and funds. Negative cash balances arise primarily from cost-reimbursement grants. Negative cash balances in individual funds that were part of the pooled accounts were reclassified as due to/from accounts in the combining balance sheet as of June 30, 2021. Funds 24101 through 25145 are federal funds and 27107 through 31700 are non-federal funds.

NOTE 3. DEPOSITS AND INVESTMENTS - CASH AND TEMPORARY INVESTMENTS (CONTINUED)

The following table presents the cash balances of negative cash funds before and after the reclassification of pooled cash from the General Fund (Fund 11000) as of June 30, 2021:

Fund	Funds with negative cash balances	Pooled cash reclassified from Fund 11000	Ending balance as reported
Fund 24101	\$ 1,628,168	\$ (1,628,168)	\$ -
Fund 24106	220,320	(220,320)	-
Fund 24109	13,537	(13,537)	-
Fund 24112	126,244	(126,244)	-
Fund 24133	7,883	(7,883)	-
Fund 24153	8,004	(8,004)	-
Fund 24154	733	(733)	-
Fund 24160	92,641	(92,641)	-
Fund 24174	57,107	(57,107)	-
Fund 24176	5,903	(5,903)	-
Fund 24189	37,465	(37,465)	-
Fund 24194	106,281	(106,281)	-
Fund 24301	272,333	(272,333)	-
Fund 24305	9,471	(9,471)	-
Fund 24307	20,000	(20,000)	-
Fund 24312	32,029	(32,029)	-
Fund 27107	10,112	(10,112)	-
Fund 27118	160,000	(160,000)	-
Fund 27130	7,231	(7,231)	-
Fund 27135	24,146	(24,146)	-
Fund 27149	420,857	(420,857)	-
Fund 27502	27,099	(27,099)	-
	<u>\$ 3,287,564</u>	<u>\$ (3,287,564)</u>	<u>\$ -</u>

Investments. As of June 30, 2021, the District did not have investments balances.

NOTE 3. DEPOSITS AND INVESTMENTS - CASH AND TEMPORARY INVESTMENTS (CONTINUED)

Reconciliation to the Statement of Net Position

The carrying amount of deposits and investments shown above are included in the District’s financial statements is as follows:

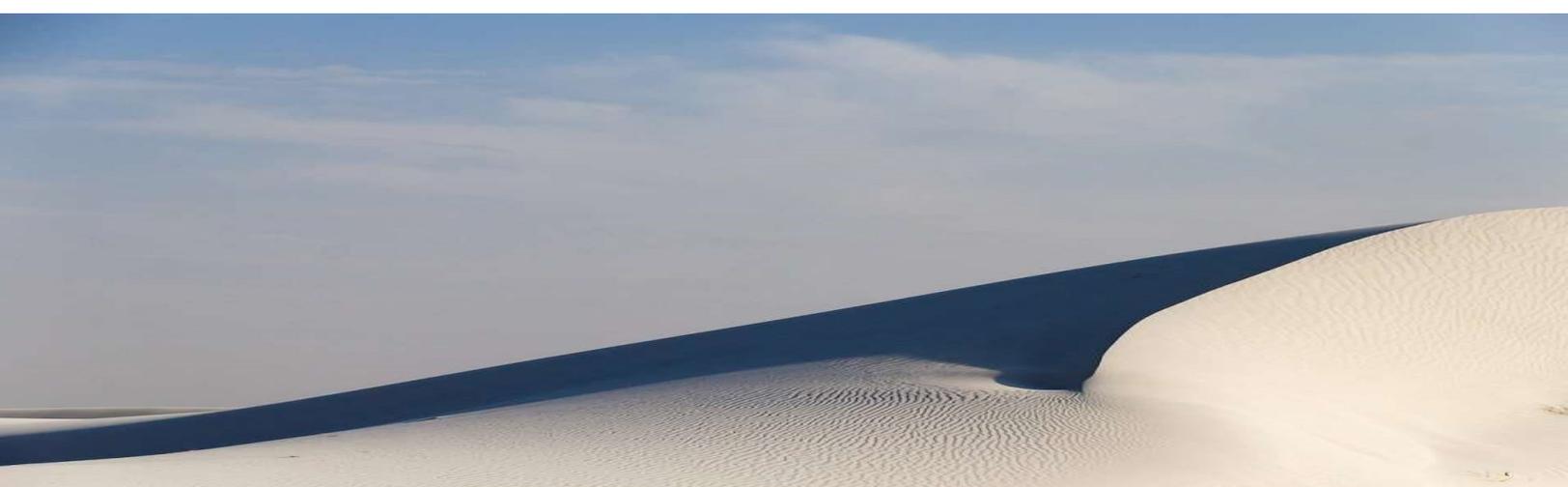
Government Funds - Balance Sheet	
Cash and cash equivalents	\$ 9,683,268
Restricted cash and cash equivalents	21,298,239
Statement of Fiduciary Net Position - Fiduciary Funds	
Cash and cash equivalents	<u>673,038</u>
Total cash and cash equivalents	31,654,545
Add: outstanding checks and other reconciling items	5,101,403
Less: petty cash	<u>(145)</u>
Bank balance of deposits	<u>\$ 36,755,803</u>

NOTE 4. RECEIVABLES

Receivables as of June 30, 2021 are as follows:

	Operational Fund	Title I	IDEA-B	Debt Service	Other Governmental	Total
Property taxes	\$ 20,317	\$ -	\$ -	\$ 321,107	\$ 177,952	\$ 519,376
Intergovernmental	-	1,746,104	274,496	-	1,761,780	3,782,380
Other	<u>505</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	505
	<u>\$ 20,822</u>	<u>\$1,746,104</u>	<u>\$ 274,496</u>	<u>\$ 321,107</u>	<u>\$ 1,939,732</u>	<u>\$ 4,302,261</u>

In accordance with GASB Statement No. 33, property tax revenues in the amount of \$328,038 that were not collected within the period of availability have been reclassified as deferred inflows of resources in the governmental fund financial statements. All of the above receivables are deemed to be fully collectible.



NOTE 5. INTERFUND RECEIVABLES AND PAYABLES

The District records temporary interfund receivables and payables to enable the funds to operate until grant monies are received. The composition of interfund balances as of June 30, 2021 is as follows:

	Receivables	Payables
Major Funds		
General Fund	\$ 3,447,564	\$ -
Title I	-	1,628,168
Entitlement IDEA-B	-	220,320
Nonmajor Funds		
Special Revenue Funds	-	1,599,076
Capital Funds	-	-
	<u>\$ 3,447,564</u>	<u>\$ 3,447,564</u>

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

NOTE 6. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2021 follows:

	Balance June 30, 2020	Additions	Deletions	Transfers	Balance June 30, 2021
Capital Assets not being depreciated					
Land	\$ 3,826,619	\$ -	\$ -	\$ -	\$ 3,826,619
Construction in process	1,077,947	6,056,474	-	-	7,134,421
Total capital assets not being depreciated	<u>4,904,566</u>	<u>6,056,474</u>	<u>-</u>	<u>-</u>	<u>10,961,040</u>
Capital Assets being depreciated					
Land improvements	3,963,501	-	-	-	3,963,501
Buildings and building improvements	160,888,696	1,349,919	-	-	162,238,615
Furniture, fixtures, vehicles and equipment	10,336,887	915,418	(181,186)	-	11,071,119
Total capital assets being depreciated	<u>175,189,084</u>	<u>2,265,337</u>	<u>(181,186)</u>	<u>-</u>	<u>177,273,235</u>
Accumulated depreciation					
Land improvements	(1,252,688)	(171,268)	-	-	(1,423,956)
Buildings and building improvements	(79,134,573)	(3,199,626)	-	-	(82,334,199)
Furniture, fixtures, vehicles, and equipment	(6,660,155)	(430,233)	13,813	-	(7,076,575)
Total accumulated depreciation	<u>(87,047,416)</u>	<u>(3,801,127)</u>	<u>13,813</u>	<u>-</u>	<u>(90,834,730)</u>
Net capital assets being depreciated	<u>88,141,668</u>	<u>(1,535,790)</u>	<u>(167,373)</u>	<u>-</u>	<u>86,438,505</u>
Government activities capital assets, net	<u>\$ 93,046,234</u>	<u>\$ 4,520,684</u>	<u>\$ (167,373)</u>	<u>\$ -</u>	<u>\$ 97,399,545</u>

NOTE 6. CAPITAL ASSETS (CONTINUED)

Depreciation expense for the year ended June 30, 2021 was charged to the following functions:

Depreciation expenses	
Instruction	\$ 777,029
Support services - Students	1,989
Support services - Instruction	2,409,904
Support services - General administration	27,594
Central Services	26,695
Operation & maintenance of plant	321,809
Student transportation	217,974
Food services	18,133
	<u>\$3,801,127</u>

NOTE 7. LONG-TERM DEBT

General obligation bonds are secured by and payable solely from the Debt Service Fund and the Ed Tech Debt Service Fund. General obligation bonds are direct obligations and pledge the full faith and credit of the District. These bonds are issued with varying terms and varying amounts of principal maturing each year. All general obligation bonds as of June 30, 2021 are for governmental activities.

Bonds outstanding at June 30, 2021 are comprised of the following:

Bond Series	Date of Issue	Date of maturity	Balance at June 30, 2021
Series 2009 GO Bonds	4/21/2009	8/1/2020	\$ -
Series 2011 GO Bonds	12/14/2010	8/1/2021	1,000,000
Series 2012 GO Bonds	4/18/2018	8/1/2031	4,000,000
Series 2013 GO Bonds	5/16/2012	8/1/2024	2,750,000
Series 2014 GO Bonds	3/26/2013	8/1/2025	3,600,000
Series 2015 GO Bonds	10/21/2014	8/1/2019	1,930,000
Series 2016 GO School Bonds	3/24/2015	8/1/2025	3,750,000
Series 2017 GO School Bonds	6/22/2016	8/1/2029	2,325,000
Series 2018 GO School Bonds	4/19/2017	8/1/2030	4,550,000
Series 2019 GO School Bonds	8/21/2019	8/1/2032	6,535,000
Series 2020 GO School Bonds	6/18/2020	8/1/2033	4,490,000
Series 2021 GO School Bonds	6/17/2021	8/1/2034	3,830,000
			<u>\$ 38,760,000</u>

NOTE 7. LONG-TERM DEBT (CONTINUED)

During the year ended June 30, 2021, the following changes occurred in the liabilities reported in the government-wide Statement of Net Position:

	Balance			Balance	Due Within
	June 30, 2020	Additions	Deletions	June 30, 2021	One Year
Bonds payable	\$38,995,000	\$ 3,830,000	\$ (4,065,000)	\$38,760,000	\$ 3,900,000
Compensated absences	346,366	289,244	(204,655)	430,955	400,387
Total	\$39,341,366	\$ 4,119,244	\$ (4,269,655)	\$39,190,955	\$ 4,300,387

Compensated Absences. Administrative employees of the District are able to accrue a limited amount of vacation and other compensatory time during the year. Included in the District’s sick leave policy is a provision that allows an employee who is eligible for retirement to receive a payout of their sick leave bank up to a maximum of 30 days at \$50 per day upon termination. At June 30, 2021, the amount accrued under this policy was \$42,611. At June 30, 2021, compensated absences increased \$84,589 from the prior year accrual.

In prior years, the General Fund was typically used to liquidate such long-term liabilities. See Note 1 for more details.

The annual requirements to amortize the General Obligation Bonds outstanding as of June 30, 2021, including interest payments, are as follows:

Fiscal Year	Principal		Interest	Total Debt
Ending June 30,				Service
2022	\$ 3,900,000	\$ 1,010,451	\$ 4,910,451	
2023	4,525,000	936,283	5,461,283	
2024	4,210,000	827,895	5,037,895	
2025	4,075,000	722,258	4,797,258	
2026	3,805,000	680,716	4,485,716	
2027-2031	13,735,000	2,308,175	16,043,175	
2032-2035	4,510,000	184,000	4,694,000	
	\$ 38,760,000	\$ 6,669,778	\$ 45,429,778	

NOTE 8. RISK MANAGEMENT

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

NOTE 8. RISK MANAGEMENT (CONTINUED)

The NMPSIA provides coverage for up to a maximum of \$750,000,000 for each property damage claim with a \$25,000 deductible per occurrence with a maximum annual deductible of \$100,000. General liability coverage is afforded to all employees, volunteers, and Board members, and the limit is subject to the NMSA Tort Claims Act on a per occurrence basis. The automobile and property liability limit is subject to the provisions of the Tort Claims Act. The crime limit is \$250,000 per occurrence for Faithful Performance. A limit of \$250,000 applies to Depositor's Forgery, Credit Card Forgery, and Money Orders. A limit of \$250,000 applies to Money and Securities, which include a \$750 deductible.

In case the NMPSIA's assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. As of June 30, 2021, there have been no claims that have exceeded insurance coverage.

NOTE 9. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

Plan description. The New Mexico Educational Retirement Act (ERA) was enacted in 1957. The act created the Educational Employees Retirement Plan (Plan) and, to administer it, the New Mexico Educational Retirement Board (NMERB). The Plan is included in NMERB's comprehensive annual financial report. The report can be found on NMERB's Web site at https://www.nmerb.org/Annual_reports.html.

The Plan is a cost-sharing, multiple-employer pension 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 state agencies providing educational programs. Additional tenets of the ERA can be found in Section 22-11-1 through 22-11-52, NMSA 1978, as amended.

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

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

Pension benefit. A member's retirement benefit is determined by a formula which includes three component parts: 1) the member's final average salary (FAS), 2) the number of years of service credit, and 3) a multiplier.

For members hired on or before June 30, 2019 (Tiers 1-3 members) the multiplier is 2.35%. For members hired after June 30, 2019 the multiplier accrues as follows:

Years of Service	Benefit Percentage Earned
1-10	1.35%
11-20	2.35%
21-30	3.35%
31 plus	2.40%

NOTE 9. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

FAS is the average of the member's fiscal annual earnings for the last 20 calendar service quarters (60 months) prior to retirement or the highest average fiscal annual earning for any 20 consecutive calendar quarters.

Summary of Plan Provisions for Retirement Eligibility.

Tier 1: Membership prior to July 1, 2010. 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.

Tier 2: Membership on or after July 1, 2010, but prior to July 1, 2013. Chapter 288, Laws of 2009 changed the eligibility requirements for new members who were first employed on or after July 1, 2010, but before July 1, 2013 — or before July 1, 2010, terminated employment, subsequently withdrew all contributions, and then becomes re-employed after July 1, 2010. These members must meet one of the following requirements:

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

Tier 3: Membership beginning on or after July 1, 2013. 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.

Tier 4: Membership beginning on or after July 1, 2019. Section 2-11-23.3, NMSA 1978, added eligibility requirements for new members who were first employed on or after July 1, 2019 — and had, before that date, been refunded all member contributions and had not restored all refunded contributions and interest before July 1, 2019. A member in this tier must meet one of the following requirements.

- The member's minimum age must be 58, and the member has earned 30 or more years of service credit. (A member who retires earlier than age 58, receives a reduction in benefits equal to the actuarial equivalent of retiring at age 58.)
- 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, receive reduced retirement benefits.)
- Or, the member's age is 67, and the member has earned 5 or more years of service credit.

NOTE 9. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

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

Benefit Options. The Plan has three benefit options available:

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

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

Cost of Living Adjustment (COLA). All retired members and beneficiaries receiving benefits may receive an adjustment in their benefit on July 1 following the year a member retires or July 1 following the year a member reaches the age below, whichever is later.

Membership	Age Eligible for COLA
Tier 1	65
Tier 2	65
Tier 3	67
Tier 4	67

If a member is eligible for a COLA, the amount depends on the annual change in the Consumer Price Index (CPI) and whether the fund is fully funded (that is, the fund’s funded ratio is 100%). Accordingly, if there is no increase in the CPI, or the CPI is negative, the amount of the COLA will be zero (if the CPI is negative, retirement benefits will not be decreased). When CPI has increased and the fund is fully funded, the COLA will be the same amount as the increase in the CPI except as follows: If the increase in the CPI is 2% or greater, the COLA will be one-half of the CPI increase, not to exceed 4% or to be less than 2%. However, while the fund is not fully funded, the COLA for retirees will be reduced based on the median annual retirement benefit, calculated after the end of each fiscal year:

NOTE 9. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

- When the funded ratio is 90% or less, the COLA for retirees whose annuity is at or below the median and who have 25 or more years of service credit at retirement will be reduced by 10%. For retirees whose annuity is either greater than the median or who have less than 25 years of service credit at retirement, the COLA will be reduced by 20%.
- When the funded ratio exceeds 90% but is less than 100%, the COLA for retirees whose annuity is at or below the median adjusted annuity and who had 25 or more years of service credit at retirement and will be reduced by 5%. For retirees whose annuity is either greater than the median or who have less than 25 years of service credit at retirement, the COLA will be reduced by 10%.

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

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

Contributions. For the fiscal years ended June 30, 2021 and 2020, educational employers contributed to the Plan based on the following rate schedule.

Fiscal Year	Date Range	Wage Category	Member Rate	Employer Rate	Combined Rate	Increase Over Prior Year
2021	7-1-20 to 6-30-21	Over \$24K	10.70%	14.15%	24.85%	0.25%
2021	7-1-20 to 6-30-21	\$24K or less	7.90%	14.15%	22.05%	0.25%
2020	7-1-19 to 6-30-20	Over \$24K	10.70%	14.15%	24.85%	0.25%
2020	7-1-19 to 6-30-20	\$24K or less	7.90%	14.15%	22.05%	0.25%

The contribution requirements are established in statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the New Mexico Legislature. For the fiscal years ended June 30, 2021 and 2020, the District paid employee and employer contributions of \$8,264,784 and \$8,490,917, respectively, which equal the amount of the required contributions for each fiscal year.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2021, the District reported a liability of \$216,709,240 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2020 using generally accepted actuarial principles. On April 17, 2020, NMERB’s Board of Trustees adopted new assumptions presented in the 2020 Actuarial Experience Study. Those new assumptions have been reflected in the roll-forward and in the projections used to determine the single discount rate.

The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating educational institutions at June 30, 2020, actuarially determined. At June 30, 2020, the District’s proportion was 1.06933%, which was an increase of 0.063% from its proportion measured as of June 30, 2020.

NOTE 9. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2021, the District recognized pension expense of \$54,619,901. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual actuarial experience	\$ 1,345,324	\$ 835,617
Changes of assumptions	86,837,244	-
Net difference between projected and actual earnings on pension plan investments	7,358,575	-
Changes in proportion and difference between contributions and proportionate share of contributions	3,066,094	515,194
Employer contributions subsequent to the measurement date	4,838,943	-
Total	<u>\$103,446,180</u>	<u>\$ 1,350,811</u>

\$4,838,943 reported as deferred outflows of resources related to pensions resulting from the District’s contributions subsequent to the measurement date – will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	
2021	\$ 38,268,010
2022	38,760,462
2023	17,976,687
2024	2,251,136
2025	-
Total	<u>\$ 97,256,295</u>

Actuarial assumptions. Actuarial assumptions and methods are set by the Plan’s Board of Trustees, based upon recommendations made by the Plan’s actuary. On April 17, 2020, the Board adopted the new assumptions presented in the 2020 Actuarial Experience Study.

The total pension liability in the June 30, 2019 actuarial valuation was determined using the following significant actuarial assumptions, applied to all periods included in the measurement:

NOTE 9. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Inflation	2.50%
Salary increases	3.25% composed of 2.50% inflation, plus a 0.75% productivity increase rate, plus a step-rate promotional increase for members with less than 10 years of service.
Investment rate of return	7.25% compounded annually, net of expenses. This is made up of a 2.50% inflation rate and a 4.75 real rate of return.
Mortality	<p>Healthy males: Based on the RP-2000 Combined Healthy Mortality Table with White Collar adjustments, not set back. Generational mortality improvements with Scale BB from the table’s base year of 2000.</p> <p>Healthy females: Based on GRS Southwest Region Teacher Mortality Table, set back one year. Generational mortality improvements in accordance with Scale BB from the table’s base year of 2012.</p>
Other Information	A new set of assumptions was adopted for the June 30, 2020 actuarial valuation. These new assumptions are reflected in the Total Pension Liability as of June 30, 2020 and will be reflected in the actuarially determined employer contribution for the fiscal year ending 2021. These assumptions can be found in the funding valuation as of June 30, 2020 or in the 2020 experience study.

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

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

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Equities	30%	
Fixed income	26%	
Alternatives	43%	
Cash	1%	
Total	100%	7.00%

Discount rate. A single discount rate of 3.89% was used to measure the total pension liability as of June 30, 2020. This is a 3.36% percent increase over the rate of 7.25% rate used in the prior measurement year. The 3.89% was based on a long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.45%. Based on the stated assumptions and the projection of cash flows, the pension plan’s fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2045. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2045 and the municipal bond rate was applied to all benefit payments after that date.

NOTE 9. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

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

Sensitivity of the District’s proportionate share of the net pension liability to changes in the discount rate. The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 3.89%, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.89%) or 1-percentage-point higher (4.89%) than the current rate.

	1 % Decrease <u>2.89%</u>	Current Discount Rate <u>3.89%</u>	1 % Increase <u>4.89%</u>
District's proportionate share of the net pension liability	\$ 273,680,206	\$ 216,709,240	\$ 170,872,394

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

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

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

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

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

NOTE 10. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN (CONTINUED)

Employees covered by benefit terms. At June 30, 2020, the Fund’s measurement date, the following State of New Mexico employees were covered by the benefit terms:

Plan membership	
Current retirees and surviving spouses	52,179
Inactive and eligible for deferred benefit	10,916
Current active members	<u>91,082</u>
	<u>154,177</u>
Active membership	
State general	17,097
State police and corrections	1,830
Municipal general	17,538
Municipal police	3,159
Municipal FTRE	1,966
Educational Retirement Board	<u>49,492</u>
	<u>91,082</u>

Contributions. Employer and employee contributions to the Fund total 3% for non-enhanced retirement plans and 3.75% of enhanced retirement plans of each participating employee’s salary as required by Section 10-7C-15 NMSA 1978. The contributions are established by statute and are not based on an actuarial calculation. All employer and employee contributions are non-refundable under any circumstance, including termination of the employer’s participation in the Fund. Contributions to the Fund from the District were \$684,024 for the year ended June 30, 2021.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At June 30, 2021, the District reported a liability of \$29,724,070 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The District’s proportion of the net OPEB liability was based on actual contributions provided to the Fund for the year ending June 30, 2020. At June 30, 2020, the District’s proportion was 0.70790%.

For the year ended June 30, 2021, the District recognized OPEB income of \$1,125,264. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

NOTE 10. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 5,278,199
Net difference between actual and projected earnings on OPEB plan investments	162,091	-
Changes of assumptions	5,835,048	5,278,791
Change in proportion	1,879,853	344,071
Contributions made after the measurement date	684,024	-
Total	\$ 8,561,016	\$ 10,901,061

Deferred outflows of resources totaling \$684,024 represent District 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, 2021. 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:	
2022	\$ (2,311,615)
2023	(1,851,380)
2024	(592,990)
2025	388,361
2026	1,343,555
Total	\$ (3,024,069)

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2019 and rolled forward to June 30, 2020, using the following actuarial assumptions:

Actuarial cost method	Entry age normal, level percent of pay, calculated on individual employee basis
Asset valuation method	Market value of assets
Actuarial assumptions:	
Inflation	2.50% for ERB; 2.25% for PERA
Projected payroll increases	3.25% to 13.50%, 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 years for Medicare medical plan costs
Mortality	ERB members: RP-2000 Combined Healthy Mortality Table with White Collar Adjustment (males) and GRS Southwest Region Teacher Mortality Table (females) PERA members: RP-2014 Combined Healthy Mortality

NOTE 10. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN (CONTINUED)

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:

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

Discount Rate. The discount rate used to measure the Fund’s total OPEB liability is 2.86% as of June 30, 2020. 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, 2039. Thus, the 7.25% discount rate was used to calculate the net OPEB liability through 2040. The index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher was used beyond 2041, resulting in a blended discount rate of 2.86%.

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 District, as well as what the District’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.16%) or 1-percentage-point higher (5.16%) than the **current discount rate**:

1% Decrease (1.86%)	Current Discount Rate (2.86%)	1% Increase (3.86%)
\$ 36,947,141	\$ 29,724,070	\$ 24,141,383

NOTE 10. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN (CONTINUED)

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

1% Decrease		Current Trend Rates		1% Increase	
\$	24,397,902	\$	29,724,070	\$	33,764,109

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, 2020.

NOTE 11. CONTINGENT LIABILITIES

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

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

NOTE 12. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

- A. Deficit fund balance of individual funds: The District did not have any funds that had a deficit fund balance as of June 30, 2021.
- B. Excess of expenditures over appropriations: The District did not have any funds that exceeded budgetary authority for the year ended June 30, 2021.
- C. Designated cash appropriations in excess of available balances: The District did not have any funds with designated cash appropriations in excess of available balances for the year ended June 30, 2021.

NOTE 13. CONCENTRATIONS

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

NOTE 14. COMMITMENTS

The District had multiple construction projects ongoing as of the year ended June 30, 2021 that are to continue into the following fiscal year. The projects include the design, construction, renovation, and demolition of school buildings. At June 30, 2021, the District's and the New Mexico Public School Finance Authority's (PSFA) shares of commitments for construction was \$6,415,183 and \$10,466,877, respectively.

NOTE 15. TAX ABATEMENTS

AbateMENTS of Other Governments. The District is subject to tax abatements granted by Otero County through the Industrial Revenue Bond Act. This program has the stated purposes of promoting industry and trade other than retail trade in the county and municipalities.

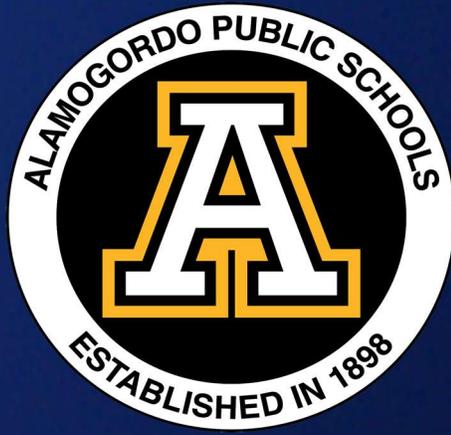
Industrial Revenue Bonds. Under the Industrial Revenue Bond Act [3-32 NMSA 1978], the County Commission can vote to induce an industrial revenue bond in order to induce a manufacturing, industrial, or commercial enterprise to locate or expand in that region, by financing a specified project. The County may include in the agreement a stipulation of an amount or a percentage reduction of property taxes, which can be as much as 100%. This reduction or exemption is applicable for the life of the bond issue, not to exceed 30 years from the date the bonds were issued and is a significant benefit for borrowers that would not otherwise qualify for a property tax exemption under other constitutional or statutory provisions. Information relevant to disclosure of those programs for the fiscal year ended June 30, 2021 follows:

NOTE 15. TAX ABATEMENTS (CONTINUED)

Agency number for Agency making the disclosure (Abating Agency)	5019
Abating Agency Name	OTERO COUNTY
Abating Agency Type	COUNTY GOVERNMENT
Tax Abatement Agreement Name	RESOLUTION 04-14-15 103-41, COUNTY ORDINANCE 15-01
Name of agency affected by abatement agreement (Affected Agency)	SCHOOL DISTRICT- CAP IMPROVEMENT, EDUCATIONAL TECH DEPT, DEBT SERVICE, OPERATIONAL
Agency number of Affected Agency	7001
Agency type of Affected Agency	SCHOOL DISTRICTS
Recipient(s) of tax abatement	BURRELL RESOURCES GROUP, LLC PARENT COMPANY OF BOW CORPORATION
Tax abatement program (name and brief description)	OTERO COUNTY, NEW MEXICO INDUSTRIAL REVENUE BURRELL RESOURCES GROUP, LLC
Specific Tax(es) Being Abated	PROPERTY TAXES, GROSS RECEIPTS, COMPENSATING TAX SECTION 4.5 B
Authority under which abated tax would have been paid to Affected Agency	7-38-43 DISTRIBUTION OF RECEIPTS FROM COLLECTED PROPERTY TAXES
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	\$43.13
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	\$0
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	N/A

NOTE 16. IMPLEMENTATION OF NEW ACCOUNTING STANDARD – GASB 84 “FIDUCIARY FUNDS”

The District previously reported their school activity funds as an agency-type fund. Beginning in fiscal year 2021, due to the implementation of GASB 84 "Fiduciary Funds," this activity is more appropriately reported as a custodial-type fiduciary fund. As such, all related net assets and liabilities will not be recognized and will be restated to beginning fiduciary net position. As of July 1, 2020, the Statement of Changes in Fiduciary Net Position will report a restated beginning fiduciary net position for the custodial-type fund of \$730,729.



REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)



**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - EDUCATIONAL RETIREMENT
BOARD (ERB) PENSION PLAN
FOR THE YEARS ENDED JUNE 30, 2021-2015
LAST 10 FISCAL YEARS* (UNAUDITED)**

	Fiscal Year Measurement Date	2021 2020	2020 2019	2019 2018	2018 2017	2017 2016	2016 2015	2015 2014
District's proportion of the net pension liability		1.07%	1.01%	1.02%	1.02%	0.99%	1.01%	1.02%
District's proportionate share of the net pension liability		\$ 216,709,240	\$ 76,252,668	\$ 121,073,965	\$ 113,295,140	\$ 71,369,910	\$ 65,430,753	\$ 58,224,692
District's covered employee payroll		\$ 33,946,300	\$ 34,168,681	\$ 29,358,783	\$ 28,420,280	\$ 28,965,045	\$ 27,580,604	\$ 28,127,555
District's proportionate share of the net pension liability as a percentage of its covered employee payroll		638%	223%	412%	399%	246%	237%	207%
Plan fiduciary net position as a percentage of total pension liability		39.11%	64.13%	52.17%	52.95%	61.58%	63.97%	66.54%

* Governmental Accounting Standards Board Statement No. 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the District is not available prior to fiscal year 2015, the year the statement's requirements became effective.

See Notes to Required Supplementary Information.

**SCHEDULE OF THE DISTRICT'S PENSION CONTRIBUTIONS - EDUCATIONAL RETIREMENT BOARD (ERB) PENSION PLAN
FOR THE YEARS ENDED JUNE 30, 2021-2015
LAST 10 FISCAL YEARS* (UNAUDITED)**

	June 30,						
	2021	2020	2019	2018	2017	2016	2015
Statutory required contributions	\$ 4,838,943	\$ 4,835,894	\$ 4,080,871	\$ 3,952,838	\$ 4,031,669	\$ 3,936,409	\$ 3,991,823
Contributions in relation to contractually required contributions	<u>\$ 4,838,943</u>	<u>\$ 4,835,894</u>	<u>\$ 4,080,871</u>	<u>\$ 3,952,838</u>	<u>\$ 4,031,669</u>	<u>\$ 3,936,409</u>	<u>\$ 3,991,823</u>
Annual contribution deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

* Governmental Accounting Standards Board Statement No. 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the District is not available prior to fiscal year 2015, the year the statement's requirements became effective.

See Notes to Required Supplementary Information.

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY –
 RETIREE HEALTH CARE AUTHORITY (RHCA) OPEB PLAN
 FOR THE YEARS ENDED JUNE 30, 2021-2018
 LAST 10 FISCAL YEARS* (UNAUDITED)**

	Fiscal Year Measurement Date	2021 2020	2020 2019	2019 2018	2018 2017
District's proportion of the net OPEB liability		0.70790%	0.66394%	0.66590%	0.67629%
District's proportionate share of the net OPEB liability		\$ 29,724,070	\$ 21,527,516	\$ 28,955,695	\$ 30,647,251
District's covered employee payroll		\$ 30,426,367	\$ 27,705,742	\$ 28,571,217	\$ 28,171,856
District's proportionate share of the net OPEB liability as a percentage of its covered employee payroll		97.69%	77.70%	101.35%	108.79%
RHCA Plan fiduciary net position as a percentage of the total pension liability		16.50%	18.92%	13.14%	11.34%

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

See Notes to Required Supplementary Information.

**SCHEDULE OF THE DISTRICT'S OPEB CONTRIBUTIONS – RETIREE HEALTH CARE
 AUTHORITY (RHCA) OPEB PLAN
 FOR THE YEARS ENDED JUNE 30, 2021-2018
 LAST 10 FISCAL YEARS* (UNAUDITED)**

	June 30,			
	2021	2020	2019	2018
Contractually required contribution	\$ 684,024	\$ 683,860	\$ 1,040,580	\$ 2,147,538
Contributions in relation to the contractually required contribution	<u>\$ 684,024</u>	<u>\$ 683,860</u>	<u>\$ 1,040,580</u>	<u>\$ 2,147,538</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer's covered-employee payroll	\$ 33,944,180	\$ 27,705,742	\$ 28,571,217	\$ 28,171,856
Contributions as a percentage of covered-employee payroll	2.02%	2.47%	3.60%	3.83%

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

See Notes to Required Supplementary Information.

Notes to Required Supplementary Information

JUNE 30, 2021

ERB PLAN

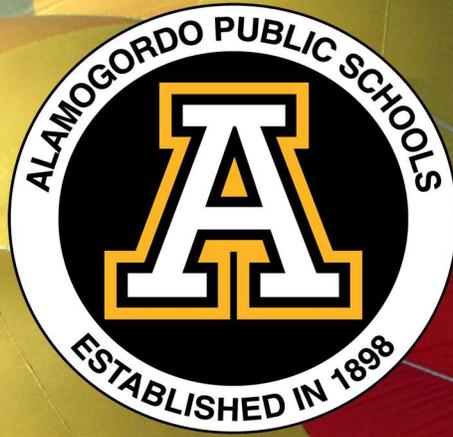
Changes in benefit provisions. There were no modifications to the benefit provisions that were reflected in the actuarial valuation as of June 30, 2019 and rolled forward to June 30, 2020.

Changes in assumptions and methods. Actuarial assumptions and methods are set by the Board of Trustee upon recommendations made by the Plan's actuary. The Board adopted new assumptions on April 17, 2020 in conjunction with the six-year actuarial experience study period ended June 30, 2019. At that time, the Board adopted a number of economic assumption changes, including a decrease in the inflation assumption from 2.50% to 2.30%. The 0.20% decrease in the inflation assumption also led to decreases in the nominal investment return assumption from 7.25% to 7.00% and the assumed annual wage inflation rate from 3.25% to 3.00%. These new assumptions are reflected as changes in assumptions along with the change in the single discount rate between June 30, 2019 and June 30, 2020.

RHCA PLAN

Changes in benefit provisions. There were no modifications to the benefit provisions that were reflected in the actuarial valuation as of June 30, 2019 and rolled forward to June 30, 2020.

Changes in assumptions and methods. In the June 30, 2019 actuarial valuation, rolled forward to the measurement date of June 30, 2020, changes in assumptions and differences between expected and actual experience include adjustments resulting from a decrease in the discount rate from 4.16% to 2.86%.



SUPPLEMENTARY INFORMATION

JAG JARAMILLO
ACCOUNTING
GROUP

CREATING CLARITY FROM COMPLEXITY

Non-Major Governmental Fund Descriptions

JUNE 30, 2021

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for grant funds received from the U.S. Department of Education through the New Mexico Public Education Department. These grants are to be used for purposes specified in the grant awards and may not be used for any other purpose. Grants accounted for in the Special Revenue Funds include:

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

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

Preschool IDEA-B (24109) – The objective of the Assistance to States for the Education of Handicapped Children Program is to assist in providing free, appropriate public education to all handicapped children from ages three to five. Federal revenues accounted for in this fund are allocated to the Schools through the New Mexico Department of Children, Youth and Families. Authority for the creation of this fund is the Individuals with Disabilities Education Act (IDEA), Part B, Section 619, as amended, 20 U.S.C. 1419.

IDEA-B Early Intervention (24112) - Coordinated Early Intervention Services to provide students with services before they are identified as special education.

Education of Homeless (24113) – This fund is used to provide tutoring and remedial academic services to homeless children and youth within the District. Funding is by the New Mexico Public Education Department.

IDEA-B Private School Share (24115) – Under 34 CFR § 300.132-300.133, an LEA must spend a proportionate amount of their IDEA-B Basic Entitlement and, if applicable, Preschool sub-grant funds for special education and related services (“equitable participation services”) to students with disabilities who are parentally placed in private elementary and secondary schools (“equitable participation services”) located in the school district served by the LEA. The private schools must be nonprofit institutions. Children aged three through five are considered to be parentally-placed private school children with disabilities, only if they are enrolled in a private school that meets the definition of elementary school in 34 CFR § 300.13. New Mexico State law defines an elementary school as “a public school providing instruction for grades kindergarten through eight, unless there is a junior high school program approved by the state board [department], in which case it means a public school providing instruction for grades kindergarten through six” 22-1-3(A) NMSA 1978.

Fresh Fruits & Vegetables (24118) – This fund is used to assist States, through cash grants, in providing free fresh fruits and vegetables to school children in designated participating schools beginning in school year 2004/2006. Authorized by National School Lunch Act, as amended, 42 U.S.C. 1769.

Title I 1003g Grant (24124) – The objective of this grant is to provide in conjunction with Title I funds for school improvement reserved under Section 1003(a) of the ESEA. School Improvement Grants under Section 1003(g) of the ESEA are used to improve student achievement in Title I schools identified for improvement, corrective action, or restructuring so as to enable those schools to make adequate yearly progress (AYP) and exit improvement status. Funding is by the Elementary and Secondary Education Act of 1965, as amended, Title I, Part B, Subpart I.

SPECIAL REVENUE FUNDS (CONTINUED)

English Language Acquisition - Title III (24153) – To provide funds to improve the educational performance of limited English proficient students by assisting the children to learn English and meet State academic content standards. This program is authorized by Title III, Part A of the ESEA, as amended.

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

Rural & Low-Income Schools (24160) – To provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools. Elementary and Secondary Education Act, Title VI, Part B.

Carl D. Perkins Special Projects (24171 - Current) (24174 – Secondary Current) (24176 – Secondary Redistribution) (24183 – Secondary Redistribution 2) - The objective of this grant is to provide secondary and postsecondary educational institutions the opportunity to develop, implement, and operate programs using different models of curricula that integrate vocational and academic learning. Funds are acquired from federal sources through the New Mexico Department of Education. Authority for creation of this fund is Carl D. Perkins Vocational and Applied Technology Education Act of 1990, as amended, Public Law 105-332.

Student Support & Academic Enrichment Program (24189) – To account for funds used to improve student’s academic achievement by increasing the capacity of States, local educational agencies (LEAs), schools and local communities to: (1) provide all students with access to a well-rounded education; (2) improve school conditions for student learning; and (3) improve the use of technology in order to improve the academic achievement and digital literacy for all students. Authorized by Section 4101 of the Elementary and Secondary Education Act.

Comprehensive Literacy State Development (24194) – Used to improve literacy skills of preschool and increase percentage of elementary, middle, and high school students to meet NM standards, birth to grade 12. Awarding agency - US Dept of Education.

CARES ACT (24301), GOVERNOR’S EMERGENCY EDUCATION RELIEF (24305), GEER – HEPA FILTERS (24306), AND CRRSA, ESSER II (24308), CRRSA Retention Stipends (24312) – To account for funds awarded through the Elementary and Secondary School Education Relief Fund (ESSER Fund), a component of the recently enacted Coronavirus Aid, Relief, and Economic Security (CARES) Act, Pub.L. 116–136. The ESSER Fund is a highly flexible federal program designed to provide local education agencies (LEAs) with funding to meet a diverse array of educational and COVID response related needs.

By law, awards from the ESSER Fund are based on LEAs’ proportional share of final 2019-20 Title I, Part A allocations received. The Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSA), Public Law 116-260, was signed into law on December 27, 2020 and provided additional funding for the Elementary and Secondary School Emergency Relief Fund (ESSER II) and Governor’s Emergency Education Relief (GEER) Fund. The GEER Fund awards grants to states’ governor’s offices, to provide assistance to students and student’ families.

SPECIAL REVENUE FUNDS (CONTINUED)

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

Title XIX Medicaid (25153) – This fund is used to account for a program providing school-based screening, diagnostic services, and other related health services and administrative activities in conformance with the approved Medicaid State Plan in order to improve health and developmental outcomes for children. Authority for the creation of this fund is the Social Security Act, Title XIX, as amended; Public Laws 89-97, 90-248, and 91-56; 42 U.S.C. 1396 et set., as amended

Alamo DOD (25179) - To provide assistance to schools with significant numbers of military dependent students. Required by the New Mexico Public Education Department Manual of Procedures for New Mexico School Districts to be accounted for as a separate fund. Funding authorized by Public Law 111-84.

DOD Education Activity (25254) – To provide *Power Up* – 21st Century technology skills for Grades 5, 6, and 9, Mathematics and Reading Achievement for Grades 5, 6, and 9, and easing the challenges of military students for all grades. Required by the New Mexico Public Education Department Manual of Procedures for New Mexico School Districts to be accounted for as a separate fund. Funding authorized by Section 574(d) of Public Law 109-364, as amended.

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

Instructional Materials Special Appropriation (27109) – Intended specifically for the purchase of instructional materials to make up for the shortfall in past appropriations. This fund was authorized as a special appropriation to PED, by Laws of 2019, Chapter 271, Section 5, paragraph 114. Funds are distributed by PED to schools proportionate to each district or charter schools program united computed pursuant to Section 22-8-18 NMSA 1978.

2019-20 Capital Outlay & School Bus Replacements (27118) – In the Laws of 2019, Chapter 277, section 57, the Legislature made an appropriation. The agreement is for the capital outlay purchases of buses and for school lighting installation. State of NM Capital Appropriation Project.

SPECIAL REVENUE FUNDS (CONTINUED)

STEM Career Tech Ed (27123) – To account for funds allocated through the 2019 legislative session used to pilot a career technical education program, including an online supplemental learning system that integrates algebra and geometry into career technical education studies, and to teach online workplace soft skills for high school students.

Feminine Hygiene Products (27130) – State appropriated funding for feminine hygiene products were allocated through the 2019 legislative session. To be used specifically for the purchase of feminine products. Funding Agency: NM Public Education Dept, Special Appropriation Fund.

Pre-K Initiative (27149) – To account for monies received from the State of New Mexico to be used to provide direct services to 4-year old children in Pre-Kindergarten programs. Program is authorized by state statute.

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

School Bus Replacement (27178) – Is provided to the District to allow the District to purchase school buses. Authorized by Law of 2015, First Special Session, Chapter 3, Section 75, Paragraph 2.

Career Tech Ed (Pilot) (27502) – Sub-award for Next Gen CTE funding to be spent per application. Funding Agency- NM Public Education Dept, Special Appropriation fund, Career Technical. Education Pilot, NM Laws 2019, Section IV, Item (b); Section V, Item (103).

GRADS - Instruction (28190) – To assist in the cost of caps and gowns for students who are graduating. Authority for the creation of this fund is the New Mexico Public Education Department.

GRADS Plus (28203) – To account for a program as an instructional component for teenage parents to be used for summer case management and GRADS case management period. Special Revenue Fund was established by the local Board.

Private Direct Grants (Categorical) (29102) – To account for local grants awarded to provide additional funding for specific projects. Authority for the creation of this fund is the New Mexico Public Education Department.

CAPITAL PROJECTS FUNDS

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

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

Capital Improvements HB-33 (31600) – To account for monies received from the State of New Mexico under Chapter 4, Laws of 1996 for the purpose of erecting, remodeling, making additions to, providing equipment for or furnishing public school buildings, purchasing or improving public school grounds.

CAPITAL PROJECTS FUNDS (CONTINUED)

Capital Improvements SB-9 State (31700) – To account for resources received through Senate Bill 9 and local tax levies obtained for the purpose of building, remodeling, and equipping classroom facilities. Authority for the creation of this fund is the New Mexico Public Education Department.

Capital Improvements SB-9 Local (31701) - To account for erecting, remodeling, making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof as identified by the local Board. Financing is provided by the State of New Mexico's State Equalization Matching and a special tax levy as authorized by the Public School District Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978).

SB-9 State Match Cash (31703) – NM State Allocation for state match to be deposited into the school districts account for Capital Improvements. All proceeds shall be expended in accordance with the 22-25-2 NMSA 1978.

Education Technology Equipment Act (31900) – To ensure that American children have skills they need to succeed in the information-intensive 21st century, the federal government is committed to working with the private sector to promote four major developments in American education: making modern computer technology an integral part of every classroom; providing information infrastructure; and encouraging the creation of excellent educational software. The authority for the creation of this fund is the Federal Property and Administrative Services Act of 1949, Ch. 288, 63 Stat 377 and the National Defense Authorization Act for the fiscal year 1996, Public Law 104-106.

DEBT SERVICE FUNDS

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

COMBINING BALANCE SHEET – NON-MAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2021

	Special Revenue	Capital Projects	Debt Service	Total
ASSETS				
Current Assets				
Cash and cash equivalents	\$1,298,553	\$3,640,371	\$ 82,511	\$5,021,435
Accounts receivable				
Taxes	-	172,961	4,991	177,952
Due from other governments	1,761,780	-	-	1,761,780
Other	-	-	-	-
Interfund receivables	-	-	-	-
Prepaid expenditures	4,970	-	-	4,970
Inventory	-	-	-	-
Total assets	<u>\$3,065,303</u>	<u>\$3,813,332</u>	<u>\$ 87,502</u>	<u>\$6,966,137</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Current Liabilities				
Accounts payable	\$ 127,407	\$ 34,891	\$ -	\$ 162,298
Accrued payroll liabilities	243,227	-	-	243,227
Interfund payables	1,599,076	-	-	1,599,076
Total liabilities	<u>1,969,710</u>	<u>34,891</u>	<u>-</u>	<u>2,004,601</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	108,300	2,652	110,952
FUND BALANCES				
Nonspendable	4,970	-	-	4,970
Restricted	1,090,623	3,670,141	84,850	4,845,614
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>1,095,593</u>	<u>3,670,141</u>	<u>84,850</u>	<u>4,850,584</u>
Total liabilities, deferred inflows and fund balances	<u>\$3,065,303</u>	<u>\$3,813,332</u>	<u>\$ 87,502</u>	<u>\$6,966,137</u>

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NON-MAJOR
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Special Revenue	Capital Projects	Debt Service	Total
REVENUES				
Property taxes	\$ -	\$ 2,960,294	\$ 8,026	\$ 2,968,320
State grants	1,289,394	6,712,192	-	8,001,586
Federal grants	7,831,123	-	-	7,831,123
Miscellaneous	34,308	-	-	34,308
Interest	284	1,463	46	1,793
Total revenues	9,155,109	9,673,949	8,072	18,837,130
EXPENDITURES				
Current				
Instruction	3,428,971	-	-	3,428,971
Support services				
Students	1,741,217	-	-	1,741,217
Instruction	267,622	-	-	267,622
General administration	365,501	29,774	86	395,361
School administration	80,511	-	-	80,511
Central services	51,373	-	-	51,373
Operation & maintenance of plant	363,303	-	-	363,303
Student transportation	261,269	-	-	261,269
Other support services	-	-	-	-
Food services operations	3,185,346	-	-	3,185,346
Community services	-	-	-	-
Capital outlay	-	9,022,239	-	9,022,239
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	9,745,113	9,052,013	86	18,797,212
Excess of revenues over expenditures	(590,004)	621,936	7,986	39,918
Other financing sources				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources	-	-	-	-
Net changes in fund balances	(590,004)	621,936	7,986	39,918
Fund balances, beginning of year	1,685,597	3,048,205	76,864	4,810,666
Fund balances, end of year	\$1,095,593	\$ 3,670,141	\$ 84,850	\$ 4,850,584

See Accompanying Notes.

COMBINING BALANCE SHEET – NON-MAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2021

	21000	22000	24109	24112
	Food Service	Athletics	IDEA-B Preschool	IDEA-B Early Intervention
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 347,636	\$ 104,155	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	159,100	-	20,855	138,044
Other	-	-	-	-
Interfund receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
Total assets	\$ 506,736	\$ 104,155	\$ 20,855	\$ 138,044
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Current Liabilities				
Accounts payable	\$ 95,764	\$ -	\$ -	\$ -
Accrued payroll liabilities	89,073	868	7,318	11,800
Interfund payables	160,000	-	13,537	126,244
Total liabilities	344,837	868	20,855	138,044
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	161,899	103,287	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	161,899	103,287	-	-
Total liabilities, deferred inflows and fund balances	\$ 506,736	\$ 104,155	\$ 20,855	\$ 138,044

See Accompanying Notes.

COMBINING BALANCE SHEET – NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2021

	24113	24115	24118	24124
	Education of Homeless	IDEA-B Private School Share	Fresh Fruits & Vegetables	Title I 1003g Grant
ASSETS				
Current Assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	11,489	-	960	-
Other	-	-	-	-
Interfund receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
Total assets	\$ 11,489	\$ -	\$ 960	\$ -
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Current Liabilities				
Accounts payable	\$ 1,047	\$ -	\$ (6,212)	\$ -
Accrued payroll liabilities	2,559	-	6,212	-
Interfund payables	7,883	-	-	-
Total liabilities	11,489	-	-	-
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	-	960	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	-	-	960	-
Total liabilities, deferred inflows and fund balances	\$ 11,489	\$ -	\$ 960	\$ -

See Accompanying Notes.

COMBINING BALANCE SHEET – NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2021

	24153 English Language Acq. - Title III	24154 Teacher/Princi pal Training & Recruiting	24160 Rural & Low Income Schools	24174 Carl D. Perkins Secondary Current
ASSETS				
Current Assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	8,004	6,605	92,641	57,107
Other	-	-	-	-
Interfund receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
Total assets	\$ 8,004	\$ 6,605	\$ 92,641	\$ 57,107
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Current Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	5,872	-	-
Interfund payables	8,004	733	92,641	57,107
Total liabilities	8,004	6,605	92,641	57,107
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	-	-	-	-
Total liabilities, deferred inflows and fund balances	\$ 8,004	\$ 6,605	\$ 92,641	\$ 57,107

See Accompanying Notes.

COMBINING BALANCE SHEET – NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2021

	24176	24189	24194	24301
	Carl D. Perkins	Student	Comprehensive	
	Secondary	Support &	Literacy State	
	Redistribution	Academic	Development	CARES Act
	Enrichment	Enrichment	Development	CARES Act
ASSETS				
Current Assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	5,903	45,065	110,497	281,648
Other	-	-	-	-
Interfund receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
Total assets	\$ 5,903	\$ 45,065	\$ 110,497	\$ 281,648
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Current Liabilities				
Accounts payable	\$ -	\$ 6,212	\$ -	\$ 6,995
Accrued payroll liabilities	-	-	4,216	2,320
Interfund payables	5,903	37,465	106,281	272,333
Total liabilities	5,903	43,677	110,497	281,648
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	1,388	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	-	1,388	-	-
Total liabilities, deferred inflows and fund balances	\$ 5,903	\$ 45,065	\$ 110,497	\$ 281,648

See Accompanying Notes.

COMBINING BALANCE SHEET – NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2021

	24305	24306	24307	24312
	Governor's Emergency Educ. Relief	GEER - Hepa Filters	GEER - Social Emotional Learning	CRRSA Retention Stipends
ASSETS				
Current Assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	9,471	-	20,000	32,356
Other	-	-	-	-
Interfund receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
Total assets	\$ 9,471	\$ -	\$ 20,000	\$ 32,356
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Current Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	-	-	327
Interfund payables	9,471	-	20,000	32,029
Total liabilities	9,471	-	20,000	32,356
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	-	-	-	-
Total liabilities, deferred inflows and fund balances	\$ 9,471	\$ -	\$ 20,000	\$ 32,356

See Accompanying Notes.

COMBINING BALANCE SHEET – NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2021

	25145	25153	25179	25254
	Impact Aid Special Education	Title XIX Medicaid	Alamo DOD	Education Activity DOD
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 30,050	\$ 320,767	\$ 468,773	\$ 2,890
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	-	73,297	-	-
Other	-	-	-	-
Interfund receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
Total assets	\$ 30,050	\$ 394,064	\$ 468,773	\$ 2,890
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Current Liabilities				
Accounts payable	\$ 18,693	\$ 881	\$ -	\$ -
Accrued payroll liabilities	11,357	57,166	-	2,890
Interfund payables	-	-	-	-
Total liabilities	30,050	58,047	-	2,890
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	336,017	468,773	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	-	336,017	468,773	-
Total liabilities, deferred inflows and fund balances	\$ 30,050	\$ 394,064	\$ 468,773	\$ 2,890

See Accompanying Notes.

COMBINING BALANCE SHEET – NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2021

	27107 2012 GO Bonds - Student Library Fund	27118 Capital Outlay & School Bus Replacements	27123 STEM Career Tech. Ed.	27130 Feminine Hygiene Products
ASSETS				
Current Assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	14,139	160,000	-	7,231
Other	-	-	-	-
Interfund receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
Total assets	\$ 14,139	\$ 160,000	\$ -	\$ 7,231
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Current Liabilities				
Accounts payable	\$ 4,027	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	-	-	-
Interfund payables	10,112	160,000	-	7,231
Total liabilities	14,139	160,000	-	7,231
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	-	-	-	-
Total liabilities, deferred inflows and fund balances	\$ 14,139	\$ 160,000	\$ -	\$ 7,231

See Accompanying Notes.

COMBINING BALANCE SHEET – NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2021

	27135	27149	27155	27178
	STEM		Breakfast	
	Professional	Pre-K	for	School Bus
	Development	Initiative	Elementary	Replacement
			Students	
ASSETS				
Current Assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	24,584	460,485	-	-
Other	-	-	-	-
Interfund receivables	-	-	-	-
Prepaid expenditures	-	170	-	-
Inventory	-	-	-	-
Total assets	\$ 24,584	\$ 460,655	\$ -	\$ -
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Current Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	438	39,798	-	-
Interfund payables	24,146	420,857	-	-
Total liabilities	24,584	460,655	-	-
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
FUND BALANCES				
Nonspendable	-	170	-	-
Restricted	-	(170)	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	-	-	-	-
Total liabilities, deferred inflows and fund balances	\$ 24,584	\$ 460,655	\$ -	\$ -

See Accompanying Notes.

COMBINING BALANCE SHEET – NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2021

	27502	28190	28203	29102
		GRADS -		Private
	K3+ 4&5 PILOT	Instruction	GRADS Plus	Direct Grants (Categorical)
ASSETS				
Current Assets				
Cash and cash equivalents	\$ -	\$ 18,715	\$ -	\$ 5,567
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	22,299	-	-	-
Other	-	-	-	-
Interfund receivables	-	-	-	-
Prepaid expenditures	4,800	-	-	-
Inventory	-	-	-	-
Total assets	\$ 27,099	\$ 18,715	\$ -	\$ 5,567
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Current Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	1,013	-	-
Interfund payables	27,099	-	-	-
Total liabilities	27,099	1,013	-	-
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
FUND BALANCES				
Nonspendable	4,800	-	-	-
Restricted	(4,800)	17,702	-	5,567
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	-	17,702	-	5,567
Total liabilities, deferred inflows and fund balances	\$ 27,099	\$ 18,715	\$ -	\$ 5,567

See Accompanying Notes.

COMBINING BALANCE SHEET – NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)

JUNE 30, 2021

		<u>Total</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$	1,298,553
Accounts receivable		
Taxes		-
Due from other governments		1,761,780
Other		-
Interfund receivables		-
Prepaid expenditures		4,970
Inventory		<u>-</u>
Total assets	\$	<u>3,065,303</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES		
Current Liabilities		
Accounts payable	\$	127,407
Accrued payroll liabilities		243,227
Interfund payables		<u>1,599,076</u>
Total liabilities		<u>1,969,710</u>
DEFERRED INFLOWS OF RESOURCES		
Property taxes		<u>-</u>
FUND BALANCES		
Nonspendable		4,970
Restricted		1,090,623
Committed		-
Assigned		-
Unassigned		<u>-</u>
Total fund balances		<u>1,095,593</u>
Total liabilities, deferred inflows and fund balances	\$	<u>3,065,303</u>

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	21000	22000	24109	24112
	Food Service	Athletics	IDEA-B Preschool	IDEA-B Early Intervention
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	3,253,053	-	74,733	178,506
Miscellaneous	11,169	20,139	-	-
Interest	205	79	-	-
Total revenues	3,264,427	20,218	74,733	178,506
EXPENDITURES				
Current				
Instruction	-	8,326	70,407	27,231
Support services				
Students	-	-	-	151,275
Instruction	-	-	-	-
General administration	160,000	-	4,326	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	3,173,008	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	3,333,008	8,326	74,733	178,506
Excess (deficiency) of revenues over (under) expenditures	(68,581)	11,892	-	-
Other financing sources				
Operating transfers	-	-	-	-
Total other financing sources	-	-	-	-
Net changes in fund balances	(68,581)	11,892	-	-
Fund balances, beginning of year	230,480	91,395	-	-
Fund balances, end of year	\$ 161,899	\$ 103,287	\$ -	\$ -

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	24113	24115	24118	24124
	Education of Homeless	IDEA-B Private School Share	Fresh Fruits & Vegetables	Title I 1003g Grant
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	13,717	-	5,924	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	13,717	-	5,924	-
EXPENDITURES				
Current				
Instruction	2,165	-	-	-
Support services				
Students	10,708	-	-	-
Instruction	-	-	-	-
General administration	844	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	4,964	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	13,717	-	4,964	-
Excess (deficiency) of revenues over (under) expenditures	-	-	960	-
Other financing sources				
Operating transfers	-	-	-	-
Total other financing sources	-	-	-	-
Net changes in fund balances	-	-	960	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ 960	\$ -

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	24153 English Language Acq. - Title III	24154 Teacher/Princi pal Training & Recruiting	24160 Rural & Low Income Schools	24174 Carl D. Perkins Secondary Current
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	8,004	6,605	196,876	73,860
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	8,004	6,605	196,876	73,860
EXPENDITURES				
Current				
Instruction	7,500	-	196,229	71,322
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	504	369	647	2,538
School administration	-	-	-	-
Central services	-	6,236	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	8,004	6,605	196,876	73,860
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Other financing sources				
Operating transfers	-	-	-	-
Total other financing sources	-	-	-	-
Net changes in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	24176 Carl D. Perkins Secondary Redistribution	24189 Student Support & Academic Enrichment	24194 Comprehensive Literacy State Development	24301 CARES Act
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	8,560	118,581	853,137	1,341,483
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>8,560</u>	<u>118,581</u>	<u>853,137</u>	<u>1,341,483</u>
EXPENDITURES				
Current				
Instruction	8,283	87,114	772,626	281,221
Support services				
Students	-	24,461	-	831,073
Instruction	-	-	-	180
General administration	277	7,006	-	61,511
School administration	-	-	80,511	-
Central services	-	-	-	44,337
Operation & maintenance of plant	-	-	-	118,975
Student transportation	-	-	-	3,612
Other support services	-	-	-	-
Food services operations	-	-	-	574
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>8,560</u>	<u>118,581</u>	<u>853,137</u>	<u>1,341,483</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources				
Operating transfers	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	-	-	-	-
Fund balances, beginning of year	-	1,388	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ 1,388</u>	<u>\$ -</u>	<u>\$ -</u>

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	24305 Governor's Emergency Educ. Relief	24306 GEER - Hepa Filters	24307 GEER - Social Emotional Learning	24312 CRRSA Retention Stipends
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	69,156	166,583	20,000	32,356
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>69,156</u>	<u>166,583</u>	<u>20,000</u>	<u>32,356</u>
EXPENDITURES				
Current				
Instruction	-	-	20,000	2,300
Support services				
Students	-	-	-	3,400
Instruction	-	-	-	-
General administration	4,011	-	-	856
School administration	-	-	-	-
Central services	-	-	-	800
Operation & maintenance of plant	65,145	166,583	-	12,600
Student transportation	-	-	-	5,600
Other support services	-	-	-	-
Food services operations	-	-	-	6,800
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>69,156</u>	<u>166,583</u>	<u>20,000</u>	<u>32,356</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources				
Operating transfers	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	25145 Impact Aid Special Education	25153 Title XIX Medicaid	25179 Alamo DOD	25254 Education Activity DOD
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	699,151	-	710,838
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>-</u>	<u>699,151</u>	<u>-</u>	<u>710,838</u>
EXPENDITURES				
Current				
Instruction	119,624	300,723	-	414,628
Support services				
Students	47,970	628,853	-	36,246
Instruction	-	-	-	259,964
General administration	18,804	103,808	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>186,398</u>	<u>1,033,384</u>	<u>-</u>	<u>710,838</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(186,398)</u>	<u>(334,233)</u>	<u>-</u>	<u>-</u>
Other financing sources				
Operating transfers	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	(186,398)	(334,233)	-	-
Fund balances, beginning of year	<u>186,398</u>	<u>670,250</u>	<u>468,773</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ 336,017</u>	<u>\$ 468,773</u>	<u>\$ -</u>

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	27107 2012 GO Bonds - Student Library Fund	27118 Capital Outlay & School Bus Replacements	27123 STEM Career Tech. Ed.	27130 Feminine Hygiene Products
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	18,109	-	-	7,231
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	18,109	-	-	7,231
EXPENDITURES				
Current				
Instruction	10,631	-	-	-
Support services				
Students	-	-	-	7,231
Instruction	7,478	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	18,109	-	-	7,231
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Other financing sources				
Operating transfers	-	-	-	-
Total other financing sources	-	-	-	-
Net changes in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	27135 STEM Professional Development	27149 Pre-K Initiative	27155 Breakfast for Elementary Students	27178 School Bus Replacement
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	24,584	1,016,723	-	182,057
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>24,584</u>	<u>1,016,723</u>	<u>-</u>	<u>182,057</u>
EXPENDITURES				
Current				
Instruction	24,584	946,723	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	70,000	-	182,057
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>24,584</u>	<u>1,016,723</u>	<u>-</u>	<u>182,057</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources				
Operating transfers	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	27502	28190	28203	29102
		GRADS -		Private Direct
	K3+ 4&5 PILOT	Instruction	GRADS Plus	Grants
				(Categorical)
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	33,099	7,591	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	3,000
Interest	-	-	-	-
Total revenues	33,099	7,591	-	3,000
EXPENDITURES				
Current				
Instruction	33,099	24,235	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	33,099	24,235	-	-
Excess (deficiency) of revenues over (under) expenditures	-	(16,644)	-	3,000
Other financing sources				
Operating transfers	-	-	-	-
Total other financing sources	-	-	-	-
Net changes in fund balances	-	(16,644)	-	3,000
Fund balances, beginning of year	-	34,346	-	2,567
Fund balances, end of year	\$ -	\$ 17,702	\$ -	\$ 5,567

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Total</u>
REVENUES	
Property taxes	\$ -
State grants	1,289,394
Federal grants	7,831,123
Miscellaneous	34,308
Interest	<u>284</u>
Total revenues	<u>9,155,109</u>
EXPENDITURES	
Current	
Instruction	3,428,971
Support services	
Students	1,741,217
Instruction	267,622
General administration	365,501
School administration	80,511
Central services	51,373
Operation & maintenance of plant	363,303
Student transportation	261,269
Other support services	-
Food services operations	3,185,346
Community services	-
Capital outlay	-
Debt service	
Principal	-
Interest	<u>-</u>
Total expenditures	<u>9,745,113</u>
Excess (deficiency) of revenues over (under) expenditures	<u>- (590,004)</u>
Other financing sources	-
Operating transfers	<u>-</u>
Total other financing sources	<u>-</u>
Net changes in fund balances	(590,004)
Fund balances, beginning of year	<u>1,685,597</u>
Fund balances, end of year	<u>\$ 1,095,593</u>

See Accompanying Notes.

COMBINING BALANCE SHEET – NON-MAJOR CAPITAL PROJECT FUNDS
 JUNE 30, 2021

	31200 Public School Capital Outlay State	31600 Capital Improvements HB-33	31700 Capital Improvements SB-9 (State)
ASSETS			
Current Assets			
Cash and cash equivalents	\$ -	\$ 378,303	\$ -
Accounts receivable			
Taxes	-	68,174	-
Due from other governments	-	-	-
Other	-	-	-
Interfund receivables	-	-	-
Prepaid expenditures	-	-	-
Inventory	-	-	-
Total assets	\$ -	\$ 446,477	\$ -
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
Current Liabilities			
Accounts payable	\$ -	\$ 13,130	\$ -
Accrued payroll liabilities	-	-	-
Interfund payables	-	-	-
Total Liabilities	-	13,130	-
DEFERRED INFLOWS OF RESOURCES			
Property taxes	-	41,785	-
FUND BALANCES			
Nonspendable	-	-	-
Restricted	-	391,562	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total fund balances	-	391,562	-
Total liabilities, deferred inflows & fund balances	\$ -	\$ 446,477	\$ -

See Accompanying Notes.

COMBINING BALANCE SHEET – NON-MAJOR CAPITAL PROJECT FUNDS (CONTINUED)
 JUNE 30, 2021

	31701 Capital Improvements SB-9 (Local)	31703 SB-9 State Match Cash	31900 Education Technology Equipment Act	Total
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 3,261,497	\$ 9	\$ 562	\$ 3,640,371
Accounts receivable				
Taxes	104,787	-	-	172,961
Due from other governments	-	-	-	-
Other	-	-	-	-
Interfund receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
Total assets	\$ 3,366,284	\$ 9	\$ 562	\$ 3,813,332
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Current Liabilities				
Accounts payable	\$ 21,761	\$ -	\$ -	\$ 34,891
Accrued payroll liabilities	-	-	-	-
Interfund payables	-	-	-	-
Total Liabilities	21,761	-	-	34,891
DEFERRED INFLOWS OF RESOURCES				
Property taxes	66,515	-	-	108,300
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	3,278,008	9	562	3,670,141
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	3,278,008	9	562	3,670,141
Total liabilities, deferred inflows & fund balances	\$ 3,366,284	\$ 9	\$ 562	\$ 3,813,332

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NON-MAJOR CAPITAL PROJECT FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	31200 Public School Capital Outlay State	31600 Capital Improvements HB-33	31700 Capital Improvements SB-9 (State)
REVENUES			
Property taxes	\$ -	\$ 1,217,770	\$ -
State grants	6,712,192	-	-
Federal grants	-	-	-
Miscellaneous	-	-	-
Interest	-	166	117
Total revenues	<u>6,712,192</u>	<u>1,217,936</u>	<u>117</u>
EXPENDITURES			
Current			
Instruction	-	-	-
Support services			
Students	-	-	-
Instruction	-	-	-
General administration	-	12,236	-
School administration	-	-	-
Central services	-	-	-
Operation & maintenance of plant	-	-	-
Student transportation	-	-	-
Other support services	-	-	-
Food services operations	-	-	-
Community services	-	-	-
Capital outlay	6,712,192	1,407,025	117
Debt service			
Principal	-	-	-
Interest	-	-	-
Total expenditures	<u>6,712,192</u>	<u>1,419,261</u>	<u>117</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(201,325)</u>	<u>-</u>
Other financing sources			
Operating transfers	-	-	(130,373)
Total other financing sources	<u>-</u>	<u>-</u>	<u>(130,373)</u>
Net changes in fund balances	<u>-</u>	<u>(201,325)</u>	<u>(130,373)</u>
Fund balances, beginning of year	-	592,887	130,373
Fund balances, end of year	<u>\$ -</u>	<u>\$ 391,562</u>	<u>\$ -</u>

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NON-MAJOR CAPITAL PROJECT FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	31701 Capital Improvements SB-9 (Local)	31703 SB-9 State Match Cash	31900 Education Technology Equipment Act	Total
REVENUES				
Property taxes	\$ 1,742,524	\$ -	\$ -	\$ 2,960,294
State grants	-	-	-	6,712,192
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	1,171	9	-	1,463
Total revenues	<u>1,743,695</u>	<u>9</u>	<u>-</u>	<u>9,673,949</u>
EXPENDITURES				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	17,538	-	-	29,774
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	772,532	130,373	-	9,022,239
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>790,070</u>	<u>130,373</u>	<u>-</u>	<u>9,052,013</u>
Excess (deficiency) of revenues over (under) expenditures	<u>953,625</u>	<u>(130,364)</u>	<u>-</u>	<u>621,936</u>
Other financing sources				
Operating transfers	-	130,373	-	-
Total other financing sources	<u>-</u>	<u>130,373</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	953,625	9	-	621,936
Fund balances, beginning of year	2,324,383	-	562	3,048,205
Fund balances, end of year	<u>\$ 3,278,008</u>	<u>\$ 9</u>	<u>\$ 562</u>	<u>\$ 3,670,141</u>

See Accompanying Notes.

**BALANCE SHEET – NON-MAJOR DEBT SERVICE FUND
JUNE 30, 2021**

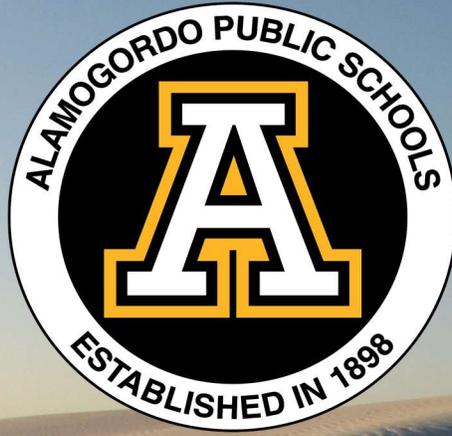
	43000 Debt Service Ed-Tech
ASSETS	
Current Assets	
Cash and cash equivalents	\$ 82,511
Accounts receivable	
Taxes	4,991
Due from other governments	-
Other	-
Interfund receivables	-
Prepaid expenditures	-
Inventory	-
Total assets	\$ 87,502
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	
Current Liabilities	
Accounts payable	\$ -
Accrued payroll liabilities	-
Interfund payables	-
Total Liabilities	-
DEFERRED INFLOWS OF RESOURCES	
Property taxes	2,652
FUND BALANCES	
Nonspendable	-
Restricted	84,850
Committed	-
Assigned	-
Unassigned	-
Total fund balances	84,850
Total liabilities, deferred inflows and fund balances	\$ 87,502

See Accompanying Notes.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
NON-MAJOR DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2021

	43000
	Debt Service
	Ed-Tech
REVENUES	
Property taxes	\$ 8,026
State grants	-
Federal grants	-
Miscellaneous	-
Interest	46
Total revenues	<u>8,072</u>
EXPENDITURES	
Current	
Instruction	-
Support services	
Students	-
Instruction	-
General administration	86
School administration	-
Central services	-
Operation & maintenance of plant	-
Student transportation	-
Other support services	-
Food services operations	-
Community services	-
Capital outlay	-
Debt service	
Principal	-
Interest	-
Total expenditures	<u>86</u>
Excess of revenues over expenditures	<u>7,986</u>
Other financing sources	
Bond premium	-
Total other financing sources	<u>-</u>
Net changes in fund balances	7,986
Fund balances, beginning of year	<u>76,864</u>
Fund balances, end of year	<u>\$ 84,850</u>

See Accompanying Notes.



OTHER SUPPLEMENTARY INFORMATION

JAG JARAMILLO
ACCOUNTING
GROUP

CREATING CLARITY FROM COMPLEXITY

**COMBINING STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS
JUNE 30, 2021**

	Academy Del Sol	Alamogordo High School	Athletics	Buena Vista	Business and Finance	Central Receiving	Chaparral Middle School	Chief of Staff	Curriculum and Instruction	Department of Special Education
ASSETS										
Cash and cash equivalents	\$ 15,230	\$ 165,686	\$ 96,007	\$ 3,636	\$ 118,517	\$ 1,035	\$ 49,866	\$ 2,498	\$ 2,552	\$ 1,570
Total assets	<u>\$ 15,230</u>	<u>\$ 165,686</u>	<u>\$ 96,007</u>	<u>\$ 3,636</u>	<u>\$ 118,517</u>	<u>\$ 1,035</u>	<u>\$ 49,866</u>	<u>\$ 2,498</u>	<u>\$ 2,552</u>	<u>\$ 1,570</u>
LIABILITIES										
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION										
Restricted for student organizations	15,230	165,686	96,007	3,636	118,517	1,035	49,866	2,498	2,552	1,570
Total net position	<u>15,230</u>	<u>165,686</u>	<u>96,007</u>	<u>3,636</u>	<u>118,517</u>	<u>1,035</u>	<u>49,866</u>	<u>2,498</u>	<u>2,552</u>	<u>1,570</u>
Total liabilities and net position	<u>\$ 15,230</u>	<u>\$ 165,686</u>	<u>\$ 96,007</u>	<u>\$ 3,636</u>	<u>\$ 118,517</u>	<u>\$ 1,035</u>	<u>\$ 49,866</u>	<u>\$ 2,498</u>	<u>\$ 2,552</u>	<u>\$ 1,570</u>

COMBINING STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS (CONTINUED)
JUNE 30, 2021

	Desert Star Elementary	District Wide	Elementary Music	Graphics	Health Services	Heights Elementary	High Rolls Mtn Park Elementary	Holloman Elementary	Holloman Middle School	Human Resources
ASSETS										
Cash and cash equivalents	\$ 4,349	\$ 1,616	\$ 46	\$ 57,323	\$ 11,473	\$ 8,399	\$ 305	\$ 20,172	\$ 24,408	\$ 713
Total assets	<u>\$ 4,349</u>	<u>\$ 1,616</u>	<u>\$ 46</u>	<u>\$ 57,323</u>	<u>\$ 11,473</u>	<u>\$ 8,399</u>	<u>\$ 305</u>	<u>\$ 20,172</u>	<u>\$ 24,408</u>	<u>\$ 713</u>
LIABILITIES										
Accounts payable	\$ -	\$ 540	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	261	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>801</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION										
Restricted for student organizations	4,349	815	46	57,323	11,473	8,399	305	20,172	24,408	713
Total net position	<u>4,349</u>	<u>815</u>	<u>46</u>	<u>57,323</u>	<u>11,473</u>	<u>8,399</u>	<u>305</u>	<u>20,172</u>	<u>24,408</u>	<u>713</u>
Total liabilities and net position	<u>\$ 4,349</u>	<u>\$ 1,616</u>	<u>\$ 46</u>	<u>\$ 57,323</u>	<u>\$ 11,473</u>	<u>\$ 8,399</u>	<u>\$ 305</u>	<u>\$ 20,172</u>	<u>\$ 24,408</u>	<u>\$ 713</u>

COMBINING STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS (CONTINUED)
JUNE 30, 2021

	La Luz Elementary	Learning Services	Maint- enance	Mountain View Middle School	North Elementary	Oregon Elementary	Professional Learning Center	Sierra Elementary	Stepping Stones Preschool	Student Nutrition
ASSETS										
Cash and cash equivalents	\$ 1,837	\$ 526	\$ 8	\$ 34,736	\$ 4,270	\$ 10,975	\$ 12,816	\$ 4,054	\$ 2,204	\$ 7,103
Total assets	\$ 1,837	\$ 526	\$ 8	\$ 34,736	\$ 4,270	\$ 10,975	\$ 12,816	\$ 4,054	\$ 2,204	\$ 7,103
LIABILITIES										
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	-	-	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-	-	-	-	-
NET POSITION										
Restricted for student organizations	1,837	526	8	34,736	4,270	10,975	12,816	4,054	2,204	7,103
Total net position	1,837	526	8	34,736	4,270	10,975	12,816	4,054	2,204	7,103
Total liabilities and net position	\$ 1,837	\$ 526	\$ 8	\$ 34,736	\$ 4,270	\$ 10,975	\$ 12,816	\$ 4,054	\$ 2,204	\$ 7,103

COMBINING STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS (CONTINUED)
JUNE 30, 2021

	Super- intendent's Office	Technology Support Services	Yucca	Total Custodial Funds
ASSETS				
Cash and cash equivalents	\$ (54)	\$ 309	\$ 8,853	\$ 673,038
Total assets	<u>\$ (54)</u>	<u>\$ 309</u>	<u>\$ 8,853</u>	<u>\$ 673,038</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ 540
Accrued payroll liabilities	-	-	-	261
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>801</u>
NET POSITION				
Restricted for student organizations	(54)	309	8,853	672,237
Total net position	<u>(54)</u>	<u>309</u>	<u>8,853</u>	<u>672,237</u>
Total liabilities and net position	<u>\$ (54)</u>	<u>\$ 309</u>	<u>\$ 8,853</u>	<u>\$ 673,038</u>

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	Academy Del Sol	Alamogordo High School	Athletics	Buena Vista	Business and Finance	Central Receiving	Chaparral Middle School	Chief of Staff	Curriculum and Instruction	Department of Special Education
Additions										
Charges for services	\$ -	\$ 31,347	\$ 35,963	\$ 161	\$ 18,156	\$ -	\$ 5,847	\$ -	\$ -	\$ -
Contributions	990	819	279	-	-	-	-	-	-	-
Investment income	-	-	-	-	629	-	-	-	-	-
Total additions	990	32,166	36,242	161	18,785	-	5,847	-	-	-
Deductions										
Current										
Instruction	-	102,071	36,250	648	2,621	-	12,902	-	-	-
Support services										
Students	-	-	-	-	-	-	-	-	-	-
Total deductions	-	102,071	36,250	648	2,621	-	12,902	-	-	-
Change in net position	990	(69,905)	(8)	(487)	16,164	-	(7,055)	-	-	-
Net position, beginning of year, as originally stated	-	-	-	-	-	-	-	-	-	-
Implementation of new accounting standard (Note 16)	14,240	235,591	96,015	4,123	102,353	1,035	56,921	2,498	2,552	1,570
Net position, beginning of year, as restated	14,240	235,591	96,015	4,123	102,353	1,035	56,921	2,498	2,552	1,570
Net position - end of year	\$ 15,230	\$ 165,686	\$ 96,007	\$ 3,636	\$ 118,517	\$ 1,035	\$ 49,866	\$ 2,498	\$ 2,552	\$ 1,570

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – FIDUCIARY FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021**

	Desert Star Elementary	District Wide	Elementary Music	Graphics	Health Services	Heights Elementary	High Rolls Mtn Park Elementary	Holloman Elementary	Holloman Middle School	Human Resources
Additions										
Charges for services	\$ 51	\$ -	\$ -	\$ 349	\$ -	\$ -	\$ 38	\$ 179	\$ -	\$ -
Contributions	-	2,150	-	-	12,017	-	-	-	-	-
Investment income	-	-	-	-	-	-	-	-	-	-
Total additions	<u>51</u>	<u>2,150</u>	<u>-</u>	<u>349</u>	<u>12,017</u>	<u>-</u>	<u>38</u>	<u>179</u>	<u>-</u>	<u>-</u>
Deductions										
Current										
Instruction	-	1,317	-	1,090	-	3,395	-	755	520	-
Support services										
Students	-	-	-	-	1,093	-	-	-	-	-
Total deductions	<u>-</u>	<u>1,317</u>	<u>-</u>	<u>1,090</u>	<u>1,093</u>	<u>3,395</u>	<u>-</u>	<u>755</u>	<u>520</u>	<u>-</u>
Change in net position	<u>51</u>	<u>833</u>	<u>-</u>	<u>(741)</u>	<u>10,924</u>	<u>(3,395)</u>	<u>38</u>	<u>(576)</u>	<u>(520)</u>	<u>-</u>
Net position, beginning of year, as originally stated	-	-	-	-	-	-	-	-	-	-
Implementation of new accounting standard (Note 16)	4,298	(18)	46	58,064	549	11,794	267	20,748	24,928	713
Net position, beginning of year, as restated	<u>4,298</u>	<u>(18)</u>	<u>46</u>	<u>58,064</u>	<u>549</u>	<u>11,794</u>	<u>267</u>	<u>20,748</u>	<u>24,928</u>	<u>713</u>
Net position - end of year	<u>\$ 4,349</u>	<u>\$ 815</u>	<u>\$ 46</u>	<u>\$ 57,323</u>	<u>\$ 11,473</u>	<u>\$ 8,399</u>	<u>\$ 305</u>	<u>\$ 20,172</u>	<u>\$ 24,408</u>	<u>\$ 713</u>

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – FIDUCIARY FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021**

	La Luz Elementary	Learning Services	Maint- enance	Mountain View Middle School	North Elementary	Oregon Elementary	Professional Learning Center	Sierra Elementary	Stepping Stones Preschool	Student Nutrition
Additions										
Charges for services	\$ 88	\$ -	\$ -	\$ 1,442	\$ 1,211	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions	-	-	-	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-	-	-	-
Total additions	88	-	-	1,442	1,211	-	-	-	-	-
Deductions										
Current										
Instruction	-	-	51	4,907	-	-	-	162	-	-
Support services										
Students	-	-	-	-	-	-	-	-	-	-
Total deductions	-	-	51	4,907	-	-	-	162	-	-
Change in net position	88	-	(51)	(3,465)	1,211	-	-	(162)	-	-
Net position, beginning of year, as originally stated	-	-	-	-	-	-	-	-	-	-
Implementation of new accounting standard (Note 16)	1,749	526	59	38,201	3,059	10,975	12,816	4,216	2,204	7,103
Net position, beginning of year, as restated	1,749	526	59	38,201	3,059	10,975	12,816	4,216	2,204	7,103
Net position - end of year	\$ 1,837	\$ 526	\$ 8	\$ 34,736	\$ 4,270	\$ 10,975	\$ 12,816	\$ 4,054	\$ 2,204	\$ 7,103

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – FIDUCIARY FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021**

	Super- intendent's Office	Technology Support Services	Yucca	Total Custodial Funds
Additions				
Charges for services	\$ -	\$ -	\$ 119	\$ 94,951
Contributions	-	-	400	16,655
Investment income	-	-	-	629
Total additions	<u>-</u>	<u>-</u>	<u>519</u>	<u>112,235</u>
Deductions				
Current				
Instruction	-	-	2,945	169,634
Support services				
Students	-	-	-	1,093
Total deductions	<u>-</u>	<u>-</u>	<u>2,945</u>	<u>170,727</u>
Change in net position	<u>-</u>	<u>-</u>	<u>(2,426)</u>	<u>(58,492)</u>
Net position, beginning of year, as originally stated	-	-	-	-
Implementation of new accounting standard (Note 16)	(54)	309	11,279	730,729
Net position, beginning of year, as restated	(54)	309	11,279	730,729
Net position - end of year	<u>\$ (54)</u>	<u>\$ 309</u>	<u>\$ 8,853</u>	<u>\$ 672,237</u>

SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY FOR PUBLIC FUNDS
 JUNE 30, 2021

Name of Depository	Description of			CUSIP	Fair Market
	Pledged Collateral	Type	Maturity	Number	Value
June 30, 2021					
First American Bank					
	Albuquerque SD # 12-A NM 21	Bond	08/01/21	013595QQ9	\$ 751,718
	Univ of NM-REF NM 22	Bond	08/01/22	914684EF8	1,436,141
	FNMA 10YR	Bond	12/01/24	3138EPKF0	264,089
	FNMA 15 YR	Bond	01/01/25	31417WU90	289,422
	Torrance ETC SD#8 NM 25	Bond	05/15/25	891400NM1	500,500
	Grants ETC SD #1 NM25	Bond	10/01/25	388240HZ9	273,178
	Mosquero SD#5 NM 25	Bond	10/15/25	619636EV1	181,104
	Los Lunas SD #1-A-REF NM 26	Bond	07/15/26	545562RN2	355,842
	Clovis MUNI SD #1-A NM 26	Bond	08/01/26	189414KW4	432,506
	Truth ETC SD #6 NM 26	Bond	08/01/26	898439EB6	355,999
	FHLMC 15 YR	Bond	09/01/26	3128PWM47	340,169
	FHLMC 15 YR	Bond	12/01/26	3128MDY3	234,770
	FNMA 15 YR	Bond	06/01/27	3138EJCP1	339,169
	FNMA 15 YR	Bond	08/01/27	31417CRL1	287,228
	FNMA 15 YR	Bond	07/01/29	31410LPF3	601,823
	Artesia Rev NM 31	Bond	06/01/31	043053CW5	203,556
	Alamogordo NM MUNI SD NM	Bond	08/01/31	011464LW2	663,612
	GNMA 30 YR	Bond	05/15/33	36200KT49	387,716
	FRLMC 20 YR	Bond	04/01/41	3133KYU80	2,433,244
	FNMA 30 YR	Bond	07/01/46	31418B6G6	693,220
	FRLMC 30 YR	Bond	11/01/49	3133KGY77	2,113,139
	GNMA II 30 FHA Jumbo	Bond	02/20/51	36179V6U9	935,423
Total First American Bank					14,073,568

Name and location of safe keeper for above pledged collateral:
 Federal Home Loan Bank, Dallas, TX

First National Bank					
	FNMA Pool #AS0484	Bond	09/01/28	3138W9RE2	559,992
	FNMA Pool #MA0023	Bond	04/01/29	31417YAZ0	31,447
	FNMA Pool #C91349	Bond	12/01/30	3128P7QA4	54,004
	FNMA Pool #MA0828	Bond	06/01/31	31417Y4N4	271,632
	FNMA Pool #MA1401	Bond	04/01/33	31418ARX8	295,340
	FNMA Pool #MA2832	Bond	12/01/36	31418CEE0	1,080,162
	FNMA Pool #909295	Bond	01/01/37	31411JGC4	400,266
	FNMA Pool #MA3214	Bond	12/01/37	31418CSC9	687,163
Total First National Bank					3,380,006

Name and location of safe keeper for above pledged collateral:
 Federal Home Loan Bank, Dallas, TX

SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY FOR PUBLIC FUNDS (CONTINUED)
 JUNE 30, 2021

Name of Depository	Description of			CUSIP	Fair Market Value
	Pledged Collateral	Type	Maturity	Number	June 30, 2021
Wells Fargo Bank					
	FNMA FNMS 3.000%	Bond	12/01/42	3138NYK95	318,894
Total Wells Fargo Bank					<u>318,894</u>
Name and location of safe keeper for above pledged collateral:					
Bank of New York Mellon					
Total Pledged Collateral					<u>\$ 17,772,468</u>

**SCHEDULE OF CASH AND TEMPORARY INVESTMENT ACCOUNTS
JUNE 30, 2021**

Bank Account Type	Account Type	First American Bank	First National Bank	Wells Fargo Bank	Total
Capital Projects	Checking	\$ 22,080,441	\$ -	\$ -	\$ 22,080,441
Debt Service	Checking	5,551,094	-	-	5,551,094
Nutrition Services	Checking	-	423,937	-	423,937
Athletics	Checking	-	102,565	-	102,565
Activity	Checking	-	3,071,666	-	3,071,666
Payroll	Checking	-	496,720	-	496,720
Operational	Checking	-	-	5,029,380	5,029,380
Total on Deposit		27,631,535	4,094,888	5,029,380	36,755,803
Reconciling Items		(176,356)	(881,224)	(4,043,823)	(5,101,403)
Reconciled Balance, June 30, 2021		<u>\$ 27,455,179</u>	<u>\$ 3,213,664</u>	<u>\$ 985,557</u>	<u>31,654,400</u>
Plus: Petty cash					145
Less: Fiduciary Funds Cash					<u>(673,038)</u>
Cash and Investments per Government-Wide Financial Statements					<u>\$ 30,981,507</u>

**SCHEDULE OF CASH RECONCILIATION
FOR THE YEAR ENDED JUNE 30, 2021**

	Operational Fund			
	11000	13000	14000	21000
	General	Pupil Transportation	Instructional Materials	Food Service
Cash, June 30, 2020	\$ 3,502,086	\$ 9,106	\$ 24,155	\$ 94,228
Add:				
2020-21 revenues	46,973,035	1,097,177	378	3,159,811
Receipt of prior year loans	4,495,001	-	-	-
Current year loans from other funds	-	-	-	160,000
Total cash available	54,970,122	1,106,283	24,533	3,414,039
Less:				
2020-21 expenditures	(48,666,382)	(1,101,241)	(24,155)	(3,155,476)
Prior year held checks cashed	(2,739,876)	-	-	-
Repayment of prior year loans	-	-	-	-
Transfers to/from other funds	-	-	-	-
Current year loans to other funds	(3,447,564)	-	-	-
Adjustments	-	-	-	-
Remittal of cash to PED	-	(4,553)	-	-
Current year accrued payroll	2,740,565	58,400	-	89,073
Cash, June 30, 2021	\$ 2,856,865	\$ 58,889	\$ 378	\$ 347,636

**Reconciliation of cash balances reported
to the NM Public Education Department**

Cash, June 30, 2021 per financial statements	\$ 2,856,865	\$ 58,889	\$ 378	\$ 347,636
Difference in cash loans to other funds	(52,938)	-	-	-
Difference in cash loans received from other funds	-	-	-	(160,000)
Adjustments	183,082	-	-	-
Cash per NM PED Cash Report	\$ 2,987,009	\$ 58,889	\$ 378	\$ 187,636

**SCHEDULE OF CASH RECONCILIATION (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021**

	22000	23000	24000	25000
	Athletics	Non- Instructional	Federal Flowthrough Fund	Federal Direct Fund
Cash, June 30, 2020	\$ 91,395	\$ 730,729	\$ -	\$ 1,292,066
Add:				
2020-21 revenues	20,218	111,511	7,679,816	1,631,997
Receipt of prior year loans	-	-	-	-
Current year loans from other funds	-	-	2,638,119	-
Total cash available	111,613	842,240	10,317,935	2,924,063
Less:				
2020-21 expenditures	(8,326)	(169,463)	(7,391,299)	(1,959,327)
Prior year held checks cashed	-	-	-	-
Repayment of prior year loans	-	-	(3,139,045)	(213,669)
Transfers to/from other funds	-	-	-	-
Current year loans to other funds	-	-	-	-
Adjustments	-	-	-	-
Remittal of cash to PED	-	-	-	-
Current year accrued payroll	868	261	212,409	71,413
Cash, June 30, 2021	\$ 104,155	\$ 673,038	\$ -	\$ 822,480

**Reconciliation of cash balances reported
to the NM Public Education Department**

Cash, June 30, 2021 per financial statements	\$ 104,155	\$ 673,038	\$ -	\$ 822,480
Difference in cash loans to other funds	-	-	-	-
Difference in cash loans received from other funds	-	-	-	-
Adjustments	-	(261)	-	(74,073)
Cash per NM PED Cash Report	\$ 104,155	\$ 672,777	\$ -	\$ 748,407

**SCHEDULE OF CASH RECONCILIATION (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021**

	27000	28000	29000	31100
	State Flowthrough	State Direct	Local or State Fund	Bond Building
Cash, June 30, 2020	\$ -	\$ 34,346	\$ 2,567	\$ 15,865,796
Add:				
2020-21 revenues	1,895,352	7,591	3,000	4,045,183
Receipt of prior year loans	-	-	-	-
Current year loans from other funds	<u>649,445</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash available	2,544,797	41,937	5,567	19,910,979
Less:				
2020-21 expenditures	(1,442,746)	10,504	-	(2,335,622)
Prior year held checks cashed	-	-	-	-
Repayment of prior year loans	(1,142,287)	-	-	-
Transfers to/from other funds	-	-	-	-
Current year loans to other funds	-	-	-	-
Adjustments	-	(34,739)	-	-
Remittal of cash to PED	-	-	-	-
Current year accrued payroll	<u>40,236</u>	<u>1,013</u>	<u>-</u>	<u>-</u>
Cash, June 30, 2021	<u>\$ -</u>	<u>\$ 18,715</u>	<u>\$ 5,567</u>	<u>\$ 17,575,357</u>

**Reconciliation of cash balances reported
to the NM Public Education Department**

Cash, June 30, 2021 per financial statements	\$ -	\$ 18,715	\$ 5,567	\$ 17,575,357
Difference in cash loans to other funds	-	-	-	-
Difference in cash loans received from other funds	-	-	-	-
Adjustments	<u>-</u>	<u>(17,817)</u>	<u>-</u>	<u>-</u>
Cash per NM PED Cash Report	<u>\$ -</u>	<u>\$ 898</u>	<u>\$ 5,567</u>	<u>\$ 17,575,357</u>

**SCHEDULE OF CASH RECONCILIATION (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021**

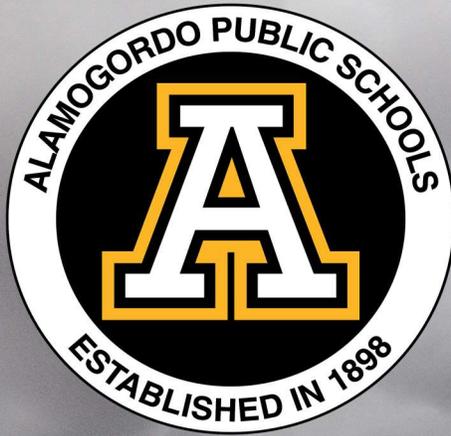
	31600 Capital Improvements HB-33	31700 Capital Improvements SB9 (State)	31701 Capital Improvements SB9 (Local)	31703 SB-9 State Match Cash
Cash, June 30, 2020	\$ 560,684	\$ 130,373	\$ 2,390,353	\$ -
Add:				
2020-21 revenues	1,223,750	117	1,754,977	9
Receipt of prior year loans	-	-	-	-
Current year loans from other funds	-	-	-	-
Total cash available	1,784,434	130,490	4,145,330	9
Less:				
2020-21 expenditures	(1,406,131)	(117)	(883,833)	(130,373)
Prior year held checks cashed	-	-	-	-
Repayment of prior year loans	-	-	-	-
Transfers to/from other funds	-	(130,373)	-	130,373
Current year loans to other funds	-	-	-	-
Adjustments	-	-	-	-
Remittal of cash to PED	-	-	-	-
Current year accrued payroll	-	-	-	-
Cash, June 30, 2021	<u>\$ 378,303</u>	<u>\$ -</u>	<u>\$ 3,261,497</u>	<u>\$ 9</u>

**Reconciliation of cash balances reported
to the NM Public Education Department**

Cash, June 30, 2021 per financial statements	\$ 378,303	\$ -	\$ 3,261,497	\$ 9
Difference in cash loans to other funds	-	-	-	-
Difference in cash loans received from other funds	-	130,373	-	-
Adjustments	-	(6,151)	-	(9)
Cash per NM PED Cash Report	<u>\$ 378,303</u>	<u>\$ 124,222</u>	<u>\$ 3,261,497</u>	<u>\$ -</u>

**SCHEDULE OF CASH RECONCILIATION (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021**

	31900 Education Technology Equipment Act	41000 Debt Service	43000 Debt Service Ed-Tech	Total
Cash, June 30, 2020	\$ 562	\$ 5,123,032	\$ 73,913	\$ 29,925,391
Add:				
2020-21 revenues	-	5,461,896	8,684	75,074,502
Receipt of prior year loans	-	-	-	4,495,001
Current year loans from other funds	-	-	-	3,447,564
	562	10,584,928	82,597	112,942,458
Less:				
2020-21 expenditures	-	(5,116,345)	(86)	(73,780,418)
Prior year held checks cashed	-	-	-	(2,739,876)
Repayment of prior year loans	-	-	-	(4,495,001)
Transfers to/from other funds	-	-	-	-
Current year loans to other funds	-	-	-	(3,447,564)
Adjustments	-	-	-	(34,739)
Remittal of cash to PED	-	-	-	(4,553)
Current year accrued payroll	-	-	-	3,214,238
Cash, June 30, 2021	\$ 562	\$ 5,468,583	\$ 82,511	\$ 31,654,545
			Cash per custodial fund	\$ 673,038
			Cash per governmental funds	30,981,507
				<u>\$ 31,654,545</u>
Reconciliation of cash balances reported to the NM Public Education Department				
Cash, June 30, 2021 per financial statements	\$ 562	\$ 5,468,583	\$ 82,511	\$ 31,654,545
Difference in cash loans to other funds	-	-	-	(52,938)
Difference in cash loans received from other funds	-	-	-	(29,627)
Adjustments	-	-	-	84,771
Cash per NM PED Cash Report	\$ 562	\$ 5,468,583	\$ 82,511	\$ 31,656,751



COMPLIANCE SECTION

JAG JARAMILLO
ACCOUNTING
GROUP

CREATING CLARITY FROM COMPLEXITY



**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**

**The Board of Education
Alamogordo Public Schools**
Alamogordo, New Mexico

and

Mr. Brian Colón, Esq.
New Mexico State Auditor
Santa Fe, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons of the general fund and major special revenue funds of the Alamogordo Public Schools (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements as listed in the Table of Contents, and have issued our report thereon dated November 15, 2021.

INTERNAL CONTROL OVER FINANCIAL REPORTING

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

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

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

COMPLIANCE AND OTHER MATTERS

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

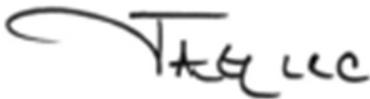
We noted certain matters that are required to be reported per Section 12-6-5 NMSA 1978 that we have described in the accompanying Schedule of Section 12-6-5 NMSA 1978 Findings as items 2021-001 and 2021-002.

DISTRICT'S RESPONSES TO FINDINGS

The District's responses to the findings identified in our audit are described in the accompanying Schedule of Section 12-6-5 NMSA 1978 Findings. The District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. 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.



Jaramillo Accounting Group LLC (JAG)
Albuquerque, New Mexico
November 15, 2021



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

The Board of Education
Alamogordo Public Schools
Alamogordo, New Mexico

and

Mr. Brian Colón, Esq.
New Mexico State Auditor
Santa Fe, New Mexico

Report on Compliance for Each Major Federal Program

We have audited Alamogordo Public Schools' (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2021. The District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with 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 District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of *Title 2 U.S. Code of Federal Regulations (CFR) 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 non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each of the Major Federal Programs

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

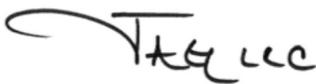
Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. 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.



Jaramillo Accounting Group LLC (JAG)
Albuquerque, New Mexico
November 15, 2021

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021**

Federal Grantor or Pass-through Grantor / Assistance Listings Program Title	Assistance Listings Number	Pass-through Number	Amounts Passed through to Subrecipients	Federal Expenditures
U.S. Department of Education				
<i>Pass-through State of New Mexico Public Education Department</i>				
<i>Special Education Cluster</i>				
Special Education Grants to States (IDEA B)	84.027	24106	\$ -	\$ 1,434,104
Special Education Preschool Grants (IDEA B)	84.173	24109/24112	-	<u>253,239</u>
Total Special Education Cluster			-	<u>1,687,343</u>
Title I Grants to Local Educational Agencies	84.010	24101	-	2,832,642
Education for Homeless Children and Youth	84.196	24113	-	14,764
School Improvement Grants	84.377	24124	-	-
English Language Acquisition	84.365	24153	-	8,004
Supporting Effective Instruction State Grants	84.367	24154	-	6,605
Rural Education Achievement Program	84.358	24160	-	196,876
Career and Technical Education - Basic Grants to States	84.048	24174/24176	-	82,420
Student Support and Academic Enrichment Program	84.424	24189	-	118,581
Comprehensive Literacy Development	84.371	24194	-	853,137
		24301/24305/ 24306/24307/		
COVID-19 - Education Stabilization Fund	84.425	24312	-	<u>1,637,071</u>
Subtotal - Pass-through State of New Mexico Public Education Dept.			-	7,437,443
Direct U.S. Department of Education Impact Aid	84.041		-	<u>1,028,051</u>
Total U.S. Department of Education			-	<u>8,465,494</u>

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021**

Federal Grantor or Pass-through Grantor / Assistance Listings Program Title	Assistance Listings Number	Pass-through Number	Amounts Passed through to Subrecipients	Federal Expenditures
U.S. Department of Agriculture				
Direct U.S. Department of Agriculture				
Rural Development, Forestry, and Communities	10.672		\$ -	\$ 202,173
<i>Child Nutrition Cluster</i>				
<i>Pass-through State of New Mexico Public Education Department</i>				
<i>Cash Assistance</i>				
School Breakfast Program	10.553	21000	-	1,016,646
National School Lunch Program	10.555	21000	-	2,019,864
<i>Pass-through State of New Mexico Human Services Department</i>				
Fresh Fruit and Vegetable Program	10.582	24118	-	5,924
Non-Cash Assistance (Commodities)	10.555	21000	-	216,543
Total Child Nutrition Cluster			-	3,258,977
Total U.S. Department of Agriculture			-	3,461,150
U.S. Department of Defense				
Direct U.S. Department of Defense				
Impact Aid	12.558		-	-
Invitational Grants for Military-Connected Schools	12.557	25254	-	710,838
Total U.S. Department of Defense			-	710,838
Total Federal Financial Assistance			\$ -	\$ 12,637,482

See Notes to Schedule of Expenditures of Federal Awards.

Notes to Schedule of Expenditures to Federal Awards

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of Alamogordo Public Schools (District) under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position or changes in financial position of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. SUBRECIPIENTS

The District did not have any subrecipients during the year ended June 30, 2021.

NOTE 4. NON-CASH FEDERAL ASSISTANCE

The District receives USDA Commodities for use in sponsoring the National School Lunch and Breakfast program. Per USDA guidance (FPI-18-2), donated USDA commodities should be grouped with the National School Lunch Program and use the same Assistance Listings Number as the National School Lunch Program. The value of commodities received for the year ended June 30, 2021 was \$216,543. Commodities are recorded as revenues and expenditures in the Food Service fund.

NOTE 5. INDIRECT COST RATE

During the year ended June 30, 2021, the New Mexico Public Education Department reimbursed the District for indirect costs at 6.72%.

NOTE 6. RECONCILIATION OF FEDERAL REVENUE TO FEDERAL EXPENDITURES

Federal expenditures as reported on Schedule of Expenditure of Federal Awards	\$ 12,637,482
District as contractor relationship:	
Medicaid (Fund 25153)	699,151
Indirect cost recovery (Fund 11000)	222,970
Advance reimbursement grant (Impact Aid - Fund 25145)	(186,398)
Advance reimbursement grant (CARES Act - Fund 24301)	-
Reporting differences	(162,051)
Federal revenue as reported in the financial statements	<u>\$ 13,211,154</u>

Summary Schedule of Prior Audit Findings

JUNE 30, 2021

FINANCIAL STATEMENT FINDINGS

2020-001	IT Access – Segregation of Duties	Resolved
2020-002	Support for Student Nutrition Billings	Resolved
2020-003	Procurement	Resolved
2020-004	Activity Fund Cash Receipts	Resolved

FEDERAL AWARDS FINDINGS

NONE

SECTION 12-6-5 NMSA 1978 FINDINGS

2020-005	(Previously 2018-011) Over-Expenditure of Budget	Resolved
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Schedule of Findings and Questioned Costs

FOR THE YEAR ENDED JUNE 30, 2021

SECTION I: SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS:

1.	Type of auditor's report issued	Unmodified
2.	Internal Control over Financial Reporting	
	a. Material Weakness Identified?	No
	b. Significant Deficiencies not considered to be material weakness?	No
	c. Non-compliance Material to the financial statements noted?	No

FEDERAL AWARDS:

1.	Internal Control over Major Programs	
	a. Material Weakness Identified?	No
	b. Significant Deficiencies Identified not Considered to be Material Weakness?	No
2.	Type of Auditor's Report Issued on Compliance for Major Programs	Unmodified
3.	Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?	No
4.	Identification of Major Programs:	
	Assistance Listings	Assistance Listings Program Title
	<u>Number</u>	
	84.425	COVID 19 – Education Stabilization Fund
	84.371	Comprehensive Literacy State Development
	10.559	Child Nutrition Cluster
5.	Dollar threshold used to distinguish between Type A and Type B Programs:	\$750,000
6.	Auditee qualified as a low-risk auditee?	No

SECTION II: FINANCIAL STATEMENT FINDINGS

NONE

SECTION III: FEDERAL AWARDS FINDINGS

NONE

Schedule of Section 12-6-5 NMSA 1978 Findings

FOR THE YEAR ENDED JUNE 30, 2021

2021-001	STUDENT NUTRITION INVENTORY
Type of Finding	Other Matters in accordance with 2.2.2.10(L)(1) NMAC
Condition	<p>The District contracts with a vendor to operate the Student Nutrition program. Both the District and the vendor have employees working for the program and on campuses and in Central Office. The inventory is transferred to the vendor and is the responsibility of the vendor with oversight by the District which relies upon the vendor's controls over compliance, preventing fraud, waste, and abuse, upholding contractual obligations, along with keeping operational costs down.</p> <p>During our testing of the program, we noted the inventories had not been performed timely and completely. TrackNow is the software used for production and portion records which tracks inventory in/out, food costs and allows management to question why inventory balances or usage may be too high or low. Balances in TrackNow were incorrect, incomplete, and commodities were not included since they were tracked in Excel. Upon following up on the inventory counts, all 20 inventory items we tested from the floor to the list and the list to the floor at the High School and at the commodities storage were inaccurate. We noted a few old food items past the best by date. There were also employees from the District and the vendor who untruthfully represented to the auditor they had performed the inventory counts when clearly, they had not. The District took immediate corrective action.</p>
Criteria	Per NMAC 6.20.2.11 (A) Internal Control Structure Standards, "every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization..."
Effect	The District is at higher risk of noncompliance with laws, contracts, and regulations without accountability in place to ensure proper controls are followed by the vendor. Fraud, waste, and abuse of federal funds could occur. Inaccurate or old inventories could impact service to students in various ways.
Cause	The vendor had low-performing employees who lacked accountability. The District did not perform spot checks timely.
Recommendation	We recommend a implementing a strict monitoring process and frequent communication and accountability with the vendor and employees regarding compliance and best practices to apply. Any instances of untruthfulness and misrepresentations by employees are grounds for disciplinary action/termination.
Management Response	<p>Corrective Action: In response to the Student Nutrition finding of improper inventory procedures and documentation, Aps SN has put into place with the third-party vendor a new inventory system. All management, District and the vendor have been completely retrained. APS SN has been monitoring on a weekly basis individual schools and final inventory numbers with the vendor. There has been changes and updates to their procedures to ensure accurate counting as well as proper inspections of holding areas including but not limited to coolers, freezers and dry storage to obtain the quality of product. APS SN will not tolerate any untruthfulness or misrepresentations by any employee any further instances will be grounds for immediate disciplinary actions up to termination. The management team at the time of the audit for the vendor are no longer with the company and APS SN have been spot checking inventory with the vendor as they rebuild their procedures for inventory. APS SN will be closely monitoring all aspects of the program to insure accurate record keeping.</p> <p>Due Date of Completion: December 31, 2021</p> <p>Responsible Party: Various school site administrative assistants responsible for cash receipts.</p>

Schedule of Section 12-6-5 NMSA 1978 Findings (Continued)

FOR THE YEAR ENDED JUNE 30, 2021

2021-002	BANK COLLATERALIZATION
Type of Finding	Other Matters in accordance with 2.2.2.10(L)(1) NMAC
Condition	Background: The School District has a checking at Wells Fargo Bank, NA. State of New Mexico governmental collateral requirements require 50% of the uninsured checking account be collateralized. The sum of these accounts and related Federal Deposit Insurance Corporation (FDIC) insurance and pledged collateral at Wells Fargo Bank, resulted in under collateralization of \$1,695,796.
Criteria	New Mexico State Statute Section 6-10-17, NMSA 1978, requires the School District to collateralize an amount equal to fifty percent of the balance not covered by FDIC insurance for depository accounts and one hundred and two percent of the balance not covered by FDIC insurance for repurchase (sweep) agreements.
Effect	The deposits were not sufficiently collateralized and, therefore, the School District was not in compliance with the State’s cash collateralization requirements.
Cause	The School District did not have sufficient collateral over deposits with one of their financial institutions
Recommendation	The District should arrange to have sufficient collateral for bank deposits in excess of the FDIC insurance limits.
Management Response	Corrective Action: The District has reached out to the bank to identify why the account was not properly collateralized as of June 30th and what needs to be done to increase the amount of pledge collateral. During the year, pledge collateral is reviewed to determine that there is sufficient coverage to meet the state’s collateralization requirements. Due to a fluctuating cash balance at the end of the fiscal year, the bank did not have enough collateral as of June 30 th .
	Due Date of Completion: Immediate and ongoing
	Responsible Party: Business Manager

Exit Conference

JUNE 30, 2021

The contents of this report were discussed, in a closed session, on November 12, 2021 with Alamogordo Public Schools. The following individuals were in attendance:

REPRESENTING ALAMOGORDO PUBLIC SCHOOLS:

ANGELA CADWALLADER
Board Member

DR. KEN MOORE
Superintendent

COLLEEN TAGLE
Deputy Superintendent of Operations

BRYAN RUNYAN
Contract Business Manager

CAROL TEWELEIT
Board Secretary

REPRESENTING JARAMILLO ACCOUNTING GROUP LLC (JAG):

AUDREY J. JARAMILLO, CPA, CFE, J.M.
Managing Partner

SCOTT ELIASON, CPA
Partner

JUSTIN MEHNERT
Supervisor

KAREN SCHMITZ
Business Analyst

MUTYA BORRA
Audit Staff

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



JARAMILLO ACCOUNTING GROUP LLC (JAG)

CERTIFIED PUBLIC ACCOUNTANTS

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