STATE OF NEW MEXICO

PUBLIC EDUCATION DEPARTMENT

Financial Statements
June 30, 2017

VOLUME XI

AXIOM
Certified Public Accountants
and Business Advisors LLC

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
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SOUTH VALLEY PREPARATORY SCHOOL

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Statement of Net Position
June 30, 2017

ASSETS AND DEFERRED OUTFLOWS	
Current Assets:	
Cash and Cash Equivalents	$ 293,550
Receivables	
Due from Other Governments	57,923
Deposits	25,125
Total Current Assets	376,598
Noncurrent Assets:	
Capital Assets	
Furniture, Fixtures, and Equipment	6,344
Less: Accumulated Depreciation	(6,344)
Total Noncurrent Assets	-
Total Assets	376,598
Deferred Outflows - Pension Related	279,333
LIABILITIES AND DEFERRED INFLOWS	
Current Liabilities:	
Accounts Payable	17,527
Accrued Liabilities	72,756
Compensated Absences	1,872
Total Current Liabilities	92,155
Noncurrent Liabilities:	
Net Pension Liability	1,774,641
Total Noncurrent Liabilities	1,774,641
Total Liabilities	1,866,796
Deferred Inflows - Pension Related	52,414
NET POSITION (DEFICIT)	
Restricted	207,736
Unrestricted (Deficit)	(1,471,015)
Total Net Position (Deficit)	$ (1,263,279)

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Statement of Activities
For The Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues: Charges for Service	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net
Governmental activities:					
Instruction	$ 851,410	-	159,582	-	(691,828)
Support Services:					
Students	139,271	-	-	-	(139,271)
Instruction	7,050	-	-	-	(7,050)
General Administration	21,257	-	-	-	(21,257)
School Administration	223,433	-	-	-	(223,433)
Central Services	91,465	-	-	-	(91,465)
Operation & Maintenance of Plant	115,117	-	-	-	(115,117)
Food Services	104,839	688	92,915	-	(11,236)
Facilities Materials, Supplies & Other Services	142,640	-	-	115,952	(26,688)
Total Governmental Activities	$ 1,696,482	688	252,497	115,952	(1,327,345)
		General Revenues:			
		Property Taxes			129,194
		State Equalization Guarantee			1,220,173
		Total General Revenues			1,349,367
		Change in Net Position			22,022
		Net Position (Deficit), Beginning of Year			(1,285,301)
		Net Position (Deficit), Ending			$ (1,263,279)

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Balance Sheets - Governmental Funds
June 30, 2017

	Operational 11000	Instructional Materials 14000	Food Services 21000
ASSETS			
Cash and Cash Equivalents	$ 104,036	6,732	16
Accounts Receivable			
Due from Government	-	-	-
Due from Other Funds	49,185	-	-
Deposits	-	-	-
Total Assets	$ 153,221	6,732	16
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	$ 8,832	5,300	-
Accrued Expenditures	65,810	-	16
Due to Other Funds	-	-	-
Total Liabilities	74,642	5,300	16
Fund Balances (Deficit)			
Fund Balance:			
Nonspendible:			
Deposits	-	-	-
Restricted for:			
Instruction	-	1,432	-
Capital Improvements	-	-	-
Assigned to:			
Subsequent Years Expenditures and Other Programs	78,579	-	-
Unassigned (Deficit)	-	-	-
Total Fund Balance (Deficit)	78,579	1,432	-
Total Liabilities and Fund Balances	$ 153,221	6,732	16

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

Title I IASA 24101	IDEA-B Entitlement 24106	Federal Charter School Planning 24146	Teacher Principal Training 24154	Medicaid Ancillary 25152
-	-	-	-	4,029
18,236	19,634	-	7,316	-
-	-	-	-	-
-	-	25,125	-	-
18,236	19,634	25,125	7,316	4,029
-	1,799	-	-	-
6,921	-	-	-	-
11,315	19,633	-	7,316	-
18,236	21,432	-	7,316	-
-	-	25,125	-	-
-	(1,798)	-	-	4,029
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	(1,798)	25,125	-	4,029
18,236	19,634	25,125	7,316	4,029

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Balance Sheets - Governmental Funds - (Continued)
June 30, 2017

	Elementary & Middle School Initiative 26177	NM Meal Program 27183	Teacher and School Leader Incentive Pay 27188
ASSETS			
Cash and Cash Equivalents	$ -	-	-
Accounts Receivable			
Due from Government	9,930	1,000	-
Due from Other Funds	-	-	-
Deposits	-	-	-
Total Assets	$ 9,930	1,000	-
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	$ -	-	-
Accrued Expenditures	9	-	-
Due to Other Funds	9,921	1,000	-
Total Liabilities	9,930	1,000	-
Fund Balances (Deficit)			
Fund Balance:			
Nonspendible:			
Deposits	-	-	-
Restricted for:			
Instruction	-	-	-
Capital Improvements	-	-	-
Assigned to:			
Subsequent Years Expenditures and Other Programs	-	-	-
Unassigned (Deficit)	-	-	-
Total Fund Balance (Deficit)	-	-	-
Total Liabilities and Fund Balances	$ 9,930	1,000	-

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

Group Pay for Performance 27190	Public School Capital Outlay 31200	HB 33 Capital Improvements 31600	SB-9 Capital Improvements 31700	SB-9 Ad Valorem 31701	Total
-	580	78,649	-	99,508	293,550
-	-	1,127	-	680	57,923
-	-	-	-	-	49,185
-	-	-	-	-	25,125
-	580	79,776	-	100,188	425,783
-	-	-	-	1,596	17,527
-	-	-	-	-	72,756
-	-	-	-	-	49,185
-	-	-	-	1,596	139,468
-	-	-	-	-	25,125
-	-	-	-	-	3,663
-	580	79,776	-	98,592	178,948
-	-	-	-	-	78,579
-	-	-	-	-	-
-	580	79,776	-	98,592	286,315
-	580	79,776	-	100,188	425,783

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2017

Fund Balance - Total Governmental Funds		$ 286,315
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital Assets	6,344	
Accumulated Depreciation	(6,344)	
		-
Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		279,333
Long-term liabilities are not due in the current period and, therefore are not reported in the funds.		
Compensated absences		(1,872)
The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		(1,774,641)
Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(52,414)
Net Position (Deficit) - Total Governmental Activities		$ (1,263,279)

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2017

	Operational 11000	Instructional Materials 14000	Food Services 21000
REVENUES			
Property Taxes	$ -	-	-
Local & County Grant	5,033	-	-
State Grant	1,220,173	9,669	-
Federal Grant	-	-	92,915
Charges for Services	-	-	688
Total Revenues	1,225,206	9,669	93,603
EXPENDITURES			
Current:			
Instruction	728,201	9,269	-
Support Services:			
Students	56,262	-	-
Instruction	7,050	-	-
General Administration	19,983	-	-
School Administration	208,522	-	-
Central Services	91,465	-	-
Operation & Maintenance of Plant	114,941	-	-
Food Services Operations	9,895	-	93,603
Capital Outlay	-	-	-
Total Expenditures	1,236,319	9,269	93,603
Net Changes in Fund Balances	(11,113)	400	-
Fund Balances (Deficit) - Beginning of Year	89,692	1,032	-
Fund Balances (Deficit) - End of Year	$ 78,579	1,432	-

Title I IASA 24101	IDEA-B Entitlement 24106	Federal Charter School Planning 24146	Teacher Principal Training 24154	Medicaid Ancillary 25152
-	-	-	-	-
-	-	-	1,284	-
-	-	-	-	-
63,946	30,799	-	10,483	3,145
-	-	-	-	-
63,946	30,799	-	11,767	3,145
18,582	-	-	9,724	-
45,364	32,597	-	-	316
-	-	-	-	-
-	-	-	-	-
-	-	-	759	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
63,946	32,597	-	10,483	316
-	(1,798)	-	1,284	2,829
-	-	25,125	(1,284)	1,200
-	(1,798)	25,125	-	4,029

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - (Continued)
Governmental Funds
For The Year Ended June 30, 2017

	Elementary & Middle School Initiative 26177	NM School Meal Program 27183	Teacher and School Leader Incentive Pay 27188
REVENUES			
Property Taxes	$ -	-	-
Local & County Grant	-	103	-
State Grant	9,930	1,000	18,139
Federal Grant	-	-	-
Charges for Services	-	-	-
Total Revenues	9,930	1,103	18,139
EXPENDITURES			
Current:			
Instruction	9,930	-	18,139
Support Services:			
Students	-	-	-
Instruction	-	-	-
General Administration	-	-	-
School Administration	-	-	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Food Services Operations	-	1,000	-
Capital Outlay	-	-	-
Total Expenditures	9,930	1,000	18,139
Net Changes in Fund Balances	-	103	-
Fund Balances (Deficit) - Beginning of Year	-	(103)	-
Fund Balances (Deficit) - End of Year	$ -	-	-

Group Pay for Performance 27190	Public School Capital Outlay 31200	HB 33 Capital Improvements 31600	SB-9 Capital Improvements 31700	SB-9 Ad Valorem 31701	Total
-	-	85,075	-	44,119	129,194
-	-	-	15,000	-	21,420
6,051	100,952	-	-	-	1,365,914
-	-	-	-	-	201,288
-	-	-	-	-	688
6,051	100,952	85,075	15,000	44,119	1,718,504
5,503	-	-	-	-	799,348
-	-	-	-	-	134,539
-	-	-	-	-	7,050
-	-	836	-	438	21,257
548	-	-	-	-	209,829
-	-	-	-	-	91,465
-	-	-	-	-	114,941
-	-	-	-	-	104,498
-	100,952	4,463	-	37,225	142,640
6,051	100,952	5,299	-	37,663	1,625,567
-	-	79,776	15,000	6,456	92,937
-	580	-	(15,000)	92,136	193,378
-	580	79,776	-	98,592	286,315

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2017

Net Change in Fund Balance - Total Governmental Funds	$	92,937
Amounts reported for governmental activities in the Statement of Activities are different because:		
Change in Compensated Absences		(18)
Changes in deferred outflows resources-pension related, deferred inflows of resources-pension related and the net pension liability		(70,897)
Change in Net Position - Total Governmental Activities	$	22,022

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2017

	Agency Funds
ASSETS	
Cash in Bank	$ 7,477
Total Assets	$ 7,477
LIABILITIES	
Deposits Held for Others	$ 7,477
Total Liabilities	$ 7,477

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
ASSETS				
Cash in Bank	$ 22	52,706	(45,251)	7,477
Total Assets	$ 22	52,706	(45,251)	7,477
LIABILITIES				
Deposits Held for Others	$ 22	52,706	(45,251)	7,477
Total Liabilities	$ 22	52,706	(45,251)	7,477

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at the fair market values as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The South Valley Preparatory School's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is $5,000. The South Valley Preparatory School does not capitalize any interest with regard to its capital assets.

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives with no salvage value. The South Valley Preparatory School utilizes Internal Revenue Service guidelines to estimate the useful lives on capital assets as follows:

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for the South Valley Preparatory School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, 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 economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2017 follows:

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
Capital Assets being Depreciated:				
Furniture, Fixtures and Equipment	$ 6,344	-	-	6,344
Total	6,344	-	-	6,344
Less: Accumulated Depreciation				
Furniture, fixtures and equipment	(6,344)	-	-	(6,344)
Total	(6,344)	-	-	(6,344)
Capital Assets, Net	$ -	-	-	-

NOTE 3. COMMITMENTS AND LIABILITIES

The South Valley Preparatory School leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2017 was $107,685. The South Valley Preparatory School's minimum future payments on this lease are as follows:

Year Ending June 30:		
2018	$	118,683
2019		-
2020		-
2021		-
2022		-
Total	$	118,683

NOTE 4. DEFICIT FUND BALANCE

The following funds had a deficit fund balance at June 30, 2016:

IDEA-B Entitlement 24106 $ 1,798

South Valley Preparatory School is addressing the negative fund balances and is planning on taking the appropriate actions to eliminate the negative balances.

NOTE 5. RELATED PARTY TRANSACTIONS

The business manager services are performed by an outside manager, which performed services for multiple state charter schools.

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the South Valley Preparatory School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions **–** For the fiscal year ended June 30, 2017 and 2016 educational employers contributed to the Plan based on the following rate schedule.

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Fiscal Year	Date Range	Wage Category	Member Rate	Employer Rate	Combined Rate	Increase over Prior Year
2017	7/1/16 to 6/30/17	Over $20K	10.70%	13.90%	24.60%	0.00%
2017	7/1/16 to 6/30/17	$20K or less	7.90%	13.90%	21.80%	0.00%
2016	7/1/15 to 6/30/16	Over $20K	10.70%	13.90%	24.60%	0.00%
2016	7/1/15 to 6/30/16	$20K or less	7.90%	13.90%	21.80%	0.00%

The contribution requirements are established in statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the New Mexico Legislature. For the fiscal years ended June 30, 2017 and 2016, South Valley Preparatory School paid employee and employer contributions of $101,777 and $97,899, 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, 2017, South Valley Preparatory School reported a liability of $1,774,641 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2016 using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2016. There were no significant events or changes in benefit provision that required an adjustment to the roll-forward liabilities as of June 30, 2016.

South Valley Preparatory School's proportion of the net pension liability was based on a projection of South Valley Preparatory School's long-term share of contributions to the pension plan relative to the projected contributions of all participating educational institutions, actuarially determined. At June 30, 2016 South Valley Preparatory School's proportion was 0.02466%, which was an increase of .00001% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, South Valley Preparatory School's recognized pension expense is $173,225. At June 30, 2017, South Valley Preparatory School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

		Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$	7,699	16,879
Changes in assumptions		36,125	-
Net difference between projected and actual earnings on pension plan investments		105,931	-
Changes in proportion and differences between South Valley Preparatory School's contributions and proportionate share of contributions		27,801	35,535
South Valley Preparatory School's contributions subsequent to the measurement date		101,777	-
Total	$	**279,333**	**52,414**

The amount of $101,777 reported as deferred outflows of resources related to pensions resulting from South Valley Preparatory School's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2018	$	34,768
2019		14,254
2020		50,288
2021		25,832
Total	$	**125,142**

Actuarial assumptions. The total pension liability in the June 30, 2016 actuarial valuation was determined using the following significant actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0%
Salary increases	Composed of 3.0% inflation, plus a 0.75% productivity increase rate, plus a step-rate promotional increase for members with less than 10 years of service.

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Investment rate of return	7.75% compounded annually, net of expenses. This is made up of a 3.00% inflation rate and a 4.75% real rate of return. The long-term expected rate of return on pension plan investments is determined annually using a building-block approach that includes the following: 1) rate of return projections are the sum of current yield plus projected changes in price (valuation, defaults, etc.), 2) application of key economic projections (inflation, real growth, dividends, etc.), and 3) structural themes (supply and demand imbalances, capital flows, etc.) developed for each major asset class.
Average of Expected Remaining Service Lives	3.77 years.
Mortality	**Healthy males:** Based on the RP-2000 Combined Mortality Table with White Collar adjustments, generational mortality improvements with Scale BB. **Healthy females:** Based on GRS Southwest Region Teacher Mortality Table, set back one year, generational mortality improvements in accordance with Scale BB from the tale's base year of 2012. **Disabled males:** RP-2000 Disabled Mortality Table for males, set back three year, projected to 2016 with Scale BB. **Disabled females:** RP-2000 Disabled Mortality Table for females, no set back, projected to 2016 with Scale BB. **Active members:** RP-2000 Employee Mortality Tables, with males set back two years and scaled at 80%, and females set back five years and scaled at 70%. Static mortality improvement from the table's base year of 2000 to the year 2016 in accordance with Scale BB. No future improvement was assumed for preretirement mortality.
Retirement Age	Experience-based table rates based on age and service, adopted by the Board on June 12, 2015 in conjunction with the six-year experience study for the period ending June 30, 2014.
Cost-of-living increases	2% per year, compounded annually.
Payroll growth	3.5% per year (with no allowance for membership growth).
Contribution accumulation	5% increase per year for all years prior to the valuation date. (contributions are credited with 4.0% interest, compounded annually, applicable to the account balance in the past as well as the future).
Disability Incidence	Approved rates applied to eligible members with at least 10 years of service.

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

The actuarial assumptions and methods are set by the Plan's Board of Trustees, based upon recommendations made by the Plan's actuary. The Board adopted new assumptions on June 12, 2015 in conjunction with the six-year actuarial experience study period ending June 30, 2014. At that time, the Board adopted several assumption changes, which included a decrease in the annual wage inflation rate from 4.25% to 3.75%, and changes to the mortality rates, disability rates, and retirement rates for members who joined the plan after June 30, 2010. In addition, the Board lowered the population growth rate assumption to zero.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges 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 and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equities	35%	
Fixed income	28%	
Alternatives	36%	
Cash	1%	
Total	**100%**	**7.75%**

***Discount rate*.** A single discount rate of 7.75% was used to measure the total pension liability as of June 30, 2016. This single discount rate was based on a long-term expected rate of return on pension plan investments of 7.75%, compounded annually, net of expense. Based on the stated assumptions and the projection of cash flows, the plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

Sensitivity of South Valley Preparatory School's proportionate share of the net pension liability to changes in the discount rate. The following presents South Valley Preparatory School's proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the South Valley Preparatory School's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
South Valley Preparatory School's proportionate share of the net pension liability	$ 2,350,470	1,774,641	1,296,865

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

Payables to the pension plan. For the year ending June 30, 2017, South Valley Preparatory School's accrued liability due to ERB was $23,229 for June payroll paid in July 2017.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2017

New Mexico Educational Retirement Board Pension Plan

For Last 10 Fiscal Years*

(Dollars in Thousands)

		30-Jun		
Fiscal Year		**2017**	**2016**	**2015**
Measurement Date		**2016**	**2015**	**2014**
School's Proportion of the Net Pension Liability (Asset)		0.02%	0.03%	0.03%
School's Proportionate Share of Net Pension Liability (Asset)	$	1,775	1,596	1,472
School's Covered-Employee Payroll	$	732	673	711
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll		242.37%	237.15%	206.98%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		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 South Valley Preparatory School is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2017

New Mexico Educational Retirement Board Pension Plan

Last Ten Fiscal Years*

(Dollars in Thousands)

	2015	2016	2017
Statutory required contributions	$ 111	98	102
Contributions in Relation to the Contractually Required Contribution	97	98	102
Annual contribution deficiency (excess)	$ 14	-	-

**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 South Valley Preparatory School is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Local & County Grant	$ -	-	5,033	5,033
State Grant	1,201,780	1,230,201	1,220,173	(10,028)
Total Revenues	1,201,780	1,230,201	1,225,206	(4,995)
EXPENDITURES				
Current:				
Instruction	651,667	736,371	728,032	8,339
Support Services:				
Students	104,464	110,741	55,756	54,985
Instruction	5,000	6,000	7,050	(1,050)
General Administration	23,000	23,000	17,127	5,873
School Administration	203,115	203,115	209,443	(6,328)
Central Services	96,200	96,200	98,959	(2,759)
Operation & Maintenance of Plant	130,504	140,504	117,290	23,214
Food Services Operations	-	10,000	9,895	105
Capital outlay	52,283	-	-	-
Total Expenditures	1,266,233	1,325,931	1,243,552	82,379
Excess (Deficiency) of Revenues Over (Under) Expenditures	(64,453)	(95,730)	(18,346)	77,384
Other Financing Sources (Uses):				
Designated Cash	64,453	95,730	-	(95,730)
Total Other Financing Sources (Uses):	64,453	95,730	-	(95,730)
Net Changes in Fund Balances	-	-	(18,346)	(18,346)
Cash or Fund Balances - Beginning of Year	-	-	89,692	89,692
Cash or Fund Balances - End of Year	$ -	-	71,346	71,346
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			(18,346)	
Adjustments to Revenues			-	
Adjustments to Expenditures			7,233	
NET CHANGE IN FUND BALANCE			$ (11,113)	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 7,858	7,275	9,669	2,394
Total Revenues	7,858	7,275	9,669	2,394
EXPENDITURES				
Current:				
Instruction	7,858	8,307	3,969	4,338
Total Expenditures	7,858	8,307	3,969	4,338
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(1,032)	5,700	6,732
Other Financing Sources (Uses):				
Designated Cash	-	1,032	-	(1,032)
Total Other Financing Sources (Uses):	-	1,032	-	(1,032)
Net Changes in Fund Balances	-	-	5,700	5,700
Cash or Fund Balances - Beginning of Year	-	-	1,032	1,032
Cash or Fund Balances - End of Year	$ -	-	6,732	6,732
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			5,700	
Adjustments to Revenues			-	
Adjustments to Expenditures			(5,300)	
NET CHANGE IN FUND BALANCE			$ 400	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ 120,000	120,000	92,915	(27,085)
Charges for Services	-	-	688	688
Total Revenues	120,000	120,000	93,603	(26,397)
EXPENDITURES				
Current:				
Food Services Operations	124,945	124,945	93,603	31,342
Total Expenditures	124,945	124,945	93,603	31,342
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,945)	(4,945)	-	4,945
Other Financing Sources (Uses):				
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	4,945	4,945	-	-
Net Changes in Fund Balances	-	-	-	4,945
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	-	4,945
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			-	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Local & County Grant	$ -	-	25,809	25,809
Federal Grant	60,898	70,851	45,710	(25,141)
Total Revenues	60,898	70,851	71,519	668
EXPENDITURES				
Current:				
Instruction	42,373	25,486	18,582	6,904
Total Expenditures	60,898	70,851	63,947	6,904
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	7,572	7,572
Net Changes in Fund Balances	-	-	7,572	7,572
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	7,572	7,572
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			7,572	
Adjustments to Revenues			(7,572)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Local & County Grant	$ -	-	4,691	4,691
Federal Grant	25,656	34,702	11,165	(23,537)
Total Revenues	25,656	34,702	15,856	(18,846)
EXPENDITURES				
Current:				
Support Services:				
Students	25,656	34,702	30,798	3,904
Total Expenditures	25,656	34,702	30,798	3,904
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(14,942)	(14,942)
Net Changes in Fund Balances	-	-	(14,942)	(14,942)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	(14,942)	(14,942)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			(14,942)	
Adjustments to Revenues			14,943	
Adjustments to Expenditures			(1,799)	
NET CHANGE IN FUND BALANCE			$ (1,798)	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Local & County Grant	$ -	-	1,284	1,284
Federal Grant	8,518	15,230	3,167	(12,063)
Total Revenues	8,518	15,230	4,451	(10,779)
EXPENDITURES				
Current:				
Instruction	8,518	14,230	9,724	4,506
Support Services:				
School Administration	-	1,000	759	241
Total expenditures	8,518	15,230	10,483	4,747
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(6,032)	(6,032)
Net changes in Fund Balances	-	-	(6,032)	(6,032)
Cash or Fund Balances - Beginning of Year	-	-	(1,284)	(1,284)
Cash or Fund Balances - End of Year	$ -	-	(7,316)	(7,316)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			(6,032)	
Adjustments to Revenues			7,316	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 1,284	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Medicaid Ancillary 25152
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ -	-	3,145	3,145
Total Revenues	-	-	3,145	3,145
EXPENDITURES				
Current:				
Support Services:				
Students	-	1,200	316	884
Total Expenditures	-	1,200	316	884
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(1,200)	2,829	4,029
Other financing sources (uses):				
Designated Cash	-	1,200	-	(1,200)
Total other financing sources (uses):	-	1,200	-	(1,200)
Net Changes in Fund Balances	-	-	2,829	2,829
Cash or Fund Balances - Beginning of Year	-	-	1,200	1,200
Cash or Fund Balances - End of Year	$ -	-	4,029	4,029
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			2,829	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			$ 2,829	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Elementary & Middle School Initiative 26177
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Local & County Grant	$ -	9,930	9,200	(730)
Total Revenues	-	9,930	9,200	(730)
EXPENDITURES				
Current:				
Instruction	-	9,930	9,930	-
Total Expenditures	-	9,930	9,930	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(730)	(730)
Net Changes in Fund Balances	-	-	(730)	(730)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	(730)	(730)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			(730)	
Adjustments to revenues			730	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
NM School Meal Program 27183
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ -	1,000	-	(1,000)
Total Revenues	-	1,000	103	(897)
EXPENDITURES				
Current:				
Food Services Operations	-	1,000	1,000	-
Total Expenditures	-	1,000	1,000	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(897)	(897)
Net Changes in Fund Balances	-	-	(897)	(897)
Cash or Fund Balances - Beginning of Year	-	-	(103)	(103)
Cash or Fund Balances - End of Year	$ -	-	(1,000)	(1,000)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			(897)	
Adjustments to Revenues			1,000	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 103	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher and School Leader Incentive Pay 27188
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ -	18,139	18,139	-
Total Revenues	-	18,139	18,139	-
EXPENDITURES				
Current:				
Instruction	-	18,139	18,139	-
Total Expenditures	-	18,139	18,139	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			-	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Group Pay for Performance 27190
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ -	6,051	6,051	-
Total Revenues	-	6,051	6,051	-
EXPENDITURES				
Current:				
Instruction	-	5,503	5,503	-
Support Services:				
School Administration	-	548	548	-
Total Expenditures	-	6,051	6,051	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			-	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Local & County Grant	$ -	-	24,649	24,649
State Grant	-	100,952	100,952	-
Total Revenues	-	100,952	125,601	24,649
EXPENDITURES				
Current:				
Capital Outlay	-	100,952	100,952	-
Total Expenditures	-	100,952	100,952	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	24,649	24,649
Net Changes in Fund Balances	-	-	24,649	24,649
Cash or Fund Balances - Beginning of Year	-	-	580	580
Cash or Fund Balances - End of Year	$ -	-	580	25,229
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			24,649	
Adjustments to Revenues			(24,649)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
HB 33 Capital Improvement 31600
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Property Taxes	$ 85,324	85,324	83,948	(1,376)
Total Revenues	85,324	85,324	83,948	(1,376)
EXPENDITURES				
Current:				
Support Services:				
General Administration	854	854	836	18
Capital Outlay	84,470	84,470	4,463	80,007
Total Expenditures	85,324	85,324	5,299	80,025
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	78,649	78,649
Net Changes in Fund Balances	-	-	78,649	78,649
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	78,649	78,649
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			78,649	
Adjustments to Revenues			1,127	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 79,776	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Local & County Grant	$ -	-	15,000	15,000
State Grant	161	3,910	-	(3,910)
Total Revenues	161	3,910	15,000	11,090
EXPENDITURES				
Current:				
Support Services:				
General Administration	-	-	-	-
Capital Outlay	161	3,910	-	3,910
Total Expenditures	161	3,910	-	3,910
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	15,000	15,000
Other Financing Sources (Uses):				
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	-	-	-	-
Net Changes in Fund Balances	-	-	15,000	15,000
Cash or Fund Balances - Beginning of Year	-	-	(15,000)	(15,000)
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			15,000	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 15,000	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Ad Valorem 31701
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Property Taxes	$ 42,758	42,758	43,439	681
Total Revenues	42,758	42,758	43,439	681
EXPENDITURES				
Current:				
Support Services:				
General Administration	428	428	438	(10)
Capital Outlay	122,169	134,466	35,629	98,837
Total Expenditures	122,597	134,894	36,067	98,827
Excess (Deficiency) of Revenues Over (Under) Expenditures	(79,839)	(92,136)	7,372	99,508
Other Financing Sources (Uses):				
Designated Cash	79,839	92,136	-	(92,136)
Total Other Financing Sources (Uses):	79,839	92,136	-	(92,136)
Net Changes in Fund Balances	-	-	7,372	7,372
Cash or Fund Balances - Beginning of Year	92,136	92,136	92,136	-
Cash or Fund Balances - End of Year	$ 92,136	92,136	99,508	7,372
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			7,372	
Adjustments to Revenues			680	
Adjustments to Expenditures			(1,596)	
NET CHANGE IN FUND BALANCE			$ 6,456	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2017

Name of Depository	Security Type	CUSIP/ Security Number	Maturity Date	Fair Value June 30, 2017
Wells Fargo	**FNMA FNMS 3.000%**	**31418AJK5**	**9/1/2032**	$ 30,569
				$ 30,569

Total Cash per Schedule of Cash Accounts:	$ 301,761
Less: FDIC coverage:	(250,000)
Uninsured Public Funds:	51,761
Collateral Requirement:	25,881
Pledged Collateral Held by Pledging Financial Institution:	30,569
Balance Over Collateralized:	**$ 4,688**
Balance Uninsured and Uncollateralized at June 30, 2017:	**$ 21,192**

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Schedule of Cash Accounts
June 30, 2017

Bank Account Type	Wells Fargo
Checking - Operational Account	$ 301,761
Total on Deposit	301,761
Reconciling Items	(734)
Reconciled Balance June 30, 2017	301,027
Less Agency Funds	(7,477)
Total Cash	$ 293,550

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Cash Reconciliation
June 30, 2017

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2016	$ 46,626	1,032	-	22
Add:				
2016-17 revenues	1,225,206	9,669	93,603	52,706
Total Cash Available	1,271,832	10,701	93,603	52,728
Less:				
2016-17 expenditures	(1,243,552)	(3,969)	(93,603)	(45,251)
Permanent Cash Transfer	-	-	-	-
Receivables/Payables	65,810	-	16	-
Outstanding Loans	(49,185)	-	-	-
Cash June 30, 2017	44,905	6,732	16	7,477
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	59,131	-	-	-
Cash Per Books	104,036	6,732	16	7,477
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	(25,457)	(5,300)	(16)	(7,477)
Fund Balance, Modified Accrual Basis	$ 78,579	1,432	-	-

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

Federal Projects Account 24000	Federal Direct 25000	Local Grants 26000	State Account 27000	Public School Capital Outlay 31200	HB-33 Capital Improvements 31600
-	1,200	-	16	-	-
91,828	3,145	9,200	70,741	125,600	83,948
91,828	4,345	9,200	70,757	125,600	83,948
(105,230)	(316)	(9,930)	(25,190)	(100,952)	(5,299)
-	-	-	-	-	-
6,921	-	9	-	-	-
38,264	-	9,921	1,000	-	-
31,783	4,029	9,200	46,567	24,648	78,649
(31,783)	-	(9,200)	(46,567)	(24,068)	-
-	4,029	-	-	580	78,649
23,327	-	-	-	-	1,127
23,327	4,029	-	-	580	79,776

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
Cash Reconciliation
June 30, 2017

	SB-9 Capital Improvements 31700	SB-9 Ad Valorem 31701	Total
Cash, June 30, 2016	$ 77,136	-	126,032
Add:			
2016-17 revenues	15,000	43,439	1,824,085
Total Cash Available	92,136	43,439	1,950,117
Less:			
2016-17 expenditures	-	(36,067)	(1,669,359)
Permanent Cash Transfer	(92,136)	92,136	-
Receivables/Payables	-	-	72,756
Outstanding Loans	-	-	-
Cash June 30, 2017	-	99,508	353,514
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	-	-	(52,487)
Cash Per Books	-	99,508	301,027
		Less: Agency Fund	(7,477)
			$ 293,550
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	-	(916)	(14,712)
Fund Balance, Modified Accrual Basis	$ -	98,592	286,315

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

SOUTHWEST AERONAUTICS, MATHEMATICS AND SCIENCES

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Statement of Net Position
June 30, 2017

ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash and Cash Equivalents	$	889,779
Receivables		
Taxes Receivable		3,473
Due from Other Governments		89,944
Total Current Assets		983,196
Noncurrent Assets:		
Capital Assets		
Land and land improvements		170,000
Buildings and building improvements		126,450
Furniture, fixtures & equipment		481,399
Vehicles		159,589
Less: Accumulated Depreciation		(230,975)
Total Noncurrent Assets		706,463
Total Assets		1,689,659
Deferred Outflows - Pension Related		506,867
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable		116,964
Accrued Liabilities		120,036
Total Current Liabilities		237,000
Noncurrent Liabilities:		
Net Pension Liability		2,116,471
Total Noncurrent Liabilities		2,116,471
Total Liabilities		2,353,471
Deferred Inflows - Pension Related		20,130
NET POSITION (DEFICIT)		
Net Investment in Capital Assets		706,463
Restricted		286,766
Unrestricted (Deficit)		(1,170,304)
Total Net Position (Deficit)	$	(177,075)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Statement of Activities
For The Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues: Charges for Service	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position
Governmental activities:					
Instruction	$ 1,066,238	2,232	97,320	-	(966,686)
Support Services:					
Students	103,014	-	-	-	(103,014)
Instruction	337,665	-	-	-	(337,665)
General Administration	152,506	-	-	-	(152,506)
School Administration	244,224	-	-	-	(244,224)
Central Services	146,524	-	-	-	(146,524)
Operation & Maintenance of Plant	416,516	-	-	-	(416,516)
Student Transportation	94,870	-	(36,469)	-	(131,339)
Food Services	340	-	-	-	(340)
Facilities Materials, Supplies & Other Services	339,003	-	-	225,697	(113,306)
Total Governmental Activities	$ 2,900,900	2,232	60,851	225,697	(2,612,120)
		General Revenues:			
		Property Taxes			$ 245,230
		State Equalization Guarantee			2,095,862
		Miscellaneous			18,103
		Total General Revenues			2,359,195
		Change in Net Position			(252,925)
		Net Position (Deficit), Beginning as Previously Reported			(216,028)
		Restatement (Note 7)			291,878
		Net Position - Beginning, Restated			75,850
		Net position (Deficit), Ending			$ (177,075)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Balance Sheets - Governmental Funds
June 30, 2017

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	$ 559,287	69,710	48,847	-
Accounts Receivable				
Taxes Receivable	-	-	-	-
Due from Governments	7,264	-	-	5,763
Due from Other Funds	162,343	-	-	-
Total Assets	$ 728,894	69,710	48,847	5,763
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	68,188	-	-	-
Accrued Liabilities	116,655	-	-	3,221
Due to Other Funds	-	-	-	3,025
Total Liabilities	184,843	-	-	6,246
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	-	48,847	-
Student Transportation	-	69,710	-	-
Capital Improvements	-	-	-	-
Unassigned (Deficit)	544,051	-	-	(483)
Total Fund Balance (Deficit)	544,051	69,710	48,847	(483)
Total Liabilities and Fund Balances	$ 728,894	69,710	48,847	5,763

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Charter Schools 24146	Teacher Principal Training 24154	Dual Credits Instructional Materials 27103	GO Bonds Student Library 27107	Public School Capital Outlay 31200	Special Capital Outlay State 31400
-	4,588	-	-	-	-	-
-	-	-	-	-	-	-
1,293	-	2,606	-	-	50,894	-
-	-	-	-	-	-	-
1,293	4,588	2,606	-	-	50,894	-
-	-	-	-	-	-	-
160	-	-	-	-	-	-
1,566	-	2,606	552	-	132,470	-
1,726	-	2,606	552	-	132,470	-
-	4,588	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(433)	-	-	(552)	-	(81,576)	-
(433)	4,588	-	(552)	-	(81,576)	-
1,293	4,588	2,606	-	-	50,894	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Balance Sheets - Governmental Funds (Continued)
June 30, 2017

	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	SB-9 Capital Improvements Local 31701	Total
ASSETS				
Cash and Cash Equivalents	160,312	-	47,035	889,779
Accounts Receivable				
Taxes Receivable	2,174	1,299	-	3,473
Due from Governments	-	22,124	-	89,944
Due from Other Funds	-	-	-	162,343
Total Assets	162,486	23,423	47,035	1,145,539
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	-	2,876	45,900	116,964
Accrued Liabilities	-	-	-	120,036
Due to Other Funds	-	22,124	-	162,343
Total Liabilities	-	25,000	45,900	399,343
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	-	-	53,435
Student Transportation	-	-	-	69,710
Capital Improvements	162,486	-	1,135	163,621
Unassigned (Deficit)	-	(1,577)	-	459,430
Total Fund Balance (Deficit)	162,486	(1,577)	1,135	746,196
Total Liabilities and Fund Balances	162,486	23,423	47,035	1,145,539

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2017

Fund Balances - Total Governmental Funds		**$ 746,196**
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital Assets	937,438	
Accumulated Depreciation	(230,975)	
		706,463
Defined benefit pension plan deferred outflows are not financial resources and, therefore, and not reported in the funds		506,867
Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.		
Net Pension Liability		(2,116,471)
Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds		(20,130)
Net Position (Deficit) - Total Governmental Activities		**$ (177,075)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2017

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Title I IASA 24101
REVENUES				
Property Taxes	$ -	-	-	-
State Grant	2,095,862	(36,469)	19,041	-
Federal Grant	10,018	-	-	34,301
Charges for Services	2,232	-	-	-
Miscellaneous Income	18,103	-	-	-
Total Revenues	2,126,215	(36,469)	19,041	34,301
EXPENDITURES				
Current:				
Instruction	977,532	-	19,703	31,777
Support Services:				
Students	89,856	-	-	-
Instruction	333,897	-	-	-
General Administration	152,506	-	-	-
School Administration	246,103	-	-	-
Central Services	146,524	-	-	-
Operation & Maintenance of Plant	444,908	-	-	-
Student Transportation	6,000	88,870	-	-
Food Services Operations	340	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	2,397,666	88,870	19,703	31,777
Excess (Deficiency) of Revenues Over (Under) Expenditures	(271,451)	(125,339)	(662)	2,524
Other financing sources (uses)				
Operating Transfers	(33,515)	-	-	-
Total Other financing sources (uses)	(33,515)	-	-	-
Net Changes in Fund Balances	(304,966)	(125,339)	(662)	2,524
Fund Balances(Deficit) - Beginning of Year	849,017	195,049	49,509	(3,007)
Fund Balances (Deficit) - End of Year	$ 544,051	69,710	48,847	(483)

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Charter Schools 24146	Teacher Principal Training 24154	Dual Credits Instructional Materials 27103	GO Bonds Student Library 27107	Public School Capital Outlay 31200	Special Capital Outlay State 31400
-	-	-	-	-	-	-
-	-	-	3,127	3,768	203,573	-
22,139	-	4,926	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
22,139	-	4,926	3,127	3,768	203,573	-
9,415	-	4,552	3,679	-	-	-
13,158	-	-	-	-	-	-
-	-	-	-	3,768	-	-
-	-	-	-	-	-	-
-	-	(1,879)	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	203,573	-
22,573	-	2,673	3,679	3,768	203,573	-
(434)	-	2,253	(552)	-	-	-
-	-	-	-	-	-	33,515
-	-	-	-	-	-	33,515
(434)	-	2,253	(552)	-	-	33,515
1	4,588	(2,253)	-	-	(81,576)	(33,515)
(433)	4,588	-	(552)	-	(81,576)	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2017

	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	SB-9 Capital Improvements Local 31701	Total
REVENUES				
Property Taxes	162,486	(53)	82,797	245,230
State Grant	-	22,124	-	2,311,026
Federal Grant	-	-	-	71,384
Charges for Services	-	-	-	2,232
Miscellaneous Income	-	-	-	18,103
Total Revenues	162,486	22,071	82,797	2,647,975
EXPENDITURES				
Current:				
Instruction	-	-	-	1,046,658
Support Services:				
Students	-	-	-	103,014
Instruction	-	-	-	337,665
General Administration	-	-	-	152,506
School Administration	-	-	-	244,224
Central Services	-	-	-	146,524
Operation & Maintenance of Plant	-	-	-	444,908
Student Transportation	-	-	-	94,870
Food Services Operations	-	-	-	340
Capital Outlay	-	25,000	168,436	397,009
Total Expenditures	-	25,000	168,436	2,967,718
Excess (Deficiency) of Revenues Over (Under) Expenditures	162,486	(2,929)	(85,639)	(319,743)
Other financing sources (uses)				
Operating Transfers	-	(86,774)	86,774	-
Total Other financing sources (uses)	-	(86,774)	86,774	-
Net Changes in Fund Balances	162,486	(89,703)	1,135	(319,743)
Fund Balances(Deficit) - Beginning of Year	-	88,126	-	1,065,939
Fund Balances (Deficit) - End of Year	162,486	(1,577)	1,135	746,196

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2017

Net Change in Fund Balances-Total Governmental Funds		**$ (319,743)**
Amounts reported for governmental activities in the Statement of Activities are different because:		
Change in net pension liability and related accounts		(139,580)
Expenditures to purchase or build capital assets, pay for interest on debt, and amortization on long term 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 capital outlay exceeds depreciation for the period		
Capital Outlays	278,066	
Depreciation Expense	(71,668)	
		206,398
Change in Net Position-Total Governmental Activities		**$ (252,925)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2017

	Agency
ASSETS	
Cash in Bank	$ 4,645
Total Assets	$ 4,645
LIABILITIES	
Deposits Held for Others	$ 4,645
Total Liabilities	$ 4,645

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
ASSETS				
Cash in Bank	$ (974)	13,141	(7,522)	4,645
Total Assets	$ (974)	13,141	(7,522)	4,645
LIABILITIES				
Deposits Held for Others	$ (974)	13,141	(7,522)	4,645
Total Liabilities	$ (974)	13,141	(7,522)	4,645

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or aSAMScquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at the fair market values as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Southwest Aeronautics, Mathematics and Science's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is $5,000. Southwest Aeronautics, Mathematics and Science (SAMS) does not capitalize any interest with regard to its capital assets.

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives with no salvage value. SAMS utilizes Internal Revenue Service guidelines to estimate the useful lives on capital assets as follows:

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years
Vehicles	10 years

Capital assets for SAMS are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, 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 economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2017 follows:

	Balance June 30, 2016	Additions	Deletions & Adjustments	Balance June 30, 2017
Capital Assets being Depreciated:				
Land and Land Improvements	$ -	-	170,000	170,000
Buildings and Improvements	-	48,144	78,306	126,450
Furniture, Fixtures and Equipment	286,257	109,922	85,220	481,399
Vehicles	-	120,000	39,589	159,589
Total	286,257	278,066	373,115	937,438
Less: Accumulated Depreciation	(78,070)	(71,668)	(81,237)	(230,975)
Capital Assets, Net	$ 208,187	206,398	291,878	706,463

Depreciation expensed for the year ended June 30, 2017 was expensed to the following functions:

Facilities Materials, Supplies & Other	$ 71,668
Total	$ 71,668

NOTE 3. COMMITMENTS AND LIABILITIES

Southwest Aeronautics, Mathematics and Science leased various facilities and equipment under long-term cancelable operating leases. Rental expense for the year ended June 30, 2017 was $350,564. Southwest Aeronautics, Mathematics and Science's minimum future payments on these leases are as follows:

Year Ending June 30:	
2018	$ 270,302
Total minimum lease payments	$ 270,302

NOTE 4. DEFICIT FUND BALANCE

The following funds had a deficit fund balance at June 30, 2017:

24101 Title I	$	483
24106 IDEA-B Entitlement		433
27103 Dual Credits Instructional Materials		552
31200 Public School Capital Outlay		81,576
31700 SB-9 Capital Improvements		1,577
Total funds with deficit balances	$	84,621

SAMS is addressing the negative fund balances and is planning on taking the appropriate actions to eliminate the negative balances.

NOTE 5. RELATED PARTY TRANSACTIONS

The same administration operates all four schools: Southwest Secondary, Intermediate and Primary Learning Centers and Southwest Aeronautics, Mathematics and Science Academy.

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Southwest Aeronautics, Mathematics and Science and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. For the fiscal year ended June 30, 2017 and 2016 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
2017	7/1/16 to 6/30/17	Over $20K	10.70%	13.90%	24.60%	0.00%
2017	7/1/16 to 6/30/17	$20K or less	7.90%	13.90%	21.80%	0.00%
2016	7/1/15 to 6/30/16	Over $20K	10.70%	13.90%	24.60%	0.00%
2016	7/1/15 to 6/30/16	$20K or less	7.90%	13.90%	21.80%	0.00%

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

The contribution requirements are estimated in statue 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, 2017 and 2016, Southwest Aeronautics, Mathematics and Science paid employee and employer contributions of $139,407 and $116,768.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2017, Southwest Aeronautics, Mathematics and Science reported a liability of $2,116,471 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2016 using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2016. There were no significant events or changes in benefit provision that required an adjustment to the roll-forward liabilities as of June 30, 2016.

Southwest Aeronautics, Mathematics and Science's proportion of the net pension liability was based on a projection of Southwest Aeronautics, Mathematics and Science's long-term share of contributions to the pension plan relative to the projected contributions of all participating educational institutions, actuarially determined. At June 30, 2016, Southwest Aeronautics, Mathematics and Science's proportion was 0.02941%, which was an increase of 0.00291% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, Southwest Aeronautics, Mathematics and Science recognized pension expense of $284,463. As of June 30, 2017, Southwest Aeronautics, Mathematics and Science reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 9,182	(20,130)
Changes in assumptions	43,082	-
Net difference between projected and actual earnings on pension plan investments	126,336	-
Changes in proportion and differences between Southwest Aeronautics, Mathematics and Science's contributions and proportionate share of contributions	188,860	-
Southwest Aeronautics, Mathematics and Science's contributions subsequent to the measurement date	139,407	-
Total	$ 506,867	(20,130)

The amount of $139,407 reported as deferred outflows of resources related to pensions resulting from Southwest Aeronautics, Mathematics and Science's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2018	$ 120,113
2019	98,529
2020	97,880
2021	30,808
Total	$ 347,330

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

Sensitivity of Southwest Aeronautics, Mathematics and Science's proportionate share of the net pension liability to changes in the discount rate. The following presents Southwest Aeronautics, Mathematics and Science's proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the Southwest Primary Learning Center's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Southwest Aeronautics, Mathematics and Science's proportionate share of the net pension liability	$ 2,803,217	2,116,471	1,546,666

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

Payables to the pension plan. Southwest Aeronautics, Mathematics and Science accrued $33,903 in ERB benefits at June 30, 2017 for teachers with ten month contracts.

NOTE 7. RESTATEMENT

As a result of adjustments made pursuant to a capital asset inventory performed for the year ended June 30, 2017, Net Position at June 30, 2016 was restated in the amount of $291,878.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Science
Schedule of the School's Proportionate Share of the Net Pension Liability
June 30, 2017

New Mexico Educational Retirement Board Pension Plan

For Last 10 Fiscal Years*

(Dollars in Thousands)

		30-Jun		
	Fiscal Year	**2017**	**2016**	**2015**
	Measurement Date	**2016**	**2015**	**2014**
School's Proportion of the Net Pension Liability (Asset)		0.07%	0.03%	0.03%
School's Proportionate Share of Net Pension Liability (Asset)			1,716	1,466
School's Covered-Employee Payroll	$	840	708	724
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll		0.00%	237.23%	207.01%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		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 Southwest Aeronautics, Mathematics and Science is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Science
Schedule of School Contributions
June 30, 2017

New Mexico Educational Retirement Board Pension Plan

Last Ten Fiscal Years*

(Dollars in Thousands)

	2015	2016	2017
Statutory required contributions	93	120	139
Contributions in Relation to the Contractually Required Contribution	93	105	139
Annual contribution deficiency (excess)	$ -	15	-

**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 Southwest Primary Learning is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 2,210,830	2,095,861	2,095,862	1
Federal Grant	400	400	10,018	9,618
Charges for Services	150	150	2,232	2,082
Miscellaneous Income	6,500	6,500	10,839	4,339
Total Revenues	2,217,880	2,102,911	2,118,951	16,040
EXPENDITURES				
Current:				
Instruction	1,012,603	1,059,343	969,655	89,688
Support Services:				
Students	118,509	114,509	89,856	24,653
Instruction	384,361	372,000	328,048	43,952
General Administration	208,499	213,499	131,878	81,621
School Administration	314,190	318,690	246,103	72,587
Central Services	140,891	167,752	143,234	24,518
Operation & Maintenance of Plant	612,491	572,782	435,341	137,441
Student Transportation	-	6,000	6,000	-
Other Support Services Operations	-	113,814	-	113,814
Food Services Operations	-	1,000	340	660
Total Expenditures	2,791,544	2,939,389	2,350,455	588,934
Excess (Deficiency) of Revenues Over (Under) Expenditures	(573,664)	(836,478)	(231,504)	604,974
Operating Transfers	-	-	(33,515)	(33,515)
Net Changes in Fund Balances	(573,664)	(836,478)	(265,019)	571,459
Cash or Fund Balances - Beginning of Year	-	-	869,994	869,994
Cash or Fund Balances - End of Year	$ (573,664)	(836,478)	604,975	1,441,453
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			$ (265,019)	
Adjustments to Revenues			7,264	
Adjustments to Expenditures			(47,211)	
NET CHANGE IN FUND BALANCE			$ (304,966)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Student Transportation 13000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 183,100	158,580	(36,469)	(195,049)
Total Revenues	183,100	158,580	(36,469)	(195,049)
EXPENDITURES				
Current:				
Student Transportation	183,100	158,580	88,870	69,710
Total Expenditures	183,100	158,580	88,870	69,710
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	(125,339)	(125,339)
Net Changes in Fund Balances	-	-	(125,339)	(125,339)
Cash or Fund Balances - Beginning of Year	-	-	195,049	195,049
Cash or Fund Balances - End of Year	$ -	-	69,710	69,710
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (125,339)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ (125,339)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 15,067	12,079	19,041	6,962
Miscellaneous Income	-	-	-	-
Total Revenues	15,067	12,079	19,041	6,962
EXPENDITURES				
Current:				
Instruction	15,067	61,588	19,703	41,885
Total Expenditures	15,067	61,588	19,703	41,885
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	(49,509)	(662)	48,847
Net Changes in Fund Balances	-	(49,509)	(662)	48,847
Cash or Fund Balances - Beginning of Year	-	-	49,509	49,509
Cash or Fund Balances - End of Year	$ -	(49,509)	48,847	98,356
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (662)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ (662)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ 44,097	74,437	32,686	(41,751)
Total Revenues	44,097	74,437	32,686	(41,751)
EXPENDITURES				
Current:				
Instruction	25,843	61,183	31,777	29,406
Support Services:				
Students	18,254	13,254	-	13,254
Total Expenditures	44,097	74,437	31,777	42,660
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	909	909
Net Changes in Fund Balances	-	-	909	909
Cash or Fund Balances - Beginning of Year	-	-	(7,155)	(7,155)
Cash or Fund Balances - End of Year	$ -	-	(6,246)	(6,246)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 909	
Adjustments to Revenues			1,615	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 2,524	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ 38,185	91,225	28,589	(62,636)
Total Revenues	38,185	91,225	28,589	(62,636)
EXPENDITURES				
Current:				
Instruction	10,000	10,000	9,415	585
Support Services:				
Students	28,185	81,225	13,158	68,067
Total Expenditures	38,185	91,225	22,573	68,652
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	6,016	6,016
Net Changes in Fund Balances	-	-	6,016	6,016
Cash or Fund Balances - Beginning of Year	-	-	(7,742)	(7,742)
Cash or Fund Balances - End of Year	$ -	-	(1,726)	(1,726)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 6,016	
Adjustments to Revenues			(6,450)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ (434)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Charter Schools 24146
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ -	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	4,588	4,588
Cash or Fund Balances - End of Year	$ -	-	4,588	4,588
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher / Principal Training 24154
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ 7,713	17,281	5,730	(11,551)
Total Revenues	7,713	17,281	5,730	(11,551)
EXPENDITURES				
Current:				
Instruction	5,500	10,284	4,552	5,732
Support Services:				
School Administration	1,713	6,497	374	6,123
Central Services	500	500	-	500
Total Expenditures	7,713	17,281	4,926	12,355
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	804	804
Net Changes in Fund Balances	-	-	804	804
Cash or Fund Balances - Beginning of Year	-	-	(3,410)	(3,410)
Cash or Fund Balances - End of Year	$ -	-	(2,606)	(2,606)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 804	
Adjustments to Revenues			(804)	
Adjustments to Expenditures			2,253	
NET CHANGE IN FUND BALANCE			$ 2,253	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credits Instructional Materials 27103
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ -	3,679	3,127	(552)
Total Revenues	-	3,679	3,127	(552)
EXPENDITURES				
Current:				
Instruction	-	3,679	3,679	-
Total Expenditures	-	3,679	3,679	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	(552)	(552)
Net Changes in Fund Balances	-	-	(552)	(552)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	(552)	(552)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (552)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ (552)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Literacy for Children at Risk PED 27107
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 3,768	3,768	3,768	-
Total Revenues	3,768	3,768	3,768	-
EXPENDITURES				
Current:				
Support Services:				
Instruction	3,768	3,768	3,768	-
Total Expenditures	3,768	3,768	3,768	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Public Schools Capital Outlay 31200
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ -	203,573	203,849	276
Total Revenues	-	203,573	203,849	276
EXPENDITURES				
Capital Outlay	-	203,573	203,573	-
Total Expenditures	-	203,573	203,573	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	276	276
Net Changes in Fund Balances	-	-	276	276
Cash or Fund Balances - Beginning of Year	-	-	(132,746)	(132,746)
Cash or Fund Balances - End of Year	$ -	-	(132,470)	(132,470)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			$ 276	
Adjustments to Revenues			(276)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Special Capital Outlay State 31400
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ -	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Capital Outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Operating Transfers	-	-	33,515	33,515
Net Changes in Fund Balances	-	-	33,515	33,515
Cash or Fund Balances - Beginning of Year	-	-	(33,515)	(33,515)
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			$ 33,515	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 33,515	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
HB-33 Capital Improvements 31600
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Property Taxes	$ 164,553	164,553	160,312	(4,241)
State Grant	-	-	-	-
Total Revenues	164,553	164,553	160,312	(4,241)
EXPENDITURES				
Current:				
Support Services:				
General Administration	1,600	1,600	-	1,600
Capital Outlay	162,953	162,953	-	162,953
Total Expenditures	164,553	164,553	-	164,553
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	160,312	160,312
Net Changes in Fund Balances	-	-	160,312	160,312
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	160,312	160,312
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 160,312	
Adjustments to Revenues			2,174	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 162,486	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Property Taxes	$ -	-	-	-
State Grant	19,501	25,725	-	(25,725)
Total Revenues	19,501	25,725	-	(25,725)
EXPENDITURES				
Current:				
Capital Outlay	19,501	25,725	22,124	3,601
Total Expenditures	19,501	25,725	22,124	3,601
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	(22,124)	(22,124)
Operating Transfers	-	-	(86,774)	(86,774)
Net Changes in Fund Balances	-	-	(108,898)	(108,898)
Cash or Fund Balances - Beginning of Year	-	-	86,774	86,774
Cash or Fund Balances - End of Year	$ -	-	(22,124)	(22,124)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (108,898)	
Adjustments to Revenues			22,071	
Adjustments to Expenditures			(2,876)	
NET CHANGE IN FUND BALANCE			$ (89,703)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements - Local 31701
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Property Taxes	$ 82,462	82,462	82,797	335
State Grant	-	-	-	-
Total Revenues	82,462	82,462	82,797	335
EXPENDITURES				
Current:				
Support Services:				
General Administration	800	800	-	800
Capital Outlay	165,626	168,436	122,536	45,900
Total Expenditures	166,426	169,236	122,536	46,700
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(83,964)	(86,774)	(39,739)	47,035
Operating Transfers	-	-	86,774	86,774
Net Changes in Fund Balances	(83,964)	(86,774)	47,035	133,809
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ (83,964)	(86,774)	47,035	133,809
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 47,035	
Adjustments to Revenues			-	
Adjustments to Expenditures			(45,900)	
NET CHANGE IN FUND BALANCE			$ 1,135	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2017

Name of Depository	Security Type	CUSIP/ Security Number	Maturity Date	Fair Value June 30, 2017
Federal Home Loan Bank of Dallas	Freddie Mac	3137EACA5	3/27/2019	$ 182,082
Federal Home Loan Bank of Dallas	Freddie Mac	3137EACA5	3/27/2019	312,140
				$ 494,222

Total Cash per Schedule of Cash Accounts:	$ 897,438
Less: FDIC coverage:	(250,000)
Uninsured Public Funds:	647,438
Collateral Requirement:	323,719
Pledged Collateral Held by Pledging Financial Institution:	494,222
Balance Over Collateralized:	**$ 170,503**
Balance Uninsured and Uncollateralized at June 30, 2017:	**$ 153,216**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Cash Accounts
June 30, 2017

Bank Account Type	Nusenda Credit Union
Checking - Operational Account	$ 892,035
Savings - Operational Account	5,403
Total on Deposit	897,438
Reconciling Items	(3,014)
Reconciled Balance June 30, 2017	894,424
Less Agency Funds	(4,645)
Total Cash	$ 889,779

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Cash Reconciliation
June 30, 2017

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Student Activity Funds 23000	Federal Flowthrough 24000
Cash, June 30, 2016	$ 968,944	195,049	49,509	(974)	(9,238)
Add:					
Cash Transfers	-	-	-	-	-
2016-17 revenues	2,118,951	(36,469)	19,041	13,141	66,357
Total cash available	3,087,895	158,580	68,550	12,167	57,119
Less:					
Cash Transfers	-	-	-	-	-
2016-17 expenditures	(2,350,455)	(88,870)	(19,703)	(7,522)	(59,276)
Receivables/Payables	116,655	-	-	-	3,381
Loans	(162,343)	-	-	-	7,197
Prepaid Expenses	-	-	-	-	-
Cash June 30, 2017	691,752	69,710	48,847	4,645	8,421
Fund Balance Reconciliations to GAAP Basis:					
Audit reclassifications to cash	(132,465)	-	-	-	(3,833)
Cash per Books	559,287	69,710	48,847	4,645	4,588
Fund Balance (Deficit) Reconciliation to GAAP Basis:					
Modified Accrual Adjustments	(147,701)	-	-	-	(4,749)
Fund Balance (Deficit), Modified Accrual Basis	$ 544,051	69,710	48,847	4,645	3,672

The accompanying notes are an integral part of these financial statements

State Flowthrough 27000	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Capital Improvements HB-33 31600	Capital Improvements SB-9 31700	Capital Improvements SB-9 Local 31701	Total
-	(132,746)	(33,515)	-	86,774	-	1,123,803
-	-	33,515	-	-	86,774	120,289
6,895	203,849	-	160,312	-	82,797	2,634,874
6,895	71,103	-	160,312	86,774	169,571	3,878,966
-	-	-	-	-	-	-
(7,447)	(203,573)	-	-	(22,124)	(122,536)	(2,881,506)
-	-	-	-	-	-	120,036
552	132,470	-	-	22,124	-	-
-	-	-	-	-	-	-
-	-	-	160,312	86,774	47,035	1,117,496
-	-	-	-	(86,774)	-	(223,072)
-	-	-	160,312	-	47,035	894,424
					Less Agency Fund	(4,645)
					Total Governmental Funds	$ 889,779
(552)	(81,576)	-	2,174	(88,351)	(45,900)	(366,655)
(552)	(81,576)	-	162,486	(1,577)	1,135	750,841
					Less Agency Fund	(4,645)
					Total Governmental Funds	$ 746,196

SOUTHWEST INTERMEDIATE LEARNING CENTER

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Statement of Net Position
June 30, 2017

ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash and Cash Equivalents	$	943,776
Receivables		
Taxes Receivable		1,646
Due from Other Governments		188
Total Current Assets		945,610
Noncurrent Assets:		
Capital Assets		
Building Improvements		14,151
Furniture, Fixtures, and Equipment		125,182
Less: Accumulated Depreciation		(79,185)
Total Noncurrent Assets		60,148
Total Assets		1,005,758
Deferred Outflows - Pension Related		189,687
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accrued Liabilities		29,612
Total Current Liabilities		29,612
Noncurrent Liabilities:		
Net Pension Liability		1,020,454
Total Noncurrent Liabilities		1,020,454
Total Liabilities		1,050,066
Deferred Inflows - Pension Related		89,432
NET POSITION		
Net Investment in Capital Assets		60,148
Restricted		530,503
Unrestricted (Deficit)		(534,704)
Total Net Position	$	55,947

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Statement of Activities
For The Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues: Charges for Service	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position
Governmental activities:					
Instruction	$ 464,407	40	18,511	-	(445,856)
Support Services:					
Students	39,903	-	-	-	(39,903)
Instruction	106,693	-	-	-	(106,693)
General Administration	105,180	-	-	-	(105,180)
School Administration	90,126	-	-	-	(90,126)
Central Services	102,762	-	-	-	(102,762)
Operation & Maintenance of Plant	81,702	-	-	-	(81,702)
Community Services Operations	1,409	-	-	-	(1,409)
Facilities Materials, Supplies & Other Services	102,355	-	-	80,988	(21,367)
Total Governmental Activities	$ 1,094,537	40	18,511	80,988	(994,998)
		General Revenues:			
		Property Taxes			$ 102,056
		State Equalization Guarantee			823,366
		Miscellaneous			4,849
		Total General Revenues			930,271
		Change in Net Position			(64,727)
		Net Position, Beginning as Previously Reported			51,223
		Restatement (Note 8)			69,451
		Net Position, Beginning, As Restated			120,674
		Net Position, Ending			$ 55,947

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Balance Sheets - Governmental Funds
June 30, 2017

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	$ 414,991	-	-	-
Accounts Receivable				
Taxes Receivable	-	-	-	-
Due from Governments	-	-	-	188
Due from Other Funds	15,882	-	-	-
Total Assets	$ 430,873	-	-	188
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accrued Liabilities	$ 29,612	-	-	-
Due to Other Funds	-	-	-	116
Total Liabilities	29,612	-	-	116
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	-	-	72
Capital Improvements	-	-	-	-
Unassigned (Deficit)	401,261	-	-	-
Total Fund Balance (Deficit)	401,261	-	-	72
Total Liabilities and Fund Balances	$ 430,873	-	-	188

The accompanying notes are an integral part of these financial statements

Teacher Principal Training 24154	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Capital Improvements HB-33 31600	SB-9 Capital Improvements 31700	SB-9 Capital Improvements Local 31701	Total
-	-	-	448,408	-	80,377	943,776
-	-	-	1,105	-	541	1,646
-	-	-	-	-	-	188
-	-	-	-	-	-	15,882
-	-	-	449,513	-	80,918	961,492
-	-	-	-	-	-	29,612
1,202	14,564	-	-	-	-	15,882
1,202	14,564	-	-	-	-	45,494
-	-	-	-	-	-	72
-	-	-	449,513	-	80,918	530,431
(1,202)	(14,564)	-	-	-	-	385,495
(1,202)	(14,564)	-	449,513	-	80,918	915,998
-	-	-	449,513	-	80,918	961,492

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2017

Fund Balances - Total Governmental Funds		**$ 915,998**
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital Assets	139,333	
Accumulated Depreciation	(79,185)	
		60,148
Defined benefit pension plan deferred outflows are not financial resources and, therefore, and not reported in the funds		189,687
Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.		
Net Pension Liability		(1,020,454)
Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds		(89,432)
Net Position - Total Governmental Activities		**$ 55,947**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2017

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
Property Taxes	$ -	-	-	-
State Grant	823,366	7,653	-	-
Federal Grant	1,854	-	302	6,248
Charges for Services	40	-	-	-
Miscellaneous Income	4,849	-	-	-
Total Revenues	830,109	7,653	302	6,248
EXPENDITURES				
Current:				
Instruction	429,220	11,502	346	-
Support Services:				
Students	33,655	-	-	6,248
Instruction	106,693	-	-	-
General Administration	105,180	-	-	-
School Administration	90,126	-	-	-
Central Services	102,762	-	-	-
Operation & Maintenance of Plant	81,702	-	-	-
Community Services Operation	1,409	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	950,747	11,502	346	6,248
Excess (Deficiency) of Revenues Over (Under) Expenditures	(120,638)	(3,849)	(44)	-
Other financing sources (uses)				
Operating Transfers	(16,268)	-	-	-
Total Other financing sources (uses)	(16,268)	-	-	-
Net Changes in Fund Balances	(136,906)	(3,849)	(44)	-
Fund Balances(Deficit) - Beginning of Year	538,167	3,849	44	72
Fund Balances (Deficit) - End of Year	$ 401,261	-	-	72

The accompanying notes are an integral part of these financial statements

Teacher Principal Training 24154	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Capital Improvements HB-33 31600	SB-9 Capital Improvements 31700	SB-9 Capital Improvements Local 31701	Total
-	-	-	68,367	(532)	34,221	102,056
-	80,988	-	-	-	-	912,007
2,454	-	-	-	-	-	10,858
-	-	-	-	-	-	40
-	-	-	-	-	-	4,849
2,454	80,988	-	68,367	(532)	34,221	1,029,810
248	-	-	-	-	-	441,316
-	-	-	-	-	-	39,903
-	-	-	-	-	-	106,693
-	-	-	-	-	-	105,180
-	-	-	-	-	-	90,126
-	-	-	-	-	-	102,762
-	-	-	-	-	-	81,702
-	-	-	-	-	-	1,409
-	80,988	-	-	-	-	80,988
248	80,988	-	-	-	-	1,050,079
2,206	-	-	68,367	(532)	34,221	(20,269)
-	-	16,268	-	(46,697)	46,697	-
-	-	16,268	-	(46,697)	46,697	-
2,206	-	16,268	68,367	(47,229)	80,918	(20,269)
(3,408)	(14,564)	(16,268)	381,146	47,229	-	936,267
(1,202)	(14,564)	-	449,513	-	80,918	915,998

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2017

Net Change in Fund Balances-Total Governmental Funds	**$ (20,269)**
Amounts reported for governmental activities in the Statement of Activities are different because:	
Change in net pension liability	(23,091)
Expenditures to purchase or build capital assets, pay for interest on debt, and amortization on long term 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 capital outlay exceeds depreciation for the period	
Depreciation Expense	(21,367)
Change in Net Position-Total Governmental Activities	**$ (64,727)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2017

	Agency
ASSETS	
Cash in Bank	$ 16,291
Total Assets	$ 16,291
LIABILITIES	
Deposits Held for Others	$ 16,291
Total Liabilities	$ 16,291

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
ASSETS				
Cash in Bank	$ 10,060	7,749	(1,518)	16,291
Total Assets	$ 10,060	7,749	(1,518)	16,291
LIABILITIES				
Deposits Held for Others	$ 10,060	7,749	(1,518)	16,291
Total Liabilities	$ 10,060	7,749	(1,518)	16,291

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at the fair market values as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Southwest Intermediate Learning Center's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is $5,000. Southwest Intermediate Learning Center (SILC) does not capitalize any interest with regard to its capital assets.

SILC Depreciation on all assets is provided on the straight-line basis over the estimated useful lives with no salvage value. SILC utilizes Internal Revenue Service guidelines to estimate the useful lives on capital assets as follows:

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years
Vehicles	10 years

Capital assets for SILC are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, 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 economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2017 follows:

	Balance June 30, 2016	Additions	Adjustments	Balance June 30, 2017
Capital Assets being Depreciated:				
Building Improvements	$ 14,151	-	-	14,151
Furniture, Fixtures and Equipment	155,776	-	(30,594)	125,182
Total	169,927	-	(30,594)	139,333
Less: Accumulated Depreciation	(157,863)	(21,367)	100,045	(79,185)
Capital Assets, Net	$ 12,064	(21,367)	69,451	60,148

Depreciation expensed for the year ended June 30, 2017 was expensed to the following functions:

Facilities Materials, Supplies & Other	$ 21,367
Total	$ 21,367

NOTE 3. COMMITMENTS AND LIABILITIES

Southwest Intermediate Learning Center leased various facilities and equipment under long-term cancelable operating leases. Rental expense for the year ended June 30, 2017 was $110,149. Southwest Intermediate Learning Center's has no minimum future payments on these leases.

NOTE 4. DEFICIT FUND BALANCE

The following funds had a deficit fund balance at June 30, 2017:

24154 Teacher / Principal Training	$ 1,202
31200 Public School Capital Outlay	14,564
Total funds with deficit balances	$ 15,766

SILC is addressing the negative fund balances and is planning on taking the appropriate actions to eliminate the negative balances.

NOTE 5. OVERSPENT BUDGET LINE ITEMS

Southwest Intermediate Learning Center had one fund with expenditures in excess of the budget during the year ended June 30, 2017:

14000 Instructional Materials, Instruction	$	3,222

NOTE 6. RELATED PARTY TRANSACTIONS

The same administration operates all four schools: Southwest Secondary, Intermediate and Primary Learning Centers and Southwest Intermediate Learning Center Academy.

NOTE 7. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Southwest Intermediate Learning Center and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. For the fiscal year ended June 30, 2017 and 2016 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
2017	7/1/16 to 6/30/17	Over $20K	10.70%	13.90%	24.60%	0.00%
2017	7/1/16 to 6/30/17	$20K or less	7.90%	13.90%	21.80%	0.00%
2016	7/1/15 to 6/30/16	Over $20K	10.70%	13.90%	24.60%	0.00%
2016	7/1/15 to 6/30/16	$20K or less	7.90%	13.90%	21.80%	0.00%

The contribution requirements are estimated in statue 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, 2017 and 2016, Southwest Intermediate Learning Center paid employee and employer contributions of $63,274 and $56,277

NOTE 7. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2017, Southwest Intermediate Learning Center reported a liability of $1,020,454 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2016 using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2016. There were no significant events or changes in benefit provision that required an adjustment to the roll-forward liabilities as of June 30, 2016.

Southwest Intermediate Learning Center's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2016. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2016, Southwest Intermediate Learning Center's proportion was 0.01418%, which was an increase of 0.00020% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, Southwest Intermediate Learning Center recognized pension expense of $89,270. As of June 30, 2017, Southwest Intermediate Learning Center reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 4,427	(9,705)
Changes in assumptions	20,772	-
Net difference between projected and actual earnings on pension plan investments	60,913	-
Changes in proportion and differences between Southwest Intermediate Learning Center's contributions and proportionate share of contributions	40,301	(79,727)
Southwest Intermediate Learning Center's contributions subsequent to the measurement date	63,274	-
Total	$ 189,687	(89,432)

NOTE 7. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

The amount of $63,274 reported as deferred outflows of resources related to pensions resulting from Southwest Intermediate Learning Center's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2018	$ 7,584
2019	(16,916)
2020	31,458
2021	14,855
Total	$ 36,981

Sensitivity of Southwest Intermediate Learning Center's proportionate share of the net pension liability to changes in the discount rate. The following presents Southwest Intermediate Learning Center's proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the Southwest Intermediate Learning Center's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Southwest Intermediate Learning Center's proportionate share of the net pension liability	$ 1,351,568	1,020,454	745,723

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

Payables to the pension plan. Southwest Intermediate Learning Center accrued $13,302 in ERB benefits at June 30, 2017 for teachers with ten month contracts.

NOTE 8. RESTATEMENT

As a result of adjustments made pursuant to a capital asset inventory performed for the year ended June 30, 2017, Net Position at June 30, 2016 was restated in the amount of $69,451.

NOTE 9. SUBSEQUENT EVENTS

The School's charter expired on June 30, 2017. Beginning July 1, 2017, Southwest Secondary Learning Center (SSLC) assumed and accepted all assets and liabilities of Southwest Intermediate Learning Center (SILC). SSLC also agreed to serve as the official registrar and custodian of all student records and personnel files of SILC.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of the School's Proportionate Share of the Net Pension Liability
June 30, 2017

New Mexico Educational Retirement Board Pension Plan

For Last 10 Fiscal Years*

(Dollars in Thousands)

		30-Jun		
Fiscal Year		**2017**	**2016**	**2015**
Measurement Date		**2016**	**2015**	**2014**
School's Proportion of the Net Pension Liability (Asset)		0.07%	0.02%	0.02%
School's Proportionate Share of Net Pension Liability (Asset)	$	1,020	906	945
School's Covered-Employee Payroll	$	405	382	457
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll		251.85%	237.23%	207.01%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		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 Southwest Intermediate Learning Center is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of School Contributions
June 30, 2017

New Mexico Educational Retirement Board Pension Plan

Last Ten Fiscal Years*

(Dollars in Thousands)

	2015	2016	2017
Statutory required contributions	$ 60	63	53
Contributions in Relation to the Contractually Required Contribution	60	55	53
Annual contribution deficiency (excess)	$ -	8	-

**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 Southwest Intermediate Learning is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 912,492	879,335	823,366	(55,969)
Federal Grant	-	-	1,854	1,854
Charges for Services	-	-	40	40
Miscellaneous Income	3,500	3,500	4,849	1,349
Total Revenues	915,992	882,835	830,109	(52,726)
EXPENDITURES				
Current:				
Instruction	509,295	503,218	429,220	73,998
Support Services:				
Students	22,500	52,660	33,655	19,005
Instruction	147,156	123,796	106,693	17,103
General Administration	166,437	183,577	105,180	78,397
School Administration	63,688	103,825	90,126	13,699
Central Services	135,698	126,012	106,127	19,885
Operation & Maintenance of Plant	132,099	114,708	81,702	33,006
Other Support Services Operations	170,980	170,980	-	170,980
Community Services Operations	-	1,550	1,409	141
Total Expenditures	1,347,853	1,380,326	954,112	426,214
Excess (Deficiency) of Revenues Over (Under) Expenditures	(431,861)	(497,491)	(124,003)	373,488
Operating Transfers	-	-	(16,268)	(16,268)
Net Changes in Fund Balances	(431,861)	(497,491)	(140,271)	357,220
Cash or Fund Balances - Beginning of Year	-	-	541,532	541,532
Cash or Fund Balances - End of Year	$ (431,861)	(497,491)	401,261	898,752
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			$ (140,271)	
Adjustments to Revenues			-	
Adjustments to Expenditures			3,365	
NET CHANGE IN FUND BALANCE			$ (136,906)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 6,196	4,431	7,653	3,222
Total Revenues	6,196	4,431	7,653	3,222
EXPENDITURES				
Current:				
Instruction	6,196	8,280	11,502	(3,222)
Total Expenditures	6,196	8,280	11,502	(3,222)
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	(3,849)	(3,849)	-
Net Changes in Fund Balances	-	(3,849)	(3,849)	-
Cash or Fund Balances - Beginning of Year	-	-	3,849	3,849
Cash or Fund Balances - End of Year	$ -	(3,849)	-	3,849
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (3,849)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ (3,849)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ 15,267	17,859	3,572	(14,287)
Total Revenues	15,267	17,859	3,572	(14,287)
EXPENDITURES				
Current:				
Instruction	15,267	17,859	346	17,513
Total Expenditures	15,267	17,859	346	17,513
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	3,226	3,226
Net Changes in Fund Balances	-	-	3,226	3,226
Cash or Fund Balances - Beginning of Year	-	-	(3,226)	(3,226)
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 3,226	
Adjustments to Revenues			(3,270)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ (44)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ 13,311	33,340	6,792	(26,548)
Total Revenues	13,311	33,340	6,792	(26,548)
EXPENDITURES				
Current:				
Support Services:				
Students	13,311	33,340	6,248	27,092
Total Expenditures	13,311	33,340	6,248	27,092
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	544	544
Net Changes in Fund Balances	-	-	544	544
Cash or Fund Balances - Beginning of Year	-	-	(660)	(660)
Cash or Fund Balances - End of Year	$ -	-	(116)	(116)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 544	
Adjustments to Revenues			(544)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher / Principal Training 24154
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ 2,935	6,159	3,404	(2,755)
Total Revenues	2,935	6,159	3,404	(2,755)
EXPENDITURES				
Current:				
Instruction	1,467	3,079	248	2,831
Total Expenditures	1,467	3,079	248	2,831
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	1,468	3,080	3,156	76
Net Changes in Fund Balances	1,468	3,080	3,156	76
Cash or Fund Balances - Beginning of Year	-	-	(4,358)	(4,358)
Cash or Fund Balances - End of Year	$ 1,468	3,080	(1,202)	(4,282)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 3,156	
Adjustments to Revenues			(950)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 2,206	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ -	80,988	101,255	20,267
Total Revenues	-	80,988	101,255	20,267
EXPENDITURES				
Capital Outlay	-	80,988	80,988	-
Total Expenditures	-	80,988	80,988	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	20,267	20,267
Net Changes in Fund Balances	-	-	20,267	20,267
Cash or Fund Balances - Beginning of Year	-	-	(34,831)	(34,831)
Cash or Fund Balances - End of Year	$ -	-	(14,564)	(14,564)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 20,267	
Adjustments to Revenues			(20,267)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Special Capital Outlay State 31400
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ -	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Capital Outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Operating Transfers	-	-	16,268	16,268
Net Changes in Fund Balances	-	-	16,268	16,268
Cash or Fund Balances - Beginning of Year	-	-	(16,268)	(16,268)
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			$ 16,268	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 16,268	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Capital Improvements HB-33 31600
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Property Taxes	$ -	-	68,360	68,360
Total Revenues	-	-	68,360	68,360
EXPENDITURES				
Current:				
Support Services:				
General Administration	1,000	1,000	-	1,000
Capital Outlay	353,050	379,048	-	379,048
Total Expenditures	354,050	380,048	-	380,048
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(354,050)	(380,048)	68,360	448,408
Net Changes in Fund Balances	(354,050)	(380,048)	68,360	448,408
Cash or Fund Balances - Beginning of Year	-	-	380,048	380,048
Cash or Fund Balances - End of Year	$ (354,050)	(380,048)	448,408	828,456
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 68,360	
Adjustments to Revenues			7	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 68,367	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Capital Improvements SB-9 31700
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Property Taxes	$ -	-	-	-
State Grant	10,376	12,659	-	(12,659)
Total Revenues	10,376	12,659	-	(12,659)
EXPENDITURES				
Current:				
Capital Outlay	10,376	12,659	-	12,659
Total Expenditures	10,376	12,659	-	12,659
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	-	-
Operating Transfers	-	-	(46,697)	(46,697)
Net Changes in Fund Balances	-	-	(46,697)	(46,697)
Cash or Fund Balances - Beginning of Year	-	-	46,697	46,697
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (46,697)	
Adjustments to Revenues			(532)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ (47,229)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Capital Improvements SB-9 Local 31701
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Property Taxes	$ 33,596	33,596	33,680	84
State Grant	-	-	-	-
Total Revenues	33,596	33,596	33,680	84
EXPENDITURES				
Current:				
Capital Outlay	81,406	80,293	-	80,293
Total Expenditures	81,406	80,293	-	80,293
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(47,810)	(46,697)	33,680	80,377
Operating Transfers	-	-	46,697	46,697
Net Changes in Fund Balances	(47,810)	(46,697)	80,377	127,074
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ (47,810)	(46,697)	80,377	127,074
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 80,377	
Adjustments to Revenues			541	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 80,918	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2017

Name of Depository	Security Type	CUSIP/ Security Number	Maturity Date	Fair Value June 30, 2017
Federal Home Loan Bank of Dallas	Freddie Mac	3137EACA5	3/27/2019	$ 156,070
Federal Home Loan Bank of Dallas	Freddie Mac	3137EACA5	3/27/2019	234,105
				$ 390,176

Total Cash per Schedule of Cash Accounts:	$ 963,687
Less: FDIC coverage:	(250,000)
Uninsured Public Funds:	713,687
Collateral Requirement:	356,844
Pledged Collateral Held by Pledging Financial Institution:	390,176
Balance Over Collateralized:	**$ 33,332**
Balance Uninsured and Uncollateralized at June 30, 2017:	**$ 323,512**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Cash Accounts
June 30, 2017

Bank Account Type	Nusenda Credit Union
Checking - Operational Account	$ 959,950
Savings - Operational Account	3,737
Total on Deposit	963,687
Reconciling Items	(3,620)
Reconciled Balance June 30, 2017	960,067
Less Agency Funds	(16,291)
Total Cash	$ 943,776

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Cash Reconciliation
June 30, 2017

	Operational 11000	Instructional Materials 14000	Student Activity Funds 23000	Federal Flowthrough 24000
Cash, June 30, 2016	$ 559,895	3,849	10,060	(8,157)
Add:				
Cash Transfers	-	-	-	-
2016-17 revenues	830,109	7,653	7,749	13,789
Total cash available	1,390,004	11,502	17,809	5,632
Less:				
Cash Transfers	(16,268)	-	-	-
2016-17 expenditures	(954,112)	(11,502)	(1,518)	(6,842)
Receivables/Payables	29,612	-	-	-
Loans	(15,882)	-	-	15,882
Cash June 30, 2017	433,354	-	16,291	14,672
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	(18,363)	-	-	(14,672)
Cash per Books	414,991	-	16,291	-
Fund Balance (Deficit) Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	(32,093)	-	-	(15,802)
Fund Balance (Deficit), Modified Accrual Basis	$ 401,261	-	16,291	(1,130)

The accompanying notes are an integral part of these financial statements

Public School Capital Outlay 31200	Special Capital Outlay State 31400	Capital Improvements HB-33 31600	Capital Improvements SB-9 31700	Capital Improvements SB-9 31701	Total
(34,831)	(16,268)	380,048	46,697	-	941,293
-	16,268	-	-	46,697	62,965
101,255	-	68,360	-	33,680	1,062,595
66,424	-	448,408	46,697	80,377	2,066,853
-	-	-	(46,697)	-	(62,965)
(80,988)	-	-	-	-	(1,054,962)
-	-	-	-	-	29,612
-	-	-	-	-	-
(14,564)	-	448,408	-	80,377	978,538
14,564	-	-	-	-	(18,471)
-	-	448,408	-	80,377	960,067
				Less Agency Funds	(16,291)
				Total Governmental Funds	943,776
-	-	1,105	-	541	(46,249)
(14,564)	-	449,513	-	80,918	932,289
				Less Agency Funds	(16,291)
				Total Governmental Funds	$ 915,998

SOUTHWEST PRIMARY LEARNING CENTER

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Statement of Net Position
June 30, 2017

ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash and Cash Equivalents	$	722,822
Receivables		
Taxes Receivable		1,477
Due from Other Governments		4,354
Total Current Assets		728,653
Noncurrent Assets:		
Capital Assets		
Land Improvements		2,800
Building Improvements		111,832
Furniture, Fixtures and Equipment		101,427
Less: Accumulated Depreciation		(125,786)
Total Noncurrent Assets		90,273
Total Assets		818,926
Deferred Outflows - Pension Related		213,422
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable		24,024
Accrued Liabilities		54,895
Total Current Liabilities		78,919
Noncurrent Liabilities:		
Net Pension Liability		1,175,178
Total Noncurrent Liabilities		1,175,178
Total Liabilities		1,254,097
Deferred Inflows - Pension Related		103,003
NET POSITION (DEFICIT)		
Net Investment in Capital Assets		90,273
Restricted		512,507
Unrestricted (Deficit)		(927,532)
Total Net Position (Deficit)	$	(324,752)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Statement of Activities
For The Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues: Charges for Service	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position
Governmental activities:					
Instruction	$ 490,891	1,713	30,701	-	(458,477)
Support Services:					
Students	13,383	-	-	-	(13,383)
Instruction	43,055	-	-	-	(43,055)
General Administration	104,467	-	-	-	(104,467)
School Administration	43,067	-	-	-	(43,067)
Central Services	90,844	-	-	-	(90,844)
Operation & Maintenance of Plant	86,378	-	-	-	(86,378)
Community Services	3,113	-	-	-	(3,113)
Facilities Materials, Supplies & Other Services	95,719	-	-	75,466	(20,253)
Total Governmental Activities	$ 970,917	1,713	30,701	75,466	(863,037)
		General Revenues:			
		Property Taxes			$ 93,319
		State Equalization Guarantee			797,842
		Miscellaneous			3,366
		Total General Revenues			894,527
		Change in Net Position			31,490
		Net Position (Deficit), Beginning as Previously Reported			(373,066)
		Restatement (Note 7)			16,824
		Net Position (Deficit), Beginning, as Restated			(356,242)
		Net position (Deficit), Ending			$ (324,752)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Balance Sheets - Governmental Funds
June 30, 2017

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	$ 213,336	4,968	-	6,413
Accounts Receivable				
Taxes Receivable	-	-	-	-
Due from Governments	-	-	2,810	1,544
Due from Other Funds	22,583	-	-	-
Total Assets	$ 235,919	4,968	2,810	7,957
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	$ 24,024	-	-	-
Accrued Liabilities	53,035	-	1,860	-
Due to Other Funds	-	-	2,176	-
Total Liabilities	77,059	-	4,036	-
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	4,968	-	7,957
Capital Improvements	-	-	-	-
Unassigned (Deficit)	158,860	-	(1,226)	-
Total Fund Balance (Deficit)	158,860	4,968	(1,226)	7,957
Total Liabilities and Fund Balances	$ 235,919	4,968	2,810	7,957

The accompanying notes are an integral part of these financial statements

Teacher Principal Training 24154	Literacy for Children at Risk PED 27107	Private Direct Grants 29102	Public School Capital Outlay 31200	Capital Improvements HB-33 31600
-	-	-	-	431,042
-	-	-	-	992
-	-	-	-	-
-	-	-	-	-
-	-	-	-	432,034
-	-	-	-	-
-	-	-	-	-
-	-	984	19,423	-
-	-	984	19,423	-
-	-	-	-	-
-	-	-	-	432,034
-	-	(984)	(19,423)	-
-	-	(984)	(19,423)	432,034
-	-	-	-	432,034

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Balance Sheets - Governmental Funds (Continued)
June 30, 2017

	SB-9 Capital Improvements 31700	SB-9 Capital Improvements Local 31701	Total
ASSETS			
Cash and Cash Equivalents	$ -	67,063	722,822
Accounts Receivable			
Taxes Receivable	-	485	1,477
Due from Governments	-	-	4,354
Due from Other Funds	-	-	22,583
Total Assets	$ -	67,548	751,236
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	$ -	-	24,024
Accrued Liabilities	-	-	54,895
Due to Other Funds	-	-	22,583
Total Liabilities	-	-	101,502
Fund Balances (Deficit)			
Fund Balance:			
Restricted for:			
Instruction	-	-	12,925
Capital Improvements	-	67,548	499,582
Unassigned (Deficit)	-	-	137,227
Total Fund Balance (Deficit)	-	67,548	649,734
Total Liabilities and Fund Balances	$ -	67,548	751,236

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2017

Fund Balances - Total Governmental Funds		**$ 649,734**
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital Assets	216,059	
Accumulated Depreciation	(125,786)	
		90,273
Defined benefit pension plan deferred outflows are not financial resources and, therefore, and not reported in the funds		213,422
Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.		
Net Pension Liability		(1,175,178)
Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds		(103,003)
Net Position (Deficit) - Total Governmental Activities		**$ (324,752)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2017

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
Property Taxes	$ -	-	-	-
State Grant	797,842	7,190	-	-
Federal Grant	204	-	14,793	8,265
Charges for Services	1,713	-	-	-
Miscellaneous Income	3,366	-	-	-
Total Revenues	803,125	7,190	14,793	8,265
EXPENDITURES				
Current:				
Instruction	451,396	18,253	14,793	-
Support Services:				
Students	5,118	-	-	8,265
Instruction	43,055	-	-	-
General Administration	104,467	-	-	-
School Administration	43,067	-	-	-
Central Services	90,844	-	-	-
Operation & Maintenance of Plant	86,378	-	-	-
Community Service Operations	3,113	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	827,438	18,253	14,793	8,265
Excess (Deficiency) of Revenues Over (Under) Expenditures	(24,313)	(11,063)	-	-
Other financing sources (uses)				
Operating Transfers	(987)	-	-	-
Total Other financing sources (uses)	(987)	-	-	-
Net Changes in Fund Balances	(25,300)	(11,063)	-	-
Fund Balances(Deficit) - Beginning of Year	184,160	16,031	(1,226)	7,957
Fund Balances (Deficit) - End of Year	$ 158,860	4,968	(1,226)	7,957

The accompanying notes are an integral part of these financial statements

Teacher Principal Training 24154	Literacy for Children at Risk PED 27107	Private Direct Grants 29102	Public School Capital Outlay 31200	Capital Improvements HB-33 31600
-	-	-	-	62,192
-	-	-	75,466	-
249	-	-	-	-
-	-	-	-	-
-	-	-	-	-
249	-	-	75,466	62,192
249	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	75,466	-
249	-	-	75,466	-
-	-	-	-	62,192
-	987	-	-	-
-	987	-	-	-
-	987	-	-	62,192
-	(987)	(984)	(19,423)	369,842
-	-	(984)	(19,423)	432,034

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2017

	SB-9 Capital Improvements 31700	SB-9 Capital Improvements Local 31701	Total
REVENUES			
Property Taxes	$ -	31,127	93,319
State Grant	-	-	880,498
Federal Grant	-	-	23,511
Charges for Services	-	-	1,713
Miscellaneous Income	-	-	3,366
Total Revenues	-	31,127	1,002,407
EXPENDITURES			
Current:			
Instruction	-	-	484,691
Support Services:			
Students	-	-	13,383
Instruction	-	-	43,055
General Administration	-	-	104,467
School Administration	-	-	43,067
Central Services	-	-	90,844
Operation & Maintenance of Plant	-	-	86,378
Community Service Operations	-	-	3,113
Capital Outlay	-	-	75,466
Total Expenditures	-	-	944,464
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	31,127	57,943
Other financing sources (uses)			
Operating Transfers	(36,421)	36,421	-
Total Other financing sources (uses)	(36,421)	36,421	-
Net Changes in Fund Balances	(36,421)	67,548	57,943
Fund Balances(Deficit) - Beginning of Year	36,421	-	591,791
Fund Balances (Deficit) - End of Year	$ -	67,548	649,734

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2017

Net Change in Fund Balances-Total Governmental Funds		**$ 57,943**
Amounts reported for governmental activities in the Statement of Activities are different because:		
Change in net pension liability and related accounts		(21,330)
Expenditures to purchase or build capital assets, pay for interest on debt, and amortization on long term 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 capital outlay exceeds depreciation for the period		
Capital Outlays	15,130	
Depreciation Expense	(20,253)	
		(5,123)
Change in Net Position-Total Governmental Activities		**$ 31,490**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2017

	Funds
ASSETS	
Cash in Bank	$ 14,257
Total Assets	$ 14,257
LIABILITIES	
Deposits Held for Others	$ 14,257
Total Liabilities	$ 14,257

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
ASSETS				
Cash in Bank	$ 9,377	8,188	(3,308)	14,257
Total Assets	$ 9,377	8,188	(3,308)	14,257
LIABILITIES				
Deposits Held for Others	$ 9,377	8,188	(3,308)	14,257
Total Liabilities	$ 9,377	8,188	(3,308)	14,257

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at the fair market values as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Southwest Primary Learning Center's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is $5,000. Southwest Primary Learning Center (SPLC) does not capitalize any interest with regard to its capital assets.

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives with no salvage value. SPLC utilizes Internal Revenue Service guidelines to estimate the useful lives on capital assets as follows:

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years
Vehicles	10 years

Capital assets for SPLC are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, 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 economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2017 follows:

	Balance June 30, 2016	Additions	Adjustments	Balance June 30, 2017
Capital Assets being Depreciated:				
Land Improvements	$ -	-	2,800	2,800
Building Improvements	16,336	15,130	80,366	111,832
Furniture, Fixtures and Equipment	219,996	-	(118,569)	101,427
Total	236,332	15,130	(35,403)	216,059
Less: Accumulated Depreciation	(157,760)	(20,253)	52,227	(125,786)
Capital Assets, Net	$ 78,572	(5,123)	16,824	90,273

Depreciation expensed for the year ended June 30, 2017 was expensed to the following functions:

Facilities Materials, Supplies & Other	$ 20,253
Total	$ 20,253

NOTE 3. COMMITMENTS AND LIABILITIES

Southwest Primary Learning Center leased various facilities and equipment under long-term cancelable operating leases. Rental expense for the year ended June 30, 2017 was $105,360. Southwest Primary Learning Center's minimum future payments on these leases are as follows:

Year Ending June 30:	
2018	$ 204,107
Total minimum lease payments	$ 204,107

NOTE 4. DEFICIT FUND BALANCE

The following funds had a deficit fund balance at June 30, 2017:

24101 Title I	$	1,226
29102 Private Direct Grants		984
31200 Public School Capital Outlay		19,423
Total funds with deficit balances	$	21,633

SPLC is addressing the negative fund balances and is planning on taking the appropriate actions to eliminate the negative balances.

NOTE 5. RELATED PARTY TRANSACTIONS

The same administration operates all four schools: Southwest Secondary, Primary and Primary Learning Centers and Southwest Primary Learning Center Academy.

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Southwest Primary Learning Center and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. For the fiscal year ended June 30, 2017 and 2016 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
2017	7/1/16 to 6/30/17	Over $20K	10.70%	13.90%	24.60%	0.00%
2017	7/1/16 to 6/30/17	$20K or less	7.90%	13.90%	21.80%	0.00%
2016	7/1/15 to 6/30/16	Over $20K	10.70%	13.90%	24.60%	0.00%
2016	7/1/15 to 6/30/16	$20K or less	7.90%	13.90%	21.80%	0.00%

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

The contribution requirements are estimated in statue 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, 2017 and 2016, Southwest Primary Learning Center paid employee and employer contributions of $53,087 and $64,831.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2017, Southwest Primary Learning Center reported a liability of $1,175,178 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2016 using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2016. There were no significant events or changes in benefit provision that required an adjustment to the roll-forward liabilities as of June 30, 2016.

Southwest Primary Learning Center's proportion of the net pension liability was based on a projection of Southwest Primary Learning Center's long-term share of contributions to the pension plan relative to the projected contributions of all participating educational institutions, actuarially determined. At June 30, 2016 Southwest Primary Learning Center's proportion was 0.01633%, which was an increase of .00130% from its proportion measured as of June 30, 2015.

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

For the year ended June 30, 2017, Southwest Primary Learning Center recognized pension expense of $79,754. As of June 30, 2017, Southwest Primary Learning Center reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 5,099	(11,177)
Changes in assumptions	23,922	-
Net difference between projected and actual earnings on pension plan investments	70,148	-
Changes in proportion and differences between Southwest Primary Learning Center's contributions and proportionate share of contributions	61,166	(91,826)
Southwest Primary Learning Center's contributions subsequent to the measurement date	53,087	-
Total	$ 213,422	(103,003)

The amount of $53,087 reported as deferred outflows of resources related to pensions resulting from Southwest Primary Learning Center's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2018	$ (9,291)
2019	(701)
2020	50,218
2021	17,106
Total	$ 57,322

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

Sensitivity of Southwest Primary Learning Center's proportionate share of the net pension liability to changes in the discount rate. The following presents Southwest Primary Learning Center's proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the Southwest Primary Learning Center's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Southwest Primary Learning Center's proportionate share of the net pension liability	$ 1,556,495	1,175,178	858,792

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

Payables to the pension plan. Southwest Primary Learning Center accrued $13,888 in ERB benefits at June 30, 2017 for teachers with ten month contracts.

NOTE 7. RESTATEMENT

As a result of adjustments made pursuant to a capital asset inventory performed for the year ended June 30, 2017, Net Position at June 30, 2016 was restated in the amount of $16,824.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of the School's Proportionate Share of the Net Pension Liability
June 30, 2017

New Mexico Educational Retirement Board Pension Plan

For Last 10 Fiscal Years*

(Dollars in Thousands)

		30-Jun		
Fiscal Year		**2017**	**2016**	**2015**
Measurement Date		**2016**	**2015**	**2014**
School's Proportion of the Net Pension Liability (Asset)		0.07%	0.02%	0.02%
School's Proportionate Share of Net Pension Liability (Asset)	$	1,175	974	1,025
School's Covered-Employee Payroll	$	446	410	495
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll		263.45%	237.23%	207.01%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		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 Southwest Primary Learning Center is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of School Contributions
June 30, 2017

New Mexico Educational Retirement Board Pension Plan

Last Ten Fiscal Years*

(Dollars in Thousands)

	2015	2016	2017
Statutory required contributions	$ 65	68	53
Contributions in Relation to the Contractually Required Contribution	65	59	53
Annual contribution deficiency (excess)	$ -	9	-

**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 Southwest Primary Learning is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 830,175	797,841	797,842	1
Federal Grant	-	-	204	204
Charges for Services	2,700	2,700	1,713	(987)
Miscellaneous Income	3,000	3,000	3,366	366
Total Revenues	835,875	803,541	803,125	(416)
EXPENDITURES				
Current:				
Instruction	468,126	465,792	451,396	14,396
Support Services:				
Students	43,700	25,110	5,118	19,992
Instruction	30,900	53,768	31,555	22,213
General Administration	139,005	151,070	97,306	53,764
School Administration	56,394	46,708	43,067	3,641
Central Services	91,028	114,168	91,495	22,673
Operation & Maintenance of Plant	85,338	100,029	86,378	13,651
Other Support Services Operations	31,578	31,578	-	31,578
Community Services Operations	-	5,492	3,113	2,379
Total Expenditures	946,069	993,715	809,428	184,287
Excess (Deficiency) of Revenues Over (Under) Expenditures	(110,194)	(190,174)	(6,303)	183,871
Operating Transfers	-	-	(987)	(987)
Net Changes in Fund Balances	(110,194)	(190,174)	(7,290)	182,884
Cash or Fund Balances - Beginning of Year	-	-	190,174	190,174
Cash or Fund Balances - End of Year	$ (110,194)	(190,174)	182,884	373,058
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			$ (7,290)	
Adjustments to Revenues			-	
Adjustments to Expenditures			(18,010)	
NET CHANGE IN FUND BALANCE			$ (25,300)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 5,625	4,757	7,190	2,433
Miscellaneous Income	-	-	-	-
Total Revenues	5,625	4,757	7,190	2,433
EXPENDITURES				
Current:				
Instruction	5,625	20,788	18,253	2,535
Total Expenditures	5,625	20,788	18,253	2,535
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	(16,031)	(11,063)	4,968
Net Changes in Fund Balances	-	(16,031)	(11,063)	4,968
Cash or Fund Balances - Beginning of Year	-	-	16,031	16,031
Cash or Fund Balances - End of Year	$ -	(16,031)	4,968	20,999
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (11,063)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ (11,063)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ 14,793	30,125	18,106	(12,019)
Total Revenues	14,793	30,125	18,106	(12,019)
EXPENDITURES				
Current:				
Instruction	14,793	30,125	14,793	15,332
Total Expenditures	14,793	30,125	14,793	15,332
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	3,313	3,313
Net Changes in Fund Balances	-	-	3,313	3,313
Cash or Fund Balances - Beginning of Year	-	-	(7,349)	(7,349)
Cash or Fund Balances - End of Year	-	-	(4,036)	(4,036)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 3,313	
Adjustments to Revenues			(3,313)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ 13,334	32,439	9,722	(22,717)
Total Revenues	13,334	32,439	9,722	(22,717)
EXPENDITURES				
Current:				
Support Services:				
Students	13,334	32,439	8,265	24,174
Total Expenditures	13,334	32,439	8,265	24,174
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	1,457	1,457
Net Changes in Fund Balances	-	-	1,457	1,457
Cash or Fund Balances - Beginning of Year	-	-	4,956	4,956
Cash or Fund Balances - End of Year	$ -	-	6,413	6,413
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 1,457	
Adjustments to Revenues			(1,457)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher / Principal Training 24154
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ 2,789	6,511	249	(6,262)
Total Revenues	2,789	6,511	249	(6,262)
EXPENDITURES				
Current:				
Instruction	1,394	3,256	249	3,007
Support Services:				
School Administration	1,395	3,255	-	3,255
Total Expenditures	2,789	6,511	249	6,262
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Literacy for Children at Risk PED 27107
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 3,283	3,283	-	(3,283)
Total Revenues	3,283	3,283	-	(3,283)
EXPENDITURES				
Current:				
Support Services:				
Instruction	3,283	3,283	-	3,283
Total Expenditures	3,283	3,283	-	3,283
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	-	-
Operating Transfers	-	-	987	987
Net Changes in Fund Balances	-	-	987	987
Cash or Fund Balances - Beginning of Year	-	-	(987)	(987)
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 987	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 987	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Private Direct Grants 29102
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Miscellaneous Income	$ -	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	(984)	(984)
Cash or Fund Balances - End of Year	$ -	-	(984)	(984)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Public Schools Capital Outlay 31200
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ -	75,466	94,591	19,125
Total Revenues	-	75,466	94,591	19,125
EXPENDITURES				
Current:				
Capital Outlay	-	75,466	75,466	-
Total Expenditures	-	75,466	75,466	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	19,125	19,125
Net Changes in Fund Balances	-	-	19,125	19,125
Cash or Fund Balances - Beginning of Year	-	-	(38,548)	(38,548)
Cash or Fund Balances - End of Year	$ -	-	(19,423)	(19,423)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 19,125	
Adjustments to Revenues			(19,125)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Capital Improvements HB-33 31600
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Property Taxes	$ 60,945	60,945	62,207	1,262
Total Revenues	60,945	60,945	62,207	1,262
EXPENDITURES				
Current:				
Support Services:				
General Administration	610	610	-	610
Capital Outlay	368,670	429,170	-	429,170
Total Expenditures	369,280	429,780	-	429,780
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(308,335)	(368,835)	62,207	431,042
Net Changes in Fund Balances	(308,335)	(368,835)	62,207	431,042
Cash or Fund Balances - Beginning of Year	-	-	368,835	368,835
Cash or Fund Balances - End of Year	$ (308,335)	(368,835)	431,042	799,877
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 62,207	
Adjustments to Revenues			(15)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 62,192	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Property Taxes	$ -	-	-	-
State Grant	7,295	9,746	-	(9,746)
Total Revenues	7,295	9,746	-	(9,746)
EXPENDITURES				
Current:				
Capital Outlay	7,295	9,746	-	9,746
Total Expenditures	7,295	9,746	-	9,746
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	-	-
Operating Transfers	-	-	(36,421)	(36,421)
Net Changes in Fund Balances	-	-	(36,421)	(36,421)
Cash or Fund Balances - Beginning of Year	-	-	36,421	36,421
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (36,421)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ (36,421)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements - Local 31701
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Property Taxes	$ 30,541	30,541	30,642	101
State Grant	-	-	-	-
Total Revenues	30,541	30,541	30,642	101
EXPENDITURES				
Current:				
Capital Outlay	30,541	66,962	-	66,962
Total Expenditures	30,541	66,962	-	66,962
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	(36,421)	30,642	67,063
Operating Transfers	-	-	36,421	36,421
Net Changes in Fund Balances	-	(36,421)	67,063	103,484
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	(36,421)	67,063	103,484
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 67,063	
Adjustments to Revenues			485	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 67,548	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2017

Name of Depository	Security Type	CUSIP/ Security Number	Maturity Date	Fair Value June 30, 2017
Federal Home Loan Bank of Dallas	Freddie Mac	3137EACA5	3/27/2019	$ 52,023
Federal Home Loan Bank of Dallas	Freddie Mac	3137EACA5	3/27/2019	208,094
				$ 260,117

Total Cash per Schedule of Cash Accounts:	$ 738,022
Less: FDIC coverage:	(250,000)
Uninsured Public Funds:	488,022
Collateral Requirement:	244,011
Pledged Collateral Held by Pledging Financial Institution:	260,117
Balance Over Collateralized:	**$ 16,106**
Balance Uninsured and Uncollateralized at June 30, 2017:	**$ 279,928**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Cash Accounts
June 30, 2017

Bank Account Type	Nusenda Credit Union
Checking - Operational Account	$ 734,975
Savings - Operational Account	3,047
Total on Deposit	738,022
Reconciling Items	(943)
Reconciled Balance June 30, 2017	737,079
Less Agency Funds	(14,257)
Total Cash	$ 722,822

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Cash Reconciliation
June 30, 2017

	Operational 11000	Instructional Materials 14000	Student Activity Fund 23000	Federal Flowthrough 24000	State Flowthrough 27000
Cash, June 30, 2016	$ 258,558	16,031	9,377	(818)	(987)
Add:					
Cash Transfers	-	-	-	-	-
2016-17 revenues	803,125	7,190	8,188	28,096	-
Total cash available	1,061,683	23,221	17,565	27,278	(987)
Less:					
Cash Transfers	-	-	-	-	-
2016-17 expenditures	(809,428)	(18,253)	(3,308)	(23,307)	-
Receivables/Payables	53,035	-	-	1,860	-
Loans	(22,583)	-	-	2,176	-
Cash June 30, 2017	282,707	4,968	14,257	8,007	(987)
Fund Balance Reconciliations to GAAP Basis:					
Audit reclassifications to cash	(69,371)	-	-	(1,594)	987
Cash per Books	213,336	4,968	14,257	6,413	-
Fund Balance (Deficit) Reconciliation to GAAP Basis:					
Modified Accrual Adjustments	(123,847)	-	-	(1,276)	987
Fund Balance (Deficit), Modified Accrual Basis	$ 158,860	4,968	14,257	6,731	-

The accompanying notes are an integral part of these financial statements

Combined State / Local 29000	Public School Capital Outlay 31200	Capital Improvements HB-33 31600	Capital Improvements SB-9 31700	Capital Improvements SB-9 31701	Total
(984)	(38,548)	368,835	36,421	-	647,885
-	-	-	-	36,421	36,421
-	94,591	62,207	-	30,642	1,034,039
(984)	56,043	431,042	36,421	67,063	1,718,345
-	-	-	(36,421)	-	(36,421)
-	(75,466)	-	-	-	(929,762)
-	-	-	-	-	54,895
984	19,423	-	-	-	-
-	-	431,042	-	67,063	807,057
-	-	-	-	-	(69,978)
-	-	431,042	-	67,063	737,079
				Less Agency Fund	(14,257)
				Total Governmental Funds	722,822
(984)	(19,423)	992	-	485	(143,066)
(984)	(19,423)	432,034	-	67,548	663,991
				Less Agency Fund	(14,257)
				Total Governmental Funds	$ 649,734

SOUTHWEST SECONDARY LEARNING CENTER

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Statement of Net Position
June 30, 2017

ASSETS AND DEFERRED OUTFLOWS	
Current Assets:	
Cash and Cash Equivalents	$ 2,641,570
Receivables	
Taxes Receivable	3,953
Due from Other Governments	7,430
Total Current Assets	2,652,953
Noncurrent Assets:	
Capital Assets	
Furniture, Fixtures and Equipment	469,157
Land Improvements	25,348
Buildings and Improvements	33,839
Less: Accumulated Depreciation	(289,586)
Total Noncurrent Assets	238,758
Total Assets	2,891,711
Deferred Outflows - Pension Related	340,092
LIABILITIES AND DEFERRED INFLOWS	
Current Liabilities:	
Accounts Payable	67,620
Accrued Liabilities	122,538
Total Current Liabilities	190,158
Noncurrent Liabilities:	
Net Pension Liability	2,105,676
Total Noncurrent Liabilities	2,105,676
Total Liabilities	2,295,834
Deferred Inflows - Pension Related	236,544
NET POSITION	
Net Investment in Capital Assets	238,758
Restricted	1,160,319
Unrestricted (Deficit)	(699,652)
Total Net Position	$ 699,425

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Statement of Activities
For The Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues: Charges for Service	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position
Governmental activities:					
Instruction	$ 927,392	7,925	72,102	-	(847,365)
Support Services:					
Students	116,006	-	-	-	(116,006)
Instruction	384,590	-	-	-	(384,590)
General Administration	164,687	-	-	-	(164,687)
School Administration	184,042	-	-	-	(184,042)
Central Services	115,927	-	-	-	(115,927)
Operation & Maintenance of Plant	375,088	-	-	-	(375,088)
Student Transportation	39,000	-	(6,012)	-	(45,012)
Facilities Materials, Supplies & Other Services	257,832	-	-	199,156	(58,676)
Total Governmental Activities	$ 2,564,564	7,925	66,090	199,156	(2,291,393)

General Revenues:	
Property Taxes	$ 250,341
State Equalization Guarantee	2,275,818
Miscellaneous	40,652
Total General Revenues	2,566,811
Change in Net Position	275,418
Net Position, Beginning as Previously Reported	190,689
Restatement (Note 7)	233,318
Net Position, Beginning, as Restated	424,007
Net position, Ending	$ 699,425

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Balance Sheets - Governmental Funds
June 30, 2017

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106	Teacher Principal Training 24154
ASSETS						
Cash and Cash Equivalents	$ 1,485,428	600	69,719	-	-	-
Accounts Receivable						
Taxes Receivable	-	-	-	-	-	-
Due from Other Governments	850	-	-	3,645	2,935	-
Due from Other Funds	43,415	-	-	-	-	-
Total Assets	$ 1,529,693	600	69,719	3,645	2,935	-
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts Payable	$ 67,620	-	-	-	-	-
Accrued Liabilities	120,462	-	-	2,076	-	-
Due to Other Funds	-	-	-	1,345	2,935	-
Total Liabilities	188,082	-	-	3,421	2,935	-
Fund Balances (Deficit)						
Fund Balance:						
Restricted for:						
Instruction	-	-	69,719	224	-	-
Student Transportation	-	600	-	-	-	-
Capital Improvements	-	-	-	-	-	-
Unassigned (Deficit)	1,341,611	-	-	-	-	-
Total Fund Balance (Deficit)	1,341,611	600	69,719	224	-	-
Total Liabilities and Fund Balances	$ 1,529,693	600	69,719	3,645	2,935	-

The accompanying notes are an integral part of these financial statements

Dual Credits Instructional Materials 27103	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Capital Improvements HB-33 31600	SB-9 Capital Improvements 31700	SB-9 Capital Improvements Local 31701	Total
-	-	-	826,087	-	259,736	2,641,570
-	-	-	2,655	-	1,298	3,953
-	-	-	-	-	-	7,430
-	-	-	-	-	-	43,415
-	-	-	828,742	-	261,034	2,696,368
-	-	-	-	-	-	67,620
-	-	-	-	-	-	122,538
-	39,135	-	-	-	-	43,415
-	39,135	-	-	-	-	233,573
-	-	-	-	-	-	69,943
-	-	-	-	-	-	600
-	-	-	828,742	-	261,034	1,089,776
-	(39,135)	-	-	-	-	1,302,476
-	(39,135)	-	828,742	-	261,034	2,462,795
-	-	-	828,742	-	261,034	2,696,368

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2017

Fund Balances - Total Governmental Funds		**$ 2,462,795**
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital Assets	528,344	
Accumulated Depreciation	(289,586)	
		238,758
Defined benefit pension plan deferred outflows are not financial resources and, therefore, and not reported in the funds		340,092
Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.		
Net Pension Liability		(2,105,676)
Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds		(236,544)
Net Position-Total Governmental Activities		**$ 699,425**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2017

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106	Teacher Principal Training 24154
REVENUES						
Property Taxes	$ -	-	-	-	-	-
State Grant	2,275,818	(6,012)	19,347	-	-	-
Federal Grant	1,382	-	-	12,535	30,281	520
Charges for Services	7,925	-	-	-	-	-
Miscellaneous Income	40,652	-	-	-	-	-
Total Revenues	2,325,777	(6,012)	19,347	12,535	30,281	520
EXPENDITURES						
Current:						
Instruction	910,781	-	7,208	10,609	-	225
Support Services:						
Students	87,777	-	-	-	28,229	-
Instruction	391,686	-	-	-	-	-
General Administration	164,687	-	-	-	-	-
School Administration	183,747	-	-	-	-	295
Central Services	115,927	-	-	-	-	-
Operation & Maintenance of Plant	375,088	-	-	-	-	-
Student Transportation	1,859	37,141	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	2,231,552	37,141	7,208	10,609	28,229	520
Excess (Deficiency) of Revenues Over (Under) Expenditures	94,225	(43,153)	12,139	1,926	2,052	-
Other financing sources (uses)						
Operating Transfers	(33,225)	-	-	-	-	-
Total Other financing sources (uses)	(33,225)	-	-	-	-	-
Net Changes in Fund Balances	61,000	(43,153)	12,139	1,926	2,052	-
Fund Balances(Deficit) - Beginning of Year	1,280,611	43,753	57,580	(1,702)	(2,052)	-
Fund Balances (Deficit) - End of Year	$ 1,341,611	600	69,719	224	-	-

The accompanying notes are an integral part of these financial statements

Dual Credits Instructional Materials 27103	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Capital Improvements HB-33 31600	SB-9 Capital Improvements 31700	SB-9 Capital Improvements Local 31701	Total
-	-	-	167,707	(1,272)	83,906	250,341
8,037	199,156	-	-	-	-	2,496,346
-	-	-	-	-	-	44,718
-	-	-	-	-	-	7,925
-	-	-	-	-	-	40,652
8,037	199,156	-	167,707	(1,272)	83,906	2,839,982
8,037	-	-	-	-	-	936,860
-	-	-	-	-	-	116,006
-	-	-	-	-	-	391,686
-	-	-	-	-	-	164,687
-	-	-	-	-	-	184,042
-	-	-	-	-	-	115,927
-	-	-	-	-	-	375,088
-	-	-	-	-	-	39,000
-	199,156	-	-	-	-	199,156
8,037	199,156	-	-	-	-	2,522,452
-	-	-	167,707	(1,272)	83,906	317,530
-	-	33,225	-	(177,128)	177,128	-
-	-	33,225	-	(177,128)	177,128	-
-	-	33,225	167,707	(178,400)	261,034	317,530
-	(39,135)	(33,225)	661,035	178,400	-	2,145,265
-	(39,135)	-	828,742	-	261,034	2,462,795

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2017

Net Change in Fund Balances-Total Governmental Funds		**$ 317,530**
Amounts reported for governmental activities in the Statement of Activities are different because:		
Change in net pension liability and related accounts		9,468
Expenditures to purchase or build capital assets, pay for interest on debt, and amortization on long term 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 capital outlay exceeds depreciation for the period		
Capital Outlays	7,096	
Depreciation Expense	(58,676)	
		(51,580)
Change in Net Position-Total Governmental Activities		**$ 275,418**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2017

	Funds
ASSETS	
Cash in Bank	$ 83,630
Total Assets	$ 83,630
LIABILITIES	
Accrued Liabilities	$ 3,370
Deposits Held for Others	80,260
Total Liabilities	$ 83,630

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
ASSETS				
Cash in Bank	$ 22,881	75,344	(14,595)	83,630
Total Assets	$ 22,881	75,344	(14,595)	83,630
LIABILITIES				
Accrued Liabilities	$ -	3,370	-	3,370
Deposits Held for Others	22,881	75,344	(17,965)	80,260
Total Liabilities	$ 22,881	78,714	(17,965)	83,630

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at the fair market values as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Southwest Secondary Learning Center's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is $5,000. Southwest Secondary Learning Center (SSLC) does not capitalize any interest with regard to its capital assets.

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives with no salvage value. SSLC utilizes Internal Revenue Service guidelines to estimate the useful lives on capital assets as follows:

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years
Vehicles	10 years

Capital assets for SSLC are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, 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 economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2017 follows:

	Balance June 30, 2016	Additions	Adjustments	Balance June 30, 2017
Capital Assets being Depreciated:				
Furniture, Fixtures and Equipment	$ 977,932	7,096	(515,871)	469,157
Land Improvements	-	-	25,348	25,348
Buildings and Improvements	42,662	-	(8,823)	33,839
Vehicles	46,356	-	(46,356)	-
Total	1,066,950	7,096	(545,702)	528,344
Less: Accumulated Depreciation	(1,009,930)	(58,676)	779,020	(289,586)
Capital Assets, Net	$ 57,020	(51,580)	233,318	238,758

Depreciation expensed for the year ended June 30, 2017 was expensed to the following functions:

Facilities Materials, Supplies & Other	$ 58,676
Total	$ 58,676

NOTE 3. COMMITMENTS AND LIABILITIES

Southwest Secondary Learning Center leased various facilities and equipment under long-term cancelable operating leases. Rental expense for the year ended June 30, 2017 was $263,670. Southwest Secondary Learning Center's minimum future payments on these leases are as follows:

Year Ending June 30:	
2018	$ 249,464
Total minimum lease payments	$ 249,464

NOTE 4. DEFICIT FUND BALANCE

The following fund had a deficit fund balance at June 30, 2017:

31200 Public School Capital Outlay	$ 39,135
	$ 39,135

SSLC is addressing the negative fund balance and is planning on taking the appropriate actions to eliminate the negative balances.

NOTE 5. RELATED PARTY TRANSACTIONS

The same administration operates all four schools: Southwest Secondary, Intermediate and Primary Learning Centers and Southwest Aeronautics, Mathematics and Science Academy.

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Southwest Secondary Learning Center and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. For the fiscal year ended June 30, 2017 and 2016 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
2017	7/1/16 to 6/30/17	Over $20K	10.70%	13.90%	24.60%	0.00%
2017	7/1/16 to 6/30/17	$20K or less	7.90%	13.90%	21.80%	0.00%
2016	7/1/15 to 6/30/16	Over $20K	10.70%	13.90%	24.60%	0.00%
2016	7/1/15 to 6/30/16	$20K or less	7.90%	13.90%	21.80%	0.00%

The contribution requirements are estimated in statue 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, 2017 and 2016, Southwest Secondary Learning Center paid employee and employer contributions of $131,512 and $116,145.

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2017, Southwest Secondary Learning Center reported a liability of $2,105,676 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2016 using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2016. There were no significant events or changes in benefit provision that required an adjustment to the roll-forward liabilities as of June 30, 2016.

Southwest Secondary Learning Center's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Southwest Secondary Learning Center's proportion was 0.02926%, which was a decrease of 0.00206% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, Southwest Secondary Learning Center recognized pension expense of $128,271. As of June 30, 2017, Southwest Secondary Learning Center reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 9,136	(20,027)
Changes in assumptions	42,863	-
Net difference between projected and actual earnings on pension plan investments	125,691	-
Changes in proportion and differences between Southwest Secondary Learning Center's contributions and proportionate share of contributions	30,890	(216,517)
Southwest Secondary Learning Center's contributions subsequent to the measurement date	131,512	-
Total	$ 340,092	(236,544)

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

The amount of $131,512 reported as deferred outflows of resources related to pensions resulting from Southwest Secondary Learning Center's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2018	$ (35,805)
2019	(55,381)
2020	32,571
2021	30,651
Total	$ (27,964)

Sensitivity of Southwest Secondary Learning Center's proportionate share of the net pension liability to changes in the discount rate. The following presents Southwest Secondary Learning Center's proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the Southwest Secondary Learning Center's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Southwest Secondary Learning Center's proportionate share of the net pension liability	$ 2,788,920	2,105,676	1,538,778

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

Payables to the pension plan. Southwest Secondary Learning Center accrued $32,607 in ERB benefits at June 30, 2017 for teachers with ten month contracts.

NOTE 7. RESTATEMENT

As a result of adjustments made pursuant to a capital asset inventory performed for the year ended June 30, 2017, Net Position at June 30, 2016 was restated in the amount of $233,318.

NOTE 8. SUBSEQUENT EVENTS

The Southwest Intermediate Learning Center (SILC) charter expired on June 30, 2017. Beginning July 1, 2017, Southwest Secondary Learning Center (SSLC) assumed and accepted all assets and liabilities of Southwest Intermediate Learning Center (SILC). SSLC also agreed to serve as the official registrar and custodian of all student records and personnel files of SILC.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of the School's Proportionate Share of the Net Pension Liability
June 30, 2017

New Mexico Educational Retirement Board Pension Plan

For Last 10 Fiscal Years*

(Dollars in Thousands)

		30-Jun		
Fiscal Year		**2017**	**2016**	**2015**
Measurement Date		**2016**	**2015**	**2014**
School's Proportion of the Net Pension Liability (Asset)		0.07%	0.02%	0.02%
School's Proportionate Share of Net Pension Liability (Asset)	$	2,007	2,029	2,007
School's Covered-Employee Payroll	$	970	885	1,163
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll		206.91%	237.23%	207.01%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		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 Southwest Secondary Learning Center is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of School Contributions
June 30, 2017

New Mexico Educational Retirement Board Pension Plan

Last Ten Fiscal Years*

(Dollars in Thousands)

	2015	2016	2017
Statutory required contributions	$ 128	141	116
Contributions in Relation to the Contractually Required Contribution	128	141	116
Annual contribution deficiency (excess)	$ -	-	-

**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 Southwest Secondary Learning is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 2,406,323	2,366,771	2,275,818	(90,953)
Federal Grant	-	-	532	532
Charges for Services	15,000	15,000	7,925	(7,075)
Miscellaneous Income	5,000	5,000	40,652	35,652
Total Revenues	2,426,323	2,386,771	2,324,927	(61,844)
EXPENDITURES				
Current:				
Instruction	1,028,700	1,038,773	910,781	127,992
Support Services:				
Students	38,500	144,363	87,777	56,586
Instruction	301,271	394,346	371,793	22,553
General Administration	214,587	271,064	140,708	130,356
School Administration	235,634	215,177	183,747	31,430
Central Services	143,009	143,585	105,202	38,383
Operation & Maintenance of Plant	481,262	469,400	368,279	101,121
Student Transportation	-	2,000	1,859	141
Other Support Services Operations	736,155	961,663	-	961,663
Total Expenditures	3,179,118	3,640,371	2,170,146	1,470,225
Excess (Deficiency) of Revenues Over (Under) Expenditures	(752,795)	(1,253,600)	154,781	1,408,381
Operating Transfers	-	-	(33,225)	(33,225)
Net Changes in Fund Balances	(752,795)	(1,253,600)	121,556	1,375,156
Cash or Fund Balances - Beginning of Year	-	-	1,286,825	1,286,825
Cash or Fund Balances - End of Year	$ (752,795)	(1,253,600)	1,408,381	2,661,981
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			$ 121,556	
Adjustments to Revenues			850	
Adjustments to Expenditures			(61,406)	
NET CHANGE IN FUND BALANCE			$ 61,000	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Student Transportation 13000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 43,577	37,741	(6,012)	(43,753)
Total Revenues	43,577	37,741	(6,012)	(43,753)
EXPENDITURES				
Current:				
Student Transportation	43,577	37,741	37,141	600
Total Expenditures	43,577	37,741	37,141	600
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	(43,153)	(43,153)
Net Changes in Fund Balances	-	-	(43,153)	(43,153)
Cash or Fund Balances - Beginning of Year	-	-	43,753	43,753
Cash or Fund Balances - End of Year	$ -	-	600	600
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (43,153)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ (43,153)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 15,036	13,105	19,347	6,242
Total Revenues	15,036	13,105	19,347	6,242
EXPENDITURES				
Current:				
Instruction	72,616	70,685	7,208	63,477
Total Expenditures	72,616	70,685	7,208	63,477
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(57,580)	(57,580)	12,139	69,719
Net Changes in Fund Balances	(57,580)	(57,580)	12,139	69,719
Cash or Fund Balances - Beginning of Year	-	-	57,580	57,580
Cash or Fund Balances - End of Year	$ (57,580)	(57,580)	69,719	127,299
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 12,139	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 12,139	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ 27,545	37,012	20,686	(16,326)
Total Revenues	27,545	37,012	20,686	(16,326)
EXPENDITURES				
Current:				
Instruction	27,545	37,012	10,609	26,403
Total Expenditures	27,545	37,012	10,609	26,403
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	10,077	10,077
Net Changes in Fund Balances	-	-	10,077	10,077
Cash or Fund Balances - Beginning of Year	-	-	(13,498)	(13,498)
Cash or Fund Balances - End of Year	$ -	-	(3,421)	(3,421)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 10,077	
Adjustments to Revenues			(8,151)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 1,926	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ 31,258	72,541	58,126	(14,415)
Total Revenues	31,258	72,541	58,126	(14,415)
EXPENDITURES				
Current:				
Support Services:				
Students	31,258	72,541	28,229	44,312
Total Expenditures	31,258	72,541	28,229	44,312
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	29,897	29,897
Net Changes in Fund Balances	-	-	29,897	29,897
Cash or Fund Balances - Beginning of Year	-	-	(32,832)	(32,832)
Cash or Fund Balances - End of Year	$ -	-	(2,935)	(2,935)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 29,897	
Adjustments to Revenues			(27,845)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 2,052	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher / Principal Training 24154
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ 5,851	14,676	1,170	(13,506)
Total Revenues	5,851	14,676	1,170	(13,506)
EXPENDITURES				
Current:				
Instruction	1,950	6,362	225	6,137
Support Services:				
School Administration	3,901	8,314	295	8,019
Total Expenditures	5,851	14,676	520	14,156
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	650	650
Net Changes in Fund Balances	-	-	650	650
Cash or Fund Balances - Beginning of Year	-	-	(650)	(650)
Cash or Fund Balances - End of Year	$ -	$ -	$ -	$ -
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 650	
Adjustments to Revenues			(650)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credits Instructional Materials 27103
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ -	8,037	8,037	-
Total Revenues	-	8,037	8,037	-
EXPENDITURES				
Current:				
Instruction	-	8,037	8,037	-
Total Expenditures	-	8,037	8,037	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Public Schools Capital Outlay 31200
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ -	199,156	247,135	47,979
Total Revenues	-	199,156	247,135	47,979
EXPENDITURES				
Capital Outlay	-	199,156	199,156	-
Total Expenditures	-	199,156	199,156	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	47,979	47,979
Net Changes in Fund Balances	-	-	47,979	47,979
Cash or Fund Balances - Beginning of Year	-	-	(87,114)	(87,114)
Cash or Fund Balances - End of Year	$ -	-	(39,135)	(39,135)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 47,979	
Adjustments to Revenues			(47,979)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Special Capital Outlay State 31400
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ -	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Capital Outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	-	-
Operating Transfers	-	-	33,225	33,225
Net Changes in Fund Balances	-	-	33,225	33,225
Cash or Fund Balances - Beginning of Year	-	-	(33,225)	(33,225)
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 33,225	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 33,225	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Capital Improvements HB-33 31600
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Property Taxes	$ 164,553	164,553	167,684	3,131
Total Revenues	164,553	164,553	167,684	3,131
EXPENDITURES				
Current:				
Capital Outlay	820,567	822,956	-	822,956
Total Expenditures	820,567	822,956	-	822,956
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(656,014)	(658,403)	167,684	826,087
Net Changes in Fund Balances	(656,014)	(658,403)	167,684	826,087
Cash or Fund Balances - Beginning of Year	-	-	658,403	658,403
Cash or Fund Balances - End of Year	$ (656,014)	(658,403)	826,087	1,484,490
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 167,684	
Adjustments to Revenues			23	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 167,707	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 19,058	25,811	-	(25,811)
Total Revenues	19,058	25,811	-	(25,811)
EXPENDITURES				
Current:				
Capital Outlay	19,058	25,811	-	25,811
Total Expenditures	19,058	25,811	-	25,811
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	-	-
Operating Transfers	-	-	(177,128)	(177,128)
Net Changes in Fund Balances	-	-	(177,128)	(177,128)
Cash or Fund Balances - Beginning of Year	-	-	177,128	177,128
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (177,128)	
Adjustments to Revenues			(1,272)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ (178,400)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements - Local 31701
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Property Taxes	$ 82,462	82,462	82,608	146
Total Revenues	82,462	82,462	82,608	146
EXPENDITURES				
Current:				
Support Services:				
General Administration	8,000	8,000	-	8,000
Capital Outlay	307,717	251,590	-	251,590
Total Expenditures	315,717	259,590	-	259,590
Excess (Deficiency) of Revenues Over (Under) Expenditures	(233,255)	(177,128)	82,608	259,736
Operating Transfers	-	-	177,128	177,128
Net Changes in Fund Balances	(233,255)	(177,128)	259,736	436,864
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ (233,255)	(177,128)	259,736	436,864
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			$ 259,736	
Adjustments to Revenues			1,298	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 261,034	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2017

Name of Depository	Security Type	CUSIP/ Security Number	Maturity Date	Fair Value June 30, 2017
Federal Home Loan Bank of Dallas	Freddie Mac	3137EACA5	3/27/2019	$ 208,094
Federal Home Loan Bank of Dallas	Freddie Mac	3137EACA5	3/27/2019	676,304
Federal Home Loan Bank of Dallas	Freddie Mac	3137EACA5	3/27/2019	494,222
				$ 1,378,620

Total Cash per Schedule of Cash Accounts:	$ 2,730,758
Less: FDIC coverage:	(250,000)
Uninsured Public Funds:	2,480,758
Collateral Requirement:	1,240,379
Pledged Collateral Held by Pledging Financial Institution:	1,378,620
Balance Over Collateralized:	**$ 138,241**
Balance Uninsured and Uncollateralized at June 30, 2017:	**$ 1,102,138**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Cash Accounts
June 30, 2017

Bank Account Type	Nusenda Credit Union
Checking - Operational Account	$ 2,724,744
Savings - Operational Account	6,014
Total on Deposit	2,730,758
Reconciling Items	(5,558)
Reconciled Balance June 30, 2017	2,725,200
Less Agency Funds	(83,630)
Total Cash	$ 2,641,570

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Cash Reconciliation
June 30, 2017

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Student Activity Funds 23000	Federal Flowthrough 24000
Cash, June 30, 2016	$ 1,394,162	43,753	57,580	22,881	(41,278)
Add:					
Cash Transfers	-	-	-	-	-
2016-17 revenues	2,324,927	(6,012)	19,347	75,344	78,342
Total cash available	3,719,089	37,741	76,927	98,225	37,064
Less:					
Cash Transfers	(33,225)	-	-	-	-
2016-17 expenditures	(2,170,146)	(37,141)	(7,208)	(17,965)	(39,358)
Receivables/Payables	120,462	-	-	(1,569)	2,076
Loans	(43,415)	-	-	-	4,280
Cash June 30, 2017	1,592,765	600	69,719	78,691	4,062
Fund Balance Reconciliations to GAAP Basis:					
Audit reclassifications to cash	(107,337)	-	-	4,939	(4,062)
Cash per Books	1,485,428	600	69,719	83,630	-
Fund Balance (Deficit) Reconciliation to GAAP Basis:					
Modified Accrual Adjustments	(251,154)	-	-	1,569	(3,838)
Fund Balance (Deficit), Modified Accrual Basis	$ 1,341,611	600	69,719	80,260	224

The accompanying notes are an integral part of these financial statements

State Flowthrough 27000	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Capital Improvements HB-33 31600	Capital Improvements SB-9 31700	Capital Improvements SB-9 31701	Total
-	(87,114)	(33,225)	658,403	177,128	-	2,192,290
-	-	33,225	-	-	177,128	210,353
8,037	247,135	-	167,684	-	82,608	2,997,412
8,037	160,021	-	826,087	177,128	259,736	5,400,055
-	-	-	-	(177,128)	-	(210,353)
(8,037)	(199,156)	-	-	-	-	(2,479,011)
-	-	-	-	-	-	120,969
-	39,135	-	-	-	-	-
-	-	-	826,087	-	259,736	2,831,660
-		-	-	-	-	(106,460)
-	-	-	826,087	-	259,736	2,725,200
					Less Agency Fund	(83,630)
					Total Governmental Funds	$ 2,641,570
-	(39,135)	-	2,655	-	1,298	(288,605)
-	(39,135)	-	828,742	-	261,034	2,543,055
					Less Agency Fund	(80,260)
					Total Governmental Funds	$ 2,462,795

TAOS ACADEMY

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Statement of Net Position
June 30, 2017

ASSETS AND DEFERRED OUTFLOWS	
Current Assets:	
Cash and Cash Equivalents	$ 750,283
Receivables	
Due from Other Governments	249,659
Prepaid Expenses	12,900
Total Current Assets	1,012,842
Noncurrent Assets:	
Capital Assets	
Land	450,000
Building and Improvements	3,101,840
Furniture, Fixtures, and Equipment	226,686
Less: Accumulated Depreciation	(245,994)
Total Noncurrent Assets	3,532,532
Total Assets	4,545,374
Deferred Outflows - Pension Related	813,644
LIABILITIES AND DEFERRED INFLOWS	
Current Liabilities:	
Accrued Liabilities	191,260
Current Portion of Note Payable	19,657
Total Current Liabilities	210,917
Noncurrent Liabilities:	
Note Payable, Net of Current Portion	2,065,083
Net Pension Liability	2,887,929
Total Noncurrent Liabilities	4,953,012
Total Liabilities	5,163,929
Deferred Inflows - Pension Related	27,468
NET POSITION	
Net Investment in Capital Assets	1,447,792
Restricted	256,302
Unrestricted (Deficit)	(1,536,473)
Total Net Position	$ 167,621

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Statement of Activities
For The Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position
Governmental Activities:					
Instruction	$ 1,597,851	-	189,558	-	(1,408,293)
Support Services:					
Students	187,056	-	-	-	(187,056)
Instruction	2,542	-	-	-	(2,542)
General Administration	17,462	-	-	-	(17,462)
School Administration	311,414	-	-	-	(311,414)
Central Services	172,192	-	-	-	(172,192)
Operation & Maintenance of Plant	220,967	-	-	-	(220,967)
Interest on Long-term Debt	135,187	-	-	-	(135,187)
Facilities Materials, Supplies & Other Services	200,312	-	-	480,871	280,559
Total Governmental Activities	$ 2,844,983	-	189,558	480,871	(2,174,554)
			General Revenues:		
			Property Taxes		$ 246,424
			State Equalization Guarantee		2,111,647
			Miscellaneous		67,749
			Total General Revenues		2,425,820
			Change in Net Position		251,266
			Net Position (Deficit), Beginning, as Previously Reported		(110,581)
			Restatement (Note 6)		26,936
			Net Position (Deficit), Beginning, as Restated		(83,645)
			Net Position (Deficit), Ending		$ 167,621

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Balance Sheets - Governmental Funds
June 30, 2017

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	$ 529,216	403	191	8,963
Accounts Receivable				
Due from Government	-	-	-	51,142
Due from Other Funds	151,061	-	-	-
Prepaid Expenditures	12,900	-	-	-
Total Assets	$ 693,177	403	191	60,105
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accrued Expenditures	$ 179,931	-	-	8,963
Due to Other Funds	-	-	-	51,142
Total Liabilities	179,931	-	-	60,105
Fund Balances				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	12,900	-	-	-
Restricted for:				
Instruction	-	403	-	-
Support Services	-	-	-	-
Food Services	-	-	191	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	500,346	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	513,246	403	191	-
Total Liabilities and Fund Balances	$ 693,177	403	191	60,105

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Teacher Principal Training 24154	Title XIX Medicaid 25153	Intel Foundation 26116	Dual Credit Instructional Materials 27103	Teacher and School Leader Incentive Pay 27188
-	2,158	2,063	418	-	-
40,760	11,984	-	-	609	-
-	-	-	-	-	-
-	-	-	-	-	-
40,760	14,142	2,063	418	609	-
-	2,158	38	-	-	-
40,760	11,984	-	-	609	-
40,760	14,142	38	-	609	-
-	-	-	-	-	-
-	-	-	418	-	-
-	-	2,025	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	2,025	418	-	-
40,760	14,142	2,063	418	609	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Balance Sheets - Governmental Funds (Continued)
June 30, 2017

	Teachers Hard to Staff Stipend 27195	Private Direct Grants 29102	Bond Building 31100	Public Schools Capital Outlay 31200
ASSETS				
Cash and Cash Equivalents	$ 170	833	-	-
Accounts Receivable				
Due from Government	6,348	-	-	40,218
Due from Other Funds	-	-	-	-
Prepaid Expenditures	-	-	-	-
Total Assets	$ 6,518	833	-	40,218
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accrued Expenditures	$ 170	-	-	-
Due to Other Funds	6,348	-	-	40,218
Total Liabilities	6,518	-	-	40,218
Fund Balances				
Fund Balance:				
Nonspendable:				
Deposits	-	-	-	-
Restricted for:				
Instruction	-	833	-	-
Support Services	-	-	-	-
Food Services	-	-	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	-	833	-	-
Total Liabilities and Fund Balances	$ 6,518	833	-	40,218

The accompanying notes are an integral part of these financial statements

SB-9 Capital Improvements 31700	Capital Improvements SB-9 Local 31701	Technology Equipment Act 31900	Taos Academy Foundation	Total
-	83,133	70,701	52,034	750,283
-	98,598	-	-	249,659
-	-	-	-	151,061
-	-	-	-	12,900
-	181,731	70,701	52,034	1,163,903
-	-	-	-	191,260
-	-	-	-	151,061
-	-	-	-	342,321
-	-	-	-	12,900
-	-	-	-	1,654
-	-	-	-	2,025
-	-	-	-	191
-	181,731	70,701	-	252,432
-	-	-	-	500,346
-	-	-	52,034	52,034
-	181,731	70,701	52,034	821,582
-	181,731	70,701	52,034	1,163,903

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2017

Fund Balance - Total Governmental Funds		**$**	**821,582**
Amounts reported for governmental activities in the Statement of Net Position are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.			
Capital Assets	3,778,526		
Accumulated Depreciation	(245,994)		
			3,532,532
The note payable is not due in the current period and, therefore, is not reported in the funds.			(2,084,740)
Defined benefit pension plan deferred outflows are not financial resources and, therfore, are not reported in the funds.			813,644
Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.			(27,468)
The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.			(2,887,929)
Net Position-Total Governmental Activities		**$**	**167,621**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2017

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	2,111,647	12,892	-	-
Federal Grant	-	-	-	51,142
Charges for Services	-	-	-	-
Miscellaneous Income	19,606	-	-	-
Total Revenues	2,131,253	12,892	-	51,142
EXPENDITURES				
Current:				
Instruction	1,242,679	17,139	-	51,142
Support Services:				
Students	126,032	-	-	-
Instruction	2,542	-	-	-
General Administration	17,462	-	-	-
School Administration	253,101	-	-	-
Central Services	157,454	-	-	-
Operation & Maintenance of Plant	193,030	-	-	-
Capital Outlay	337,144	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	2,329,444	17,139	-	51,142
Excess (Deficiency) of Revenues Over (Under) Expenditures	(198,191)	(4,247)	-	-
Other financing sources (uses):				
Proceeds from Issuance of long-term debt	-	-	-	-
Transfers in (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net Changes in Fund Balances	(198,191)	(4,247)	-	-
Fund Balances - Beginning of Year	711,437	4,650	191	-
Restatement (Note 6)	-	-	-	-
Fund Balances - Restated	711,437	4,650	191	-
Fund Balances - End of Year	$ 513,246	403	191	-

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Teacher Principal Training 24154	Title XIX Medicaid 25153	Intel Foundation 26116	Dual Credit Instructional Materials 27103	Teacher and School Leader Incentive Pay 27188
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	4,058	29,066
40,760	13,526	2,025	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
40,760	13,526	2,025	-	4,058	29,066
-	13,526	-	-	4,058	29,066
40,760	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
40,760	13,526	-	-	4,058	29,066
-	-	2,025	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	2,025	-	-	-
-	-	-	418	-	-
-	-	-	-	-	-
-	-	-	418	-	-
-	-	2,025	418	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances - (Continued)
Governmental Funds
For The Year Ended June 30, 2017

	Teachers Hard to Staff Stipend 27195	Private Direct Grants 29102	Bond Building 31100	Public Schools Capital Outlay 31200
REVENUES				
Property Taxes	$ -	-	-	-
Local & County Grant	-	2,500	320,000	-
State Grant	12,525	-	-	160,871
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	12,525	2,500	320,000	160,871
EXPENDITURES				
Current:				
Instruction	12,525	1,741	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Capital Outlay	-	-	320,000	160,871
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	12,525	1,741	320,000	160,871
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	759	-	-
Other financing sources (uses):				
Proceeds from issuance of long-term debt	-	-	-	-
Transfers in (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net Changes in Fund Balances	-	759	-	-
Fund Balances - Beginning of Year	-	74	-	-
Restatement (Note 6)	-	-	-	-
Fund Balances - Restated	-	74	-	-
Fund Balances - End of Year	$ -	833	-	-

The accompanying notes are an integral part of these financial statements

SB-9 Capital Improvements 31700	Capital Improvements SB-9 Local 31701	Technology Equipment Act 31900	Taos Academy Foundation	Total
-	246,424	-	-	246,424
-	-	-	21,064	343,564
-	-	-	-	2,331,059
-	-	-	-	107,453
-	-	-	185,435	185,435
-	-	-	48,143	67,749
-	246,424	-	254,642	3,281,684
-	-	-	-	1,371,876
-	-	-	-	166,792
-	-	-	-	2,542
-	-	-	-	17,462
-	-	-	-	253,101
-	-	-	-	157,454
-	-	-	-	193,030
-	262,532	46,395	2,179,097	3,306,039
-	-	-	15,260	15,260
-	-	-	135,187	135,187
-	262,532	46,395	2,329,544	5,618,743
-	(16,108)	(46,395)	(2,074,902)	(2,337,059)
-	-	-	2,100,000	2,100,000
(179,108)	197,839	(18,731)	-	-
(179,108)	197,839	(18,731)	2,100,000	2,100,000
(179,108)	181,731	(65,126)	25,098	(237,059)
179,108	-	135,827	-	1,031,705
-	-	-	26,936	26,936
179,108	-	135,827	26,936	1,058,641
-	181,731	70,701	52,034	821,582

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2017

Net Change in Fund Balances-Total Governmental Funds		**$ (237,059)**
Amounts reported for governmental activities in the Statement of Activities are different because:		
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 capital outlay exceeds depreciation for the period.		
Capital Outlays	3,000,000	
Depreciation Expense	(119,900)	
		2,880,100
The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction; however, has any effect on net position.		
Proceeds from Issuance of Long-term Debt	(2,100,000)	
Principal Payments on Long-term Debt	15,260	
		(2,084,740)
Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability		(307,035)
Change in Net Position-Total Governmental Activities		**$ 251,266**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2017

	Agency Funds
ASSETS	
Cash in Bank	$ 12,323
Total Assets	$ 12,323
LIABILITIES	
Deposits Held for Others	$ 12,323
Total Liabilities	$ 12,323

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
ASSETS				
Cash in Bank	$ 10,040	9,133	(6,850)	12,323
Total Assets	$ 10,040	9,133	(6,850)	12,323
LIABILITIES				
Deposits Held for Others	$ 10,040	9,133	(6,850)	12,323
Total Liabilities	$ 10,040	9,133	(6,850)	12,323

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at the fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Taos Academy's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is $5,000. Taos Academy does not capitalize any interest with regard to its capital assets.

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives with no salvage value. Taos Academy utilizes Internal Revenue Service guidelines to estimate the useful lives on capital assets as follows:

Furniture, Fixtures and Equipment	5-15 years
Buildings and Improvements	15-30 years

Capital assets for Taos Academy are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, 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 economic resources measurement focus and the 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.

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2017 follows:

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
Capital Assets not being Depreciated:				
Land	$ -	450,000	-	450,000
Total	-	450,000	-	450,000
Capital Assets being Depreciated:				
Building and improvements	551,840	2,550,000	-	3,101,840
Furniture, Fixtures and Equipment	226,686	-	-	226,686
Total	778,526	2,550,000	-	3,328,526
Less: Accumulated Depreciation				
Building and improvements	(69,431)	(103,115)	-	(172,546)
Furniture, Fixtures and Equipment	(56,663)	(16,785)	-	(73,448)
Total	(126,094)	(119,900)	-	(245,994)
Capital Assets, Net	$ 652,432	2,880,100	-	3,532,532

NOTE 2. CAPITAL ASSETS (CONTINUED)

Depreciation expense for the year ended June 30, 2017 was expensed to the following functions:

Instruction	$	4,603
School Administration		12,872
Operation & Maintenance of Plant		22,717
Facilities Materials, Supplies & Other Services		79,708
Total	$	119,900

NOTE 3. COMMITMENTS AND LIABILITIES

Effective July 20, 2016, the School entered into a lease purchase arrangement with the Taos Academy Foundation. The agreement is for 30 years. Payments began on September 1, 2016 and continue through August 1, 2046. Rental expense paid from the School to the Foundation for the year ended June 30, 2017 was $161,063. Taos Academy's minimum future payments on this lease are as follows:

Year Ending June 30:		
2018	$	180,536
2019		180,536
2020		180,536
2021		180,536
2022		180,536
2023- 2027		902,680
2028- 2032		902,680
2033- 2037		902,680
2038- 2042		902,680
2043- 2047		752,232
Total	$	5,265,632

NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)

On July 20, 2016, the Taos Academy Foundation entered into a promissory note to purchase the land and building where the School is located. The total purchase price was $3 million of which $900,000 was paid with School funds and $2.1 million was financed by the Foundation. The note is for 30 years with monthly payments totaling $15,045 and an interest rate of 7.75%. The note is secured by the mortgaged property. During fiscal year 2017, interest expense totaled $135,187 and principal payments totaled $15,260. The aggregate amounts of principal maturities and interest on the note payable are as follows:

	Principal	Interest	Total
2018	$ 19,657	160,879	180,536
2019	21,236	159,300	180,536
2020	22,941	157,595	180,536
2021	24,784	155,752	180,536
2022	26,774	153,762	180,536
2023-2027	169,795	732,885	902,680
2028-2032	249,846	652,834	902,680
2033-2037	367,638	535,042	902,680
2038-2042	540,964	361,716	902,680
2043-2047	641,105	111,127	752,232
Total	$ 2,084,740	3,180,892	5,265,632

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Taos Academy and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. For the fiscal year ended June 30, 2017 and 2016 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
2017	7/1/16 to 6/30/17	Over $20K	10.70%	13.90%	24.60%	0.00%
2017	7/1/16 to 6/30/17	$20K or less	7.90%	13.90%	21.80%	0.00%
2016	7/1/15 to 6/30/16	Over $20K	10.70%	13.90%	24.60%	0.00%
2016	7/1/15 to 6/30/16	$20K or less	7.90%	13.90%	21.80%	0.00%

The contribution requirements are estimated in statue 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, 2017 and 2016, Taos Academy paid employee and employer contributions of $169,279 and $157,470.

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2017, Taos Academy reported a liability of $2,887,929 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2016 using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2016. There were no significant events or changes in benefit provision that required an adjustment to the roll-forward liabilities as of June 30, 2016.

Taos Academy's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2016. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2016, Taos Academy's proportion was 0.04013%, which was an increase of 0.00393% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, Taos Academy recognized pension expense of $478,965. At June 30, 2017, Taos Academy 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
Differences between expected and actual experience	$ 12,528	(27,468)
Changes in assumptions	58,787	-
Net difference between projected and actual earnings on pension plan investments	172,385	-
Changes in proportion and differences between Taos Academy's contributions and proportionate share of contributions	400,665	-
Taos Academy's contributions subsequent to the measurement date	169,279	-
Total	$ 813,644	(27,468)

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

The amount of $169,279 reported as deferred outflows of resources related to pensions resulting from Taos Academy contributions subsequent to the measurement date of June 30, 2016 will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2018	$ 251,153
2019	190,683
2020	133,024
2021	42,037
Total	$ 616,897

Sensitivity of Taos Academy's proportionate share of the net pension liability to changes in the discount rate. The following presents the Taos Academy proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the Taos Academy's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The School's proportionate share of the net pension liability	$ 3,824,995	2,887,929	2,110,429

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

Payables to the pension plan. At June 30, 2017, Taos Academy owed $55,179 to ERB for fiscal year 2017 contributions.

NOTE 5. BLENDED COMPONENT UNIT

The School has a Foundation which leases property to the School. The Foundation is considered a component unit of the School and is presented as a blended component unit. In prior years, the Foundation had minimal activity and did not meet the requirements to be presented as a blended component unit of the School. In fiscal year 2017, the Foundation purchased the land and buildings where the School is located and the School started paying monthly rent to the Foundation.

NOTE 6. RESTATEMENT OF PREVIOUSLY REPORTED AMOUNTS

The Foundation existed prior to July 1, 2016; however, it did not meet the requirements to be presented with the School until fiscal year 2017. Therefore, the Foundation's beginning net position of $26,936 increased the beginning net position in the statement of revenues, expenditures and changes of fund balance and the statement of activities.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of the School's Proportionate Share of the Net Pension Liability
June 30, 2017

New Mexico Educational Retirement Board Pension Plan

For Last 10 Fiscal Years*

(Dollars in Thousands)

		30-Jun		
Fiscal Year		**2017**	**2016**	**2015**
Measurement Date		**2016**	**2015**	**2014**
School's Proportion of the Net Pension Liability (Asset)		0.04013%	0.03620%	0.03125%
School's Proportionate Share of Net Pension Liability (Asset)	$	2,888	2,345	1,783
School's Covered-Employee Payroll	$	1,100	988	861
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll		262.59%	237.32%	207.02%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		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 Taos Academy is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of School Contributions
June 30, 2017

New Mexico Educational Retirement Board Pension Plan

Last Ten Fiscal Years*

(Dollars in Thousands)

	2015	2016	2017
Contractually Required Contribution	$ 138	157	169
Contributions in Relation to the Contractually Required Contribution	138	157	169
Annual contribution deficiency (excess)	$ -	-	-

**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 Taos Academy is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 2,189,203	2,110,779	2,111,647	868
Miscellaneous	-	-	19,606	19,606
Total Revenues	2,189,203	2,110,779	2,131,253	20,474
EXPENDITURES				
Current:				
Instruction	1,414,722	1,465,073	1,230,558	234,515
Support Services:				
Students	171,647	176,072	126,032	50,040
Instruction	11,870	11,870	2,543	9,327
General Administration	22,000	25,900	17,462	8,438
School Administration	237,400	272,320	253,101	19,219
Central Services	211,072	186,292	157,454	28,838
Operation & Maintenance of Plant	214,377	246,369	193,030	53,339
Capital outlay	4,579	416,434	337,144	79,290
Total Expenditures	2,287,667	2,800,330	2,317,324	483,006
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(98,464)	(689,551)	(186,071)	503,480
Other Financing Sources (Uses):				
Designated Cash	98,464	689,551	-	(689,551)
Total Other Financing Sources (Uses):	98,464	689,551	-	(689,551)
Net Changes in Fund Balances	-	-	(186,071)	(186,071)
Cash or Fund Balances - Beginning of Year	-	-	711,437	711,437
Cash or Fund Balances - End of Year	$ -	-	525,366	525,366
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (186,071)	
Adjustments to Revenues			-	
Adjustments to Expenditures			(12,120)	
NET CHANGE IN FUND BALANCE			$ (198,191)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 12,489	12,892	12,892	-
Total Revenues	12,489	12,892	12,892	-
EXPENDITURES				
Current:				
Instruction	12,489	17,542	17,139	403
Total Expenditures	12,489	17,542	17,139	403
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	(4,650)	(4,247)	403
Other Financing Sources (Uses):				
Designated Cash	-	4,650	-	(4,650)
Total Other Financing Sources (Uses):	-	4,650	-	(4,650)
Net Changes in Fund Balances	-	-	(4,247)	(4,247)
Cash or Fund Balances - Beginning of Year	-	-	4,650	4,650
Cash or Fund Balances - End of Year	$ -	-	403	403
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (4,247)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ (4,247)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ -	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Current:				
Food Services Operations	191	191	-	191
Total Expenditures	191	191	-	191
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(191)	(191)	-	191
Other Financing Sources (Uses):				
Designated Cash	191	191	-	(191)
Total Other Financing Sources (Uses):	191	191	-	(191)
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	191	191
Cash or Fund Balances - End of Year	$ -	-	191	191
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ 64,578	80,119	-	(80,119)
Total Revenues	64,578	80,119	-	(80,119)
EXPENDITURES				
Current:				
Instruction	64,578	80,119	51,142	28,977
Total Expenditures	64,578	80,119	51,142	28,977
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	(51,142)	(51,142)
Net Changes in Fund Balances	-	-	(51,142)	(51,142)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	(51,142)	(51,142)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (51,142)	
Adjustments to Revenues			51,142	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ 32,912	40,766	-	(40,766)
Total Revenues	32,912	40,766	-	(40,766)
EXPENDITURES				
Current:				
Support Services:				
Students	32,912	40,766	40,760	6
Total Expenditures	32,912	40,766	40,760	6
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	(40,760)	(40,760)
Net Changes in Fund Balances	-	-	(40,760)	(40,760)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	(40,760)	(40,760)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (40,760)	
Adjustments to Revenues			40,760	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ 11,363	22,957	1,542	(21,415)
Total Revenues	11,363	22,957	1,542	(21,415)
EXPENDITURES				
Current:				
Instruction	11,363	22,957	13,526	9,431
Total expenditures	11,363	22,957	13,526	9,431
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	(11,984)	(11,984)
Net changes in Fund Balances	-	-	(11,984)	(11,984)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	(11,984)	(11,984)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (11,984)	
Adjustments to Revenues			11,984	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title XIX Medicaid 25153
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ -	166	2,025	1,859
Total Revenues	-	166	2,025	1,859
EXPENDITURES				
Current:				
Support Services:				
Students	-	166	-	166
Total expenditures	-	166	-	166
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	2,025	2,025
Net changes in Fund Balances	-	-	2,025	2,025
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	2,025	2,025
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 2,025	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 2,025	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Intel Foundation 26116
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Local & County Grant	$ -	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Total expenditures	-	-	-	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	-	-
Net changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	418	418
Cash or Fund Balances - End of Year	$ -	-	418	418
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credit Instructional Materials 27103
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ -	4,059	3,450	(609)
Total Revenues	-	4,059	3,450	(609)
EXPENDITURES				
Current:				
Instruction	-	4,059	4,058	1
Total Expenditures	-	4,059	4,058	1
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	(608)	(608)
Net Changes in Fund Balances	-	-	(608)	(608)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	(608)	(608)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (608)	
Adjustments to Revenues			608	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher and School Leader Incentive Pay 27188
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ -	29,066	29,066	-
Total Revenues	-	29,066	29,066	-
EXPENDITURES				
Current:				
Instruction	-	29,066	29,066	-
Total Expenditures	-	29,066	29,066	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances (Deficit) - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Teachers Hard to Staff Stipend 27195
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ -	18,225	6,178	(12,047)
Total Revenues	-	18,225	6,178	(12,047)
EXPENDITURES				
Current:				
Instruction	-	18,225	12,525	5,700
Total Expenditures	-	18,225	12,525	5,700
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	(6,347)	(6,347)
Net Changes in Fund Balances	-	-	(6,347)	(6,347)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances (Deficit) - End of Year	$ -	-	(6,347)	(6,347)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (6,347)	
Adjustments to revenues			6,347	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Private Direct Grants 29102
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Local & County Grant	$ -	2,500	2,500	-
Total Revenues	-	2,500	2,500	-
EXPENDITURES				
Current:				
Instruction	-	2,500	1,741	759
Total Expenditures	-	2,500	1,741	759
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	759	759
Net Changes in Fund Balances	-	-	759	759
Cash or Fund Balances - Beginning of Year	-	-	74	74
Cash or Fund Balances - End of Year	$ -	-	833	833
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 759	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			$ 759	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Bond Building 31100
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Local & County Grant	$ -	320,985	320,000	(985)
Total Revenues	-	320,985	320,000	(985)
EXPENDITURES				
Capital Outlay	-	320,985	320,000	985
Total Expenditures	-	320,985	320,000	985
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances (Deficit) - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ -	160,871	120,653	(40,218)
Total Revenues	-	160,871	120,653	(40,218)
EXPENDITURES				
Capital Outlay	-	160,871	160,871	-
Total Expenditures	-	160,871	160,871	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(40,218)	(40,218)
Net Changes in Fund Balances	-	-	(40,218)	(40,218)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	(40,218)	(40,218)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			$ (40,218)	
Adjustments to Revenues			40,218	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ -	5,129	-	(5,129)
Total Revenues	-	5,129	-	(5,129)
EXPENDITURES				
Capital Outlay	-	5,129	-	5,129
Total Expenditures	-	5,129	-	5,129
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Other financing sources (uses):				
Transfers out	-	-	(179,108)	(179,108)
Total other financing sources (uses):	-	-	(179,108)	(179,108)
Net Changes in Fund Balances	-	-	(179,108)	(179,108)
Cash or Fund Balances - Beginning of Year	-	-	179,108	179,108
Cash or Fund Balances (Deficit) - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Net Changes in Fund Balances			$ (179,108)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ (179,108)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Capital Improvements SB-9 Local 31701
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Property Taxes	$ -	147,826	147,826	-
Total Revenues	-	147,826	147,826	-
EXPENDITURES				
Capital Outlay	168,145	315,971	262,532	53,439
Total Expenditures	168,145	315,971	262,532	53,439
Excess (Deficiency) of Revenues Over (Under) Expenditures	(168,145)	(168,145)	(114,706)	53,439
Other financing sources (uses):				
Transfers in	168,145	168,145	197,839	29,694
Total other financing sources (uses):	168,145	168,145	197,839	29,694
Net Changes in Fund Balances	-	-	83,133	83,133
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances (Deficit) - End of Year	$ -	-	83,133	83,133
Reconciliation to GAAP Basis:				
Net Changes in Fund Balances			$ 83,133	
Adjustments to Revenues			98,598	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 181,731	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Technology Equipment Act 31900
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Local & County Grant	$ -	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Capital Outlay	-	117,096	46,395	70,701
Total Expenditures	-	117,096	46,395	70,701
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(117,096)	(46,395)	70,701
Other financing sources (uses):				
Transfers out	-	-	(18,731)	(18,731)
Designated Cash	-	117,096	-	(117,096)
Total other financing sources (uses):	-	117,096	(18,731)	(135,827)
Net Changes in Fund Balances	-	-	(65,126)	(65,126)
Cash or Fund Balances - Beginning of Year	-	-	135,827	135,827
Cash or Fund Balances (Deficit) - End of Year	$ -	-	70,701	70,701
Reconciliation to GAAP Basis:				
Net Changes in Fund Balances			$ (65,126)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ (65,126)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Cash Accounts
June 30, 2017

Bank Account Type	Peoples Bank	Centinel Bank	Total
Checking - Operational Account	$ 709,877	$ -	$ 709,877
Checking - Activity Account	12,323	-	12,323
Checking - Foundation	-	67,079	67,079
Total on Deposit	722,200	67,079	789,279
Reconciling Items	(11,628)	(15,045)	(26,673)
Reconciled Balance June 30, 2017	710,572	52,034	762,606
Less Agency Funds	(12,323)	-	(12,323)
Total Cash	$ 698,249	$ 52,034	$ 750,283

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2017

Name of Depository	Security Type	CUSIP/ Security Number	Maturity Date	Fair Value June 30, 2017
Peoples Bank	FHLMC 20YR	3128CUPM2	9/1/2025	$ 38,420
Peoples Bank	FHR 3560 KP	31398JHY2	11/15/2036	16,156
Peoples Bank	FHLMC 20YR	31335HVE0	1/1/2023	29,063
Peoples Bank	FNR 2010-135 A	31398SJ20	12/25/2038	77,877
Peoples Bank	FNR 2010-135 A	31398SJ20	12/25/2038	62,302
Peoples Bank	FHR 4363 BA	3137BCM54	5/15/2047	57,344
				$ 281,162

Total Cash in Bank for the School per Schedule of Cash Accounts:	$ 722,200
Less: FDIC coverage:	(250,000)
Uninsured Public Funds:	472,200
Collateral Requirement:	236,100
Pledged Collateral Held by Pledging Financial Institution:	281,162
Balance Over Collateralized:	**$ 45,062**
School Balance Uninsured and Uncollateralized at June 30, 2017:	**$ 191,038**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Cash Reconciliation
June 30, 2017

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2016	$ 524,009	4,650	191	10,040
Add:				
2016-17 revenues	2,131,253	12,892	-	9,133
Total Cash Available	2,655,262	17,542	191	19,173
Less:				
2016-17 expenditures	(2,317,324)	(17,139)	-	(6,850)
Receivables/Payables	179,931	-	-	-
Cash Transfers	-	-	-	-
Outstanding Loans	(151,061)	-	-	-
Cash June 30, 2017	366,808	403	191	12,323
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	162,408	-	-	-
Cash Per Books	529,216	403	191	12,323
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	(15,970)	-	-	(12,323)
Fund Balance, Modified Accrual Basis	$ 513,246	403	191	-

The accompanying notes are an integral part of these financial statements

Federal Projects Account 24000	Federal Direct Account Grants 25000	Local Grants 26000	State Flow Through 27000	Local or State Fund 29000	Bond Building 31100	Public School Capital Outlay 31200
-	976	418	-	74	-	-
1,542	2,025	-	38,694	2,500	320,000	120,653
1,542	3,001	418	38,694	2,574	320,000	120,653
(105,428)	-	-	(45,649)	(1,741)	(320,000)	(160,871)
11,121	38	-	170	-	-	-
-	-	-	-	-	-	-
103,886	-	-	6,957	-	-	40,218
11,121	3,039	418	172	833	-	-
-	(976)	-	(2)	-	-	-
11,121	2,063	418	170	833	-	-
(11,121)	(38)	-	(170)	-	-	-
-	2,025	418	-	833	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Cash Reconciliation - (Continued)
June 30, 2017

	SB-9 Capital Improvements 31700	Capital Improvements SB-9 Local 31701	Technology Equipment Act 31900	Total
Cash, June 30, 2016	$ 179,108	-	117,096	836,562
Add:				
2016-17 revenues	-	147,826	-	2,786,518
Total Cash Available	179,108	147,826	117,096	3,623,080
Less:				
2016-17 expenditures	-	(262,532)	(46,395)	(3,283,929)
Receivables/Payables	-	-	-	191,260
Cash Transfers	(179,108)	197,839	(18,731)	-
Outstanding Loans	-	-	-	-
Cash June 30, 2017	-	83,133	51,970	530,411
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	18,731	180,161
Cash Per Books	-	83,133	70,701	710,572
			Less - Agency Fund:	(12,323)
			Balance Sheet - Foundation:	52,034
				$ 750,283
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	-	98,598	-	58,976
Fund Balance, Modified Accrual Basis	$ -	181,731	70,701	769,548
			Add - Foundation:	52,034
				$ 821,582

The accompanying notes are an integral part of these financial statements