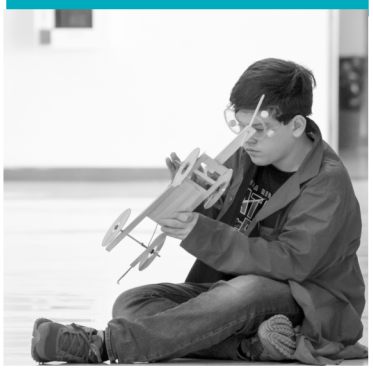
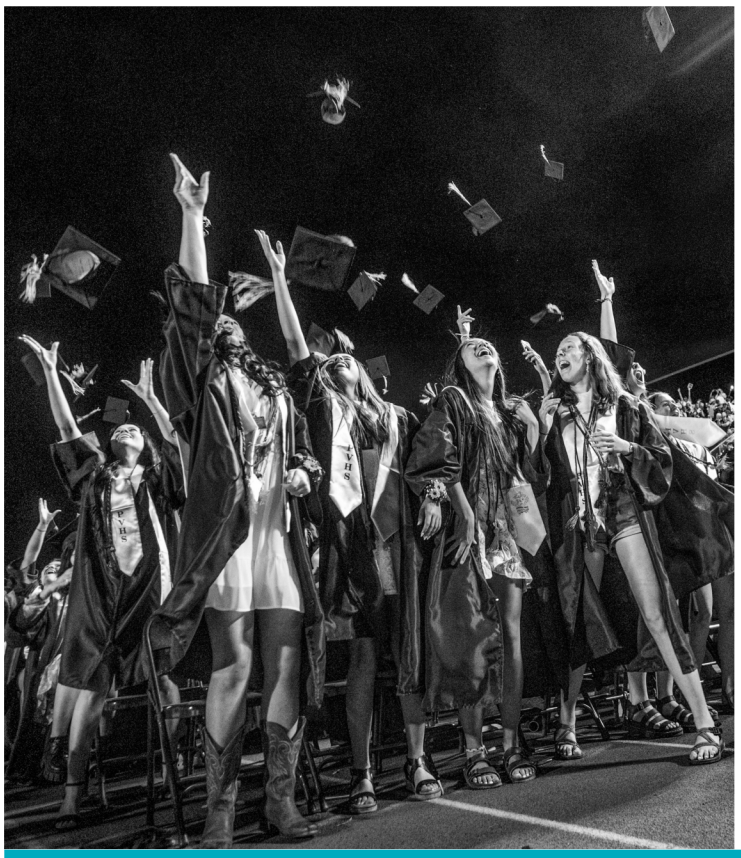
ANNUAL COMPREHENSIVE FINANCIAL REPORT

2023

FOR THE YEAR ENDING
June 30, 2023

FARMINGTON MUNICIPAL SCHOOL DISTRICT, NO. 5
FMS Business and Finance Office
3401 E. 30th Street, Suite A
Farmington, NM 87402
farmingtonschools.us






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FARMINGTON MUNICIPAL SCHOOL DISTRICT, NO. 5

LIST OF PRINCIPAL OFFICIALS

STEPHANIE THOMPSON
SCHOOL BOARD PRESIDENT

CODY DIEHL
SUPERINTENDENT

KEITH CORLEY
SCHOOL BOARD VICE PRESIDENT

ANDRA STRADLING
SCHOOL BOARD SECRETARY

JOAN VALLEE
SCHOOL BOARD DEPUTY SECRETARY

BARBARA TEDROW
SCHOOL BOARD MEMBER

TED LASIEWICZ
CHIEF OF OPERATIONS

NATHAN PIERANTONI
EXECUTIVE DIRECTOR OF SUPPORT SERVICES

CHRIS PASH
EXECUTIVE DIRECTOR OF HUMAN RESOURCES

BOBBI NEWLAND
CHIEF FINANCIAL OFFICER

NICOLE LAMBSON
EXECUTIVE DIRECTOR OF CURRICULUM AND INSTRUCTION

FARMINGTON MUNICIPAL SCHOOL DISTRICT, NO. 5
3401 E. 30th Street, Suite A
Farmington, NM 87402
farmingtonschools.us

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State of New Mexico
Farmington Municipal School District No. 5

Annual Comprehensive Financial Report

For the Year Ended June 30, 2023

Prepared by
Bobbi Newland, Chief Financial Officer

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Introductory Section

Farmington Municipal School District No. 5

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State of New Mexico
Farmington Municipal School District No. 5
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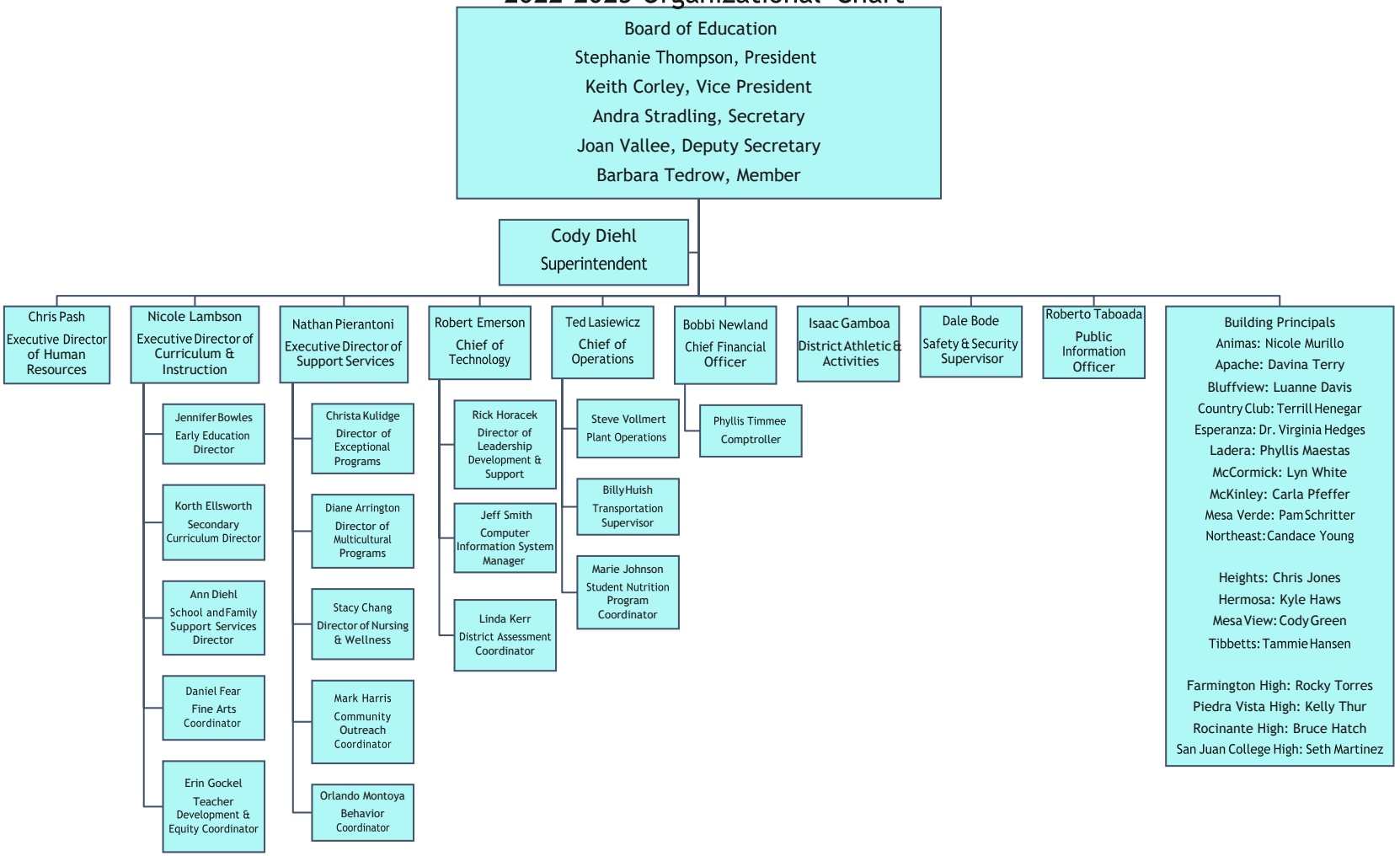
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State of New Mexico
Farmington Municipal School District No. 5
Official Roster
June 30, 2023

Name	Title
Board of Education	
Stephanie Thompson	President
Joan Vallee	Deputy Secretary
Keith Corley	Vice President
Andra Stradling	Secretary
Barbara Tedrow	Member
Administrative Officials	
Cody Diehl	Superintendent
Bobbi Newland	Chief Financial Officer
Phyllis Timme	Comptroller
Karina Ramerez	AP Specialist
Lisa Evans	Payroll, Procurement
Audit Committee	
Andra Stradling	Member-FMS Board
Joan Vallee	Member-FMS Board
Linda Rogers	Member-FMS Community
Cody Diehl	Member-FMS
Bobbi Newland	Member-FMS
Phyllis Timme	Member-FMS
Finance Committee	
Andra Stradling	Member-FMS Board
Keith Corley	Member-FMS Board
Cody Diehl	Member-FMS
Bobbi Newland	Member-FMS
Phyllis Timme	Member-FMS

Farmington Municipal Schools
2022-2023 Organizational Chart



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Farmington Municipal School District No. 5
New Mexico

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morrill

Executive Director/CEO

ADMINISTRATIVE OFFICES
3401 E. 30th Street, Suite A
Farmington, NM 87402
fms.k12.nm.us
Office: (505) 324-9840
Fax: (844) 833-2819

December 7, 2023

To the Citizens and Board of Education of Farmington Municipal School District

We are pleased to present to you the comprehensive annual financial report of the Farmington Municipal School District for the fiscal year ended June 30, 2023.

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Farmington Municipal School District for the fiscal year ended June 30, 2023.

This report consists of management's representations concerning the finances of the Farmington Municipal School District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Farmington Municipal School District has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Farmington Municipal School District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Farmington Municipal School District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Farmington Municipal School District's financial statements have been audited by Carr, Riggs and Ingram, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Farmington Municipal School District for the fiscal year ended June 30, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Farmington Municipal School District's financial statements for the fiscal year ended June 30, 2023, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Farmington Municipal School District was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Farmington Municipal School District's separately issued Single Audit Report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Farmington Municipal School District's MD&A can be found immediately following the report of the independent auditors.

Profile of the District

The District is a political subdivision of the State organized for the purpose of operating and maintaining an educational program for school-age children residing within its boundaries.

The Farmington Municipal School District No. 5 is the seventh largest district in the State with an enrollment of 10,950 students. There are 10 elementary schools, 4 middle schools, an alternative senior high school, an early college high school, two senior high schools and two pre-schools within the District. The District's educational program also includes vocational, technical and occupational training. The District provides education services for the detainees of the County Juvenile Detention Center, which averages approximately 25 students.

The District's powers are subject to regulations promulgated by the New Mexico Secretary of Public Education. The Public Education Department Secretary is the governing authority of the public-school systems in New Mexico and has control, management and direction over all public schools. The Governor appoints the Secretary of Public Education. Generally, the powers of the Secretary include determining policy of operations of all public schools; designating courses of instruction for all public schools in the State; adopting regulations for the administration of all public schools; determining qualifications for teachers, counselors, and their assistants; and prescribing minimum educational standards for all public schools. The Secretary of the Public Education Department may order the creation of new school districts or may require consolidation of school districts.

The District Board (the "Board"), subject to regulations of the Public Education Department, supervises and controls all public schools and property within the District. The Board employs a superintendent of schools, delegates administrative and supervisory functions to the superintendent, fixes the budget, has the capacity to sue and be sued, contracts, leases, purchases and sells for the District, acquires and disposes of all property, and adopts regulations pertaining to the administration of all powers or duties of the Board. Members serve without compensation for four-year terms of office in non-partisan elections held every two years on the first Tuesday in November.

Currently, the District operates and maintains a variety of facilities in meeting its obligations to provide an education program for the school-age children residing within its boundaries. The District operates 20 school sites. The capacity of the school facilities is estimated at 12,000 students (FTE basis).

In addition to the school buildings and their contents, the District owns 290 acres of land upon which school buildings and facilities are located, approximately 579 acres of additional vacant property, the District Administration Building, a maintenance shop and custodial center, bus terminal, an Exceptional Program and Bilingual Education building, an instructional materials warehouse and 40 vehicles. The District owns its bus fleet (75).

The Farmington Schools, as a whole, is accredited by the State of New Mexico's Public Education Department.

The District is required by State law to submit to the Public Education Department by April 15 of each year, a projected budget for the District for the ensuing fiscal year. If the District fails to submit a budget, the Public Education Department must prepare a projected budget for the District for the ensuing fiscal year. Prior to June 20th of each year, the Board must hold a public hearing to establish the projected budget for the district for the next year.

On or before July 1 of each year, the Public Education Department must approve and certify to the District an approved budget for use by the District based upon the estimated budget fixed by the District. No school board, officer or employee of a school district may make expenditure or incur any obligation for the expenditure of public funds unless such expenditure is made in accordance with an operating budget approved by the Public Education Department, but this does not prohibit the transfer of funds between line items within an object of a budget. Approved budgets may not be altered or amended after approval by the Public Education Department except upon request to the Public Education Department by the District. Instances in which such requests will be approved include a change within the budget, which does not increase the total amount of the budget. Additional budget items may also be approved if the District is to receive unanticipated revenues. Finally, if it becomes necessary to increase the District's budget by more than $1,000 for any reason other than those listed above, the Public Education Department may order a special public hearing to consider the requested increase.

Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Capital Projects and Debt Service Fund with appropriations lapsing at year-end. Total expenditures of any activity category may not exceed categorical appropriations.

To conform to Public Education Department requirements, budgets for all funds of the District are adopted on the cash basis of accounting except for state instructional materials credit, which provides free textbooks from the Public Education Department. Hence, the budgets are not prepared in conformity with generally accepted accounting principles (GAAP) and budgetary comparisons are presented on the (Non-GAAP) basis of accounting.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund and special revenue funds that are major, comparisons are found starting on page 54 as part of the basic financial statements for the government funds. For governmental funds, other than the general fund, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, which starts on page 163.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which Farmington Municipal School District operates.

Local economy. The Farmington Municipal School District (the "District") is located in the mineral rich "Four Corners" area in northwestern New Mexico. The economy of the area is dependent upon trade, electric power generation, oil, gas and coal production, government, tourism and agriculture.

Retail trade. Farmington is the largest city in the Four Corners area of Colorado, Arizona, Utah and New Mexico with a population of over 46,000[1]. It serves as the retail, distribution and service center for the Navajo Nation, the largest Indian reservation in the country with more than 100,000 members[2].

Electrical Generation The economic base of the area was broadened beyond agriculture and oil and gas production in the 1960's with construction of two coal-fired generating plants, the Four Corners Generating Station located 25 miles west of Farmington and the San Juan Generating Station. The plant is operated by Arizona Public Service Co., ("APS"). The five-unit 1,540 megawatt coal-fired plant provides power to approximately 300,000 households in New Mexico, Arizona, California and Texas.[3] Three of the five units closed in December 2013 as part of a $182 million plan for APS to meet environmental regulations. APS purchased a larger stake in Units 4 and 5 of the Four Corners Power Plant that will remain open and do not need as much investment to meet EPA standards. APS has not been replacing workers at the plant as they quit or retired since 2010 when the plan was first proposed, avoiding layoffs from the closure. APS currently owns 63% of Units 4 and 5. P.S.C. of New Mexico, Salt River Project, Tucson Electric Power and Navajo Transitional Energy Company also own minority stakes in Units 4 and 5.[4]

The Public Service Company of New Mexico ("PNM") owns a significant portion of San Juan Generating Station (SJGS), a four-unit, 1,684 megawatt of net accredited generation capacity, coal-fired plant located approximately 15 miles west of Farmington. In 2017, Units 2 and 3 were closed as part of a settlement agreement between the State of New Mexico and the U.S. Environmental Protection Agency (EPA).

1 https://www.census.gov/quickfacts/farmingtoncitynewmexico
2 https://www.newmexico.org/native-culture/native-communities/navajo-nation-dineh/
3 https://www.aps.com/en/About/Our-Company/About-us
4 https://www.srpnet.com/about/stations/fourcorners.aspx

PNM retired the remaining coal-burning units in 2022, 20 years before the end of its useful life, as part of their larger plan of completely removing coal from their generation mix by 2031. In lieu of demolishing the remaining facilities, the City of Farmington, one of the remaining owners, has indicated interest in retaining its ownership and supporting Enchant Energy and its plans to repurpose the power plant into carbon capture utilization and sequestration (CCUS) facility and as a wholesale power generator.

If built, the $1.6 billion project would be one of the largest carbon capture projects worldwide and among only a handful of CCUS projects in the United States in the power generation sector. [5][6]

Oil and Gas Production The oil and gas industry has been important to the San Juan County economy since the 1920's and between the early 1950's and early 1980's was its mainstay. Large scale development began in 1951 and continued until 1983 when cheaper foreign crude oil and natural gas supplies dominated the market.

In 2022, New Mexico ranked the nation's second-largest crude oil-producing state, after Texas, accounting for more than 13% of the total U.S. crude oil production. New Mexico also ranked among the top 10 natural gas producing states and accounted for 6% of the national total natural gas production. New Mexico has increased its production of electricity power from wind generation. New Mexico ranked ninth in the nation in electricity generation from wind power. About 35% of New Mexico's total electricity net generation came from wind in 2022, more than five times the share it contributed in 2015.[7]

Crude Oil

	San Juan County		New Mexico	
Calendar Year	Volume (Barrels)	Value (000's)	Volume (Barrels)	Value (000's)
2013	1,274,573	107,152	100,986,118	9,176,093
2014	2,367,099	194,924	121,071,928	10,788,344
2015	4,112,885	156,173	148,711,044	6,582,600
2016	3,924,905	131,989	147,090,860	5,762,847
2017	4,728,892	199,529	167,271,496	7,935,246
2018	5,672,284	318,521	251,316,401	13,849,206
2019	4,645,169	224,525	335,207,981	17,784,339
2020	4,878,396	163,511	373,243,493	13,664,583
2021	4,165,231	262,552	468,158,481	31,516,558
2022	6,513,253	577,027	590,206,033	55,799,581

Source: New Mexico ONGARD.

5 https://www.pnm.com/reducing-coal
6 https://www.eenews.net/articles/can-n-m-build-worlds-largest-coal-ccs-project/
7 https://www.eia.gov/state/print.php?sid=NM

Natural Gas

	San Juan County		New Mexico	
Calendar Year	Volume (Barrels)	Value (000's)	Volume (Barrels)	Value (000's)
2013	386,166,366	1,738,715	1,165,872,601	5,407,090
2014	380,567,113	1,970,285	1,200,327,161	6,267,444
2015	365,471,873	1,024,309	1,181,568,177	3,289,951
2016	342,850,067	899,432	1,185,300,793	3,186,977
2017	330,759,782	1,086,211	1,303,860,366	4,324,880
2018	429,915,040	1,024,661	1,826,519,308	5,240,661
2019	250,601,122	506,513	1,401,342,297	2,501,473
2020	256,450,765	577,051	1,903,353,609	3,875,435
2021	223,358,212	1,009,926	2,364,803,283	12,528,357
2022	271,149,146	1,884,268	2,889,243,019	21,361,207

Source: New Mexico ONGARD.

Navajo Indian Irrigation Project The Navajo Indian Irrigation Project (NIIP), representing a joint federal and tribal investment is farmed by the Navajo Agricultural Products Industry (NAPI), an enterprise of the Navajo Nation. Composed of over 110,000 acres between 11 blocks, eight blocks currently under irrigation, the project is 70% complete with approximately 88,000 acres under cultivation and over 22,000 acres still to be developed.[8]

NAPI produces high value crops such as potatoes, flour, melons, onions, pinto beans, alfalfa, pumpkin, barley, corn, wheat and more. The enterprise also includes a 12,000 head custom feed yard, testing laboratory, fresh pack operation, bean plant, pellet/granary operation, and potato storage facilities. Business ventures contracted with NAPI include production of sod and an orchard (apples, peaches, apricots, and pears) along with an expansion in organic and traditional Navajo crops. Located on the project and just seven miles south of Farmington on Highway 371, is a 300-acre industrial park. NAPI's success is dependent on its employment which varies between 300-400 people during a crop season. 97% of the employees are members of the Navajo Nation. NAPI's mission is to develop, grow and maintain the resources of the projected 110,000 acres. As a grower, NAPI provides quality products under the "Navajo Pride" label in both regional and in international markets.[9]

Education More than 11,200 students attended the District in school year 2022-23. There are five private and one Bureau of Indian Affairs ("BIA") contract schools in the District. San Juan College (the "College") offers a two-year college program to approximately 10,000 students, enabling students to obtain Associate Degrees in Arts or Sciences in addition to occupational degrees and certificate programs. The College was founded in 1956 and has grown dramatically in size and scope since its founding. The College has five campuses organized into six schools. It is the most affordable post-secondary school in New Mexico. The College offers an Energy and Power program which will allow students to access careers in the oil and gas industry. It also has similar programs in pre-medicine and education.[10]

8 https://www.usbr.gov/projects/index.php?id=360
9 https://napi.navajopride.com
10 https://www.sanjuancollege.edu/about-san-juan-college/

Medical San Juan Regional Medical Center ("SJRMC") is an acute care hospital and Level III trauma center in the Four Corners region with over 198 licensed beds and 165 private patient rooms. It received the Healthgrades Distinguished Hospital Award for Clinical Excellence in 2013. In addition to this national recognition, SJRMC is one of the only hospitals in New Mexico and the Four Corners region to receive this distinction.

San Juan Regional Medical Center is designated a Level III Trauma Center and provides air ambulance service with a helicopter and a fixed wing aircraft. SJRMC provides a very broad range of medical, surgical and rehabilitation services. In addition to those services, the hospital also provides a Childbirth Center, a nephrology unit, a pediatric unit, an inpatient behavioral health unit, a day surgery center and extensive imaging and lab testing services. In addition, the hospital operates a number of offsite facilities and is a Medicaid provider for New Mexico, Arizona, Colorado, and Utah.[11]

Tourism The Four Corners area boasts internationally known tourist attractions having 6 national parks including Mesa Verde, Canyon de Chelly, Monument Valley and Lake Powell. Equally worthy attractions within the County include Chaco Cultural National Historical Park (a major Anasazi cultural center during the 12th and 13th centuries), Aztec Ruins National Monument (500 room Indian community ruin with reconstructed Kiva), white water river rafting and nationally renowned trout fishing on the San Juan River just below Navajo Lake. Tourist visits to Aztec Ruins have increased significantly over the years. Navajo rugs, Native American jewelry, paintings and sculpture are available at local trading posts and shops. The Connie Mack Baseball World Championship Tournament is held in Farmington each summer. Other popular annual events include Riverfest, Live Horse Racing, Freedom Days, Four Corners Rod Run, Connie Mack World Series, San Juan County Fair, Totah Festival, Four Corners Storytelling Festival and more.[12]

Long-term financial planning. The district has a Master Facility Plan that determines the district's capital improvements for the next five years and the district's financial planning for future bond elections.

Financial planning for the district has been driven by state mandates that result from the school grading reform requiring greater accountability for student success.

CURRENT PROJECTS

On November 2, 2021 voters approved issuing $8,000,000 in bonds to fund renovation, repair and numerous improvement projects at all schools throughout the district. Remaining funds from a 2017 bond issue supplement the funding of these projects.

The District will receive Public School Critical Capital Outlay funds to help with the Facility Master Plan.

11 https://www.sanjuanregional.com/about
12 https://www.newmexico.org/places-to-visit/regions/northwest/farmington/

INDEPENDENT AUDIT

As required by New Mexico State law, an annual audit of the financial records, books of account and the transactions of all administrative departments of the Farmington Municipal School District No. 5 have been made by an independent auditor. The independent auditors' opinion as prepared by Carr, Riggs and Ingram, LLC is included within the Financial Section of this report. The 2023 audit was an organization-wide single audit under the provisions of the Single Audit Act Amendments of 1996 and related OMB Circular A-133. The auditors' reports related specifically to the single audit area in the Compliance Section of this report.

ACKNOWLEDGEMENT

The preparation of the report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Central Office with special appreciation to the employees working in the business office. We would like to express appreciation to all of the members of the District who assisted in the timely closing of the District's financial records and the preparation of this report.

We would also like to thank President Stephanie Thompson and members of the Board of Education for their continuing interest and support in conducting the financial affairs of this school district for the 2022-2023 fiscal year, thereby advancing the effort toward excellence in education in the Farmington Municipal School District.

In addition, we express our gratitude to Regina Gaysina financial advisor and the staff with RBC Dain Rauscher, whose dedication, understanding and insight are unsurpassed.

Respectfully submitted,



Bobbi Newland
Chief Financial Officer

Financial Section

Farmington Municipal School District No. 5

CRI CARR RIGGS & INGRAM
CPAs and Advisors

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INDEPENDENT AUDITORS' REPORT

Joseph M. Maestas, P.E., New Mexico State Auditor
The Office of Management and Budget and
The Board of Education
Farmington Municipal School District No. 5
Farmington, New Mexico

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue fund that has a legally adopted annual budget of the Farmington Municipal School District No. 5 (the "District"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue fund that has a legally adopted annual budget of the District, as of June 30, 2023, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Restatement of Fund Balance

As discussed in Note 2 to the basic financial statements, the prior year statements have been restated in the amount of $489,094 to correct revenue recorded in the wrong fund in fiscal year 2022. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 30 through 39, the GASB required pension schedules on pages 112 through 115, the GASB required other post-employment benefit schedules on pages 116 through 119, and the notes to the required supplementary information on page 120 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements.

The accompanying combining and individual nonmajor fund financial statements, budgetary schedules, schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and supporting schedules as identified in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the combining and individual nonmajor fund financial statements, budgetary schedules, schedule of expenditures of federal awards, and supporting schedules as identified in the table of contents, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory, statistical sections, and other disclosures but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

Carr, Riggs & Ingram, LLC
Albuquerque, New Mexico
December 7, 2023

STATE OF NEW MEXICO

FARMINGTON MUNCIPAL SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

For The Year Ended June 30, 2023

As management of the Farmington Municipal School District, we offer readers of Farmington Municipal School District's financial statements this narrative overview and analysis of the financial activities of the Farmington Municipal School District for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 17 – 24.

Financial Highlights

- The liabilities of the Farmington Municipal School District exceeded assets at the close of the most recent fiscal year by $91,223,718 (*net position*). Of this amount, $2,708,558 (*Unrestricted net position excluding pension/OPEB liability of $199,178,711 and net pension/OPEB related deferred inflows / outflows of 70,913,905* may be used to meet the School District's ongoing obligations excluding the pension liability.

- As of the close of the current fiscal year, Farmington Municipal School District's governmental funds reported combined ending fund balances of $30,420,977 a decrease of $2,274,776 in comparison with the prior year. Approximately 12.16% of this total amount, ($3,700,000) is *committed for subsequent year's expenditures* at the district's discretion (*unassigned fund balance).*

- At the end of the current fiscal year, committed for subsequent year's expenditure for the general fund was $3,700,000 or 3% of the total general fund expenditures.

- The Farmington Municipal School District's total net debt decreased by $8,347,971 or 10% during the current fiscal year. The district retired $6,605,000 of debt and issued $2,485,000 in new debt.

- On November 2, 2021, a bond election was held for $8,000,000 and passed by 58% of the vote. The bonds will be sold over a four-year period.

Overview of Financial Statements

This discussion and analysis are intended to serve as an introduction to the Farmington Municipal School District's basic financial statements. The School District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Farmington Municipal School District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Farmington Municipal School District's assets and liabilities, with the difference between the two reported as *net position.* Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Farmington Municipal Schools is improving or deteriorating.

The *statement of activities* presents information showing how Farmington Municipal School District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows.* Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. (e.g., uncollected taxes and earned but unused vacation leave, etc.)

Both of the government-wide financial statements reflect functions of the Farmington Municipal School District that are principally supported by taxes and intergovernmental revenues (*governmental activities).* The governmental activities of the Farmington Municipal School District include general government operations, transportation of students and instructional materials allocations. The government-wide financial statements can be found on pages 42 and 44 of this report.

Fund financial statements. A ***fund*** is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Farmington Municipal School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Farmington Municipal School District are governmental funds.

Governmental funds. ***Governmental funds*** are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources,* as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities.*

Farmington Municipal School District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, special revenue fund, capital projects and the debt service fund, all of which are considered to be major funds. Data from the 68 governmental funds are combined into a single, aggregated presentation. Individual fund data for these non-major governmental funds is provided in the form of *combining statements* following the notes to the financial statements (page 130).

Farmington Municipal School District adopts an annual appropriated budget for each of its funds. Budgetary comparative statements have been provided for these funds to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 46-53 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because of the resources of those funds are *not* available to support the Farmington Municipal Schools' own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on page 58 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 60-110 of this report.

Government-wide Financial Analysis

As noted earlier, over time, net position may serve as a useful indicator of a government's financial position. In the case of Farmington Municipal School District, the liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by $91,223,718 at the close of the most recent fiscal year.

A portion of Farmington Municipal School District's net position is invested in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. Farmington Municipal School District uses these capital assets to provide educational services; consequently, these assets are *not* available for future spending. Although Farmington Municipal School District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Farmington Municipal School District's Net Position

	Governmental Activities		Total	
	FY 2023	FY 2022	FY 2023	FY 2022
Current and other assets	$ 42,777,015	$ 39,153,370	$ 42,777,015	$ 39,153,370
Capital assets, net	218,583,907	220,198,668	218,583,907	220,198,668
Total assets	261,360,922	259,352,038	261,360,922	259,352,038
Deferred outflows of resources	93,008,289	135,839,301	93,008,289	135,839,301
Current Liabilities	12,034,035	6,243,245	12,034,035	6,243,245
Noncurrent liabilities:				
Due within one year	7,447,246	6,804,157	7,447,246	6,804,157
Due in more than one year	63,010,743	67,424,720	63,010,743	67,424,720
Aggregate net pension liability	168,225,321	143,996,770	168,225,321	143,996,770
Net other post employment benefit liability	30,953,390	44,347,334	30,953,390	44,347,334
Total liabilities	281,670,735	268,816,226	281,670,735	268,816,226
Deferred inflows of resources	163,922,194	226,425,124	163,922,194	226,425,124
Net position				
Net investment in capital assets	152,725,664	150,894,965	152,725,664	150,894,965
Restricted	23,434,676	21,522,194	23,434,676	21,522,194
Unrestricted	(267,384,058)	(272,467,170)	(267,384,058)	(272,467,170)
Total net position	$ (91,223,718)	$ (100,050,011)	$ (91,223,718)	$ (100,050,011)

Farmington Municipal School District's Net Position

A large portion of Farmington Municipal School District's net position (89%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position, excluding pension liability of $199,178,711 and net pension related deferred inflows/outflows of ($70,913,905),* $2,708,558 may be used to meet the district's ongoing obligations excluding the pension liability.

At the end of the current fiscal year, Farmington Municipal School District has achieved positive balances in the Governmental Activities category of net position. The same situation held true in the prior fiscal year.

Farmington Municipal School District's net position increased by $8,826,293 during the current fiscal year. Total assets increased slightly primarily due to an increase in cash from the bond fund. Noncurrent liabilities decreased primarily due to the retirement of debt.

Governmental activities. Governmental activities increased Farmington Municipal School District's net position by $8,826,293. Key elements of this increase are as follows:

- A 14% increase in state equalization revenue as shown in the comparison of grants and contributions not restricted to specific programs.

- A 6% decrease in operational expenses for the district lowered spending when compared to the prior year.

	Governmental Activities		Total	
	FY2023	**FY2022**	**FY 2023**	**FY 2022**
Revenues				
Program revenues				
Charges for services	$ 3,221,862	$ 1,680,303	$ 3,221,862	$ 1,680,303
Operating grants & contributions	30,674,079	30,205,968	30,674,079	30,205,968
Capital grants & contributions	5,553,242	4,414,701	5,553,242	4,414,701
General revenues				
Property taxes-general purpose	604,686	576,803	604,686	576,803
Property taxes-debt service	7,958,328	8,693,935	7,958,328	8,693,935
Property taxes-capital projects	6,451,373	5,100,952	6,451,373	5,100,952
Oil & gas taxes	1,106,581	635,230	1,106,581	635,230
Grants and contributions not restricted to specific programs	106,887,419	93,515,835	106,887,419	93,515,835
Miscellaneous and other income	636,950	194,246	636,950	194,246
Total revenues	163,094,520	145,017,973	163,094,520	145,017,973
Expenses				
Direct instruction	83,205,025	81,836,408	83,205,025	81,836,408
Support services				
Students	19,483,885	16,089,269	19,483,885	16,089,269
Instruction - support	1,886,031	1,557,353	1,886,031	1,557,353
General administrative	2,105,807	2,514,303	2,105,807	2,514,303
School administrative	7,552,954	7,721,719	7,552,954	7,721,719
Central services	1,985,551	1,723,755	1,985,551	1,723,755
Operations and maintenance	24,410,286	20,483,503	24,410,286	20,483,503
Student transportation	4,186,986	4,260,450	4,186,986	4,260,450
Other support services	16,298	-	16,298	-
Non-instructional services				
Food services	7,480,958	6,875,044	7,480,958	6,875,044
Community services	209	50	209	50
Interest on long-term obligations	1,954,237	1,981,512	1,954,237	1,981,512
Total expenses	154,268,227	145,043,366	154,268,227	145,043,366
Increase/(decrease) in net position	8,826,293	(25,393)	8,826,293	(25,393)
Net position - beginning of year	(100,050,011)	(100,024,618)	(100,050,011)	(100,024,618)
Net position - end of year	$ (91,223,718)	$ (100,050,011)	$ (91,223,718)	$ (100,050,011)

Financial Analysis of the Government's Funds

As noted earlier, Farmington Municipal School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of Farmington Municipal School District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing Farmington Municipal School District's financing requirements. In particular, *unrestricted fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Farmington Municipal School District's governmental funds reported combined ending fund balances of $30,420,977 a decrease in comparison with the prior year. Approximately 0.8% of this total amount $268,053 constitutes *unassigned fund balance,* which is available for spending at the government's discretion. There is $499,634 that is non spendable and $3,700,000 that is committed to subsequent year's expenditures. The remainder of fund balance is *restricted* to indicate that it is not available for new spending because it has already been committed 1) to pay debt service ($10,493,183), 2) for capital projects ($9,551,204) and 3) a variety of other restricted purposes ($5,715,353).

The general fund is the chief operating fund of Farmington Municipal School District. At the end of the current fiscal year, unassigned fund balance of the general funds was $1,199,200 and total fund balance was $5,391,893. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned represents 1.1% percent of the total general fund expenditures, and the total fund balance represents 4.8% since a very small portion of the general fund balance was restricted at June 30, 2023.

The fund balance of Farmington Municipal School District's general fund decreased by $729,976 during the current fiscal year. Farmington Municipal Schools District's board and management recognizes the need for maintaining an adequate operational cash fund balance to assure sound fiscal management of its financial resources while maintaining the district's high bond rating and to assure the availability of funds when unexpected financial demands are made on the Farmington Municipal Schools. The revenue increases from the state did materialize to the level forecasted by the state. The district decreased expenditures primarily by decreasing the number of teachers and support staff throughout the district. The current fiscal year budget reflects a decrease in the cash balance to comply with Board policy. The fund balance is expected to increase this next fiscal year as additional staff reductions will be made.

The District's Title I IASA 24101 and ARP Act/ESSER III fund 24330 are major programs in FY23. The fund's total fund balance were both $0 which remains consistent with prior year.

The District's Capital Outlay HB-33 31600 is a major program in FY23. The fund's total fund balance is a deficit of $714,422. This is a net decrease in fund balance of $1,310,574. The decrease during the current year resulted primarily from property taxes.

The district's GO Bonds debt service fund's total fund balance was $10,449,394 that is restricted for the payment of debt service. This is a net increase in fund balance of $1,454,762. The increase during the current year resulted primarily from decreased principal and interest payments.

General Fund Budgetary Highlights

Differences between the original budgeted revenues and the final amended budgeted revenues resulted in a budget increase of $4,617,611 which can be briefly summarized as follows:

- The difference resulted primarily from a mid-year increase in revenue from the state in state equalization funds of $4.60 per program unit.
- Expenditures were increased in an attempt to balance the budget.
- Additional cash from 6/30/23 was carried forward and budgeted in 2023-2024.

Capital Asset and Debt Administration

Capital assets. Farmington Municipal School District's investment in capital assets for its governmental activities as of June 30, 2023 amounts to $218,583,907 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, improvements, and machinery and equipment. For the governmental activities, a total of $218,583,907 was determined as the current value of all the capital assets owned by the District.

Major capital asset events during the current fiscal year included the following:

- The purchase of the operations building at 3250 Southside River Road in Farmington.
- The sale of the Transportation building at 3101 Southside River Road in Farmington.

Additional information on Farmington Municipal School District's capital assets can be found in note 7 on page 88-89 of this report.

Long-term debt. As of June 30, 2023, Farmington Municipal School District had total bonded debt outstanding of $67,490,000. The total outstanding debt represents general obligation bonds secured solely by specified revenue sources (i.e., property tax collections).

Farmington Municipal School District's Outstanding Debt
General Obligation Bonds

	Governmental activities Total 2023	Total 2022
General obligation bonds	$ 67,490,000	$ 71,610,000

Farmington Municipal School District's total debt decreased by $4,120,000 during the current fiscal year. The district retired $6,605,000 of debt and issued $2,485,000 in new debt. Farmington Municipal School District maintains an AA3 bond rating from Moody's Investor Service, Inc.

State statute limits the amount of general obligation debt a governmental entity may issue to 6% of its total assessed valuation. The current debt limitation for Farmington Municipal School District is $89,985,991 which is in excess of Farmington Municipal School District's outstanding general obligation debt.

More information of Farmington Municipal School District's debt can be found in note 8 of this report on page 89-92.

Economic Factors and Next Year's Budget

Farmington Municipal School District is located in San Juan County. San Juan County, like the rest of New Mexico and the nation, has experienced increased inflation and a declining economy. Due to the economic factors post pandemic affecting the entire country, the State of New Mexico and San Juan County have seen a decrease in unemployment and a slight uptick in the oil and gas economy. The taxes on oil and gas in New Mexico are a vital revenue factor in the state's budget. 98% of Farmington Municipal Schools' operating revenue comes from the state and the district does anticipate an increase in funding allocated for schools in FY2024. The board of education is being proactive and considering ways to reduce expenditures on an opportunistic basis and improve the district's cash balance in preparation for an increase in revenues.

San Juan County's population shows some decline in past years and Farmington Municipal School's enrollment has shown a slight decline for the current fiscal year. The current enrollment has decreased slightly when compared to the same period in the prior year. The projections are that the enrollment will remain relatively flat over the next two to three years.

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Farmington Municipal School District receives approximately 98% of its annual operating budget from the State of New Mexico through the State Equalization Guaranteed Funding. The objectives of the formula are (1) to equalize educational opportunity statewide (by crediting certain local and federal support and then distributing state support in an objective manner) and (2) to retain local autonomy in actual use of funds by allowing funds to be used in local districts at the discretion of local policy making bodies. The basis for the formula is in the number of students enrolled. Weighting factors are assigned to students that receive special services, i.e., special education and bilingual education services as well as other factors based on the training and experience of the teaching staff and the district's at-risk population.

Farmington Municipal School District has appropriated $3,700,000 of its fund balance for spending in the 2024 fiscal year budget. The $3,700,000 was budgeted primarily into direct classroom instruction to fund additional staff needed to meet the state mandated class sizes while accommodating the slight growth in the secondary student population.

Requests for information

This financial report is designed to provide a general overview of Farmington Municipal School District's finances for all those with an interest in the district's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Chief Financial Officer
3401 E 30th St. Suite A
Farmington, New Mexico 87402

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Basic Financial Statements

Farmington Municipal School District No. 5

State of New Mexico
Farmington Municipal School District No. 5
Statement of Net Position

June 30, 2023	Governmental Activities
Assets	
Current assets	
Cash and cash equivalents	$ 9,465,535
Investments	3,155,993
Receivables	
Property taxes	1,210,216
Intergovernmental	8,231,155
Prepaids	3,900
Inventory	495,734
Total current assets	22,562,533
Noncurrent assets	
Restricted cash and cash equivalents	19,430,882
Restricted investments	783,600
Capital assets not being depreciated	5,939,858
Capital assets being depreciated	344,860,478
Less accumulated depreciation	(132,806,924)
Right-to-use lease assets	498,368
Less accumulated amortization	(99,674)
SBITA assets	250,639
Less SBITA accumulated amortization	(58,838)
Total noncurrent assets	238,798,389
Total assets	261,360,922
Deferred outflows of resources	
Deferred outflows - pension	80,749,529
Deferred outflows - OPEB	12,258,760
Total deferred outflows of resources	93,008,289
Total assets and deferred outflows of resources	$ 354,369,211

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

June 30, 2023	Governmental Activities
Liabilities	
Current liabilities	
Accounts payable	$ 9,003,275
Accrued payroll	2,306,548
Accrued interest	669,846
Unearned revenue	54,366
Long-term liabilities, current	7,447,246
Total current liabilities	19,481,281
Noncurrent liabilities	
Long-term liabilities, net of current portion	63,010,743
Net pension liability	168,225,321
Net other post employment benefit liability	30,953,390
Total noncurrent liabilities	262,189,454
Total liabilities	281,670,735
Deferred inflows of resources	
Deferred inflows - pension	135,122,358
Deferred inflows - OPEB	28,799,836
Total deferred inflows of resources	163,922,194
Net position	
Net investment in capital assets	152,725,664
Restricted for	
Debt service	11,278,541
Capital projects	6,425,611
Special revenue	5,730,524
Unrestricted (deficit)	(267,384,058)
Total net position	(91,223,718)
Total liabilities, deferred inflows of resources, and net position	$ 354,369,211

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

State of New Mexico
Farmington Municipal School District No. 5
Statement of Activities

For the Year Ended June 30, 2023		Program Revenues	
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**
Primary government			
Governmental activities			
Instruction	$ 83,205,025	$ 1,545,617	$ 15,530,958
Support services - students	19,483,885	361,932	3,636,840
Support services - instruction	1,886,031	35,035	352,044
Support services - general administration	2,105,807	39,117	393,068
Support services - school administration	7,552,954	140,304	1,409,826
Central services	1,985,551	36,884	370,621
Operation and maintenance of plant	24,410,286	453,446	4,556,397
Student transportation	4,186,986	-	3,643,506
Other support services	16,298	-	-
Food services operations	7,480,958	609,527	780,819
Community services operations	209	-	-
Interest and other charges	1,954,237	-	-
Total governmental activities	$ 154,268,227	$ 3,221,862	$ 30,674,079

General revenues	
Taxes	
Property taxes, levied for operating programs	
Property taxes, levied for capital projects	
Property taxes, levied for debt services	
Oil and gas taxes	
State equalization guarantee	
Investment income	
Miscellaneous	
Gain on disposition of assets	
Total general revenues	
Change in net position	
Net position - beginning of year	
Net position - end of year	

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

Program Revenues		Net Revenue (Expense) and Changes in Net Position
Capital Grants and Contributions		
$	3,285,638	$ (62,842,812)
	769,388	(14,715,725)
	74,476	(1,424,476)
	83,155	(1,590,467)
	298,254	(5,704,570)
	78,406	(1,499,640)
	963,925	(18,436,518)
	-	(543,480)
	-	(16,298)
	-	(6,090,612)
	-	(209)
	-	(1,954,237)
$	5,553,242	(114,819,044)
		604,686
		6,451,373
		7,958,328
		1,106,581
		106,887,419
		79,666
		88,866
		468,418
		123,645,337
		8,826,293
		(100,050,011)
		$ (91,223,718)

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

State of New Mexico
Farmington Municipal School District No. 5
Balance Sheet - Governmental Funds

June 30, 2023	General Fund 11000, 13000, 15200	Title I IASA 24101	ARP Act/ESSER III 24330
Assets			
Cash and cash equivalents	$ 2,299,328	$ 46,277	$ 5,029
Investments	13,071	-	-
Receivables			
Property taxes	51,401	-	-
Intergovernmental	331,236	1,945,139	2,754,878
Due from other funds	6,891,580	-	-
Prepaids	-	-	-
Inventory	299,143	-	-
Total assets	$ 9,885,759	$ 1,991,416	$ 2,759,907
Liabilities, deferred inflows of resources, and fund balances			
Liabilities			
Accounts payable	$ 2,083,166	$ 375,748	$ 144,685
Accrued payroll	2,090,182	46,277	5,029
Unearned revenue	-	-	-
Due to other funds	278,608	1,569,391	2,610,193
Total liabilities	4,451,956	1,991,416	2,759,907
Deferred inflows of resources			
Unavailable revenue - property taxes	41,910	-	-
Total deferred inflows of resources	41,910	-	-
Fund balances			
Nonspendable	299,143	-	-
Spendable			
Restricted	193,550	-	-
Committed	3,700,000	-	-
Unassigned (deficit)	1,199,200	-	-
Total fund balances	5,391,893	-	-
Total liabilities, deferred inflows of resources, and fund balances	$ 9,885,759	$ 1,991,416	$ 2,759,907

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

Special Capital Outlay HB-33 31600	Debt Service 41000	Nonmajor Governmental Funds	Total Governmental Funds
$ 2,343,207	$ 9,747,535	$ 14,455,041	$ 28,896,417
-	587,123	3,339,399	3,939,593
194,212	636,004	328,599	1,210,216
-	-	3,199,902	8,231,155
-	-	-	6,891,580
-	-	3,900	3,900
-	-	196,591	495,734
$ 2,537,419	$ 10,970,662	$ 21,523,432	$ 49,668,595
$ 3,091,275	$ -	$ 3,308,401	$ 9,003,275
-	-	165,060	2,306,548
-	-	54,366	54,366
-	-	2,433,388	6,891,580
3,091,275	-	5,961,215	18,255,769
160,566	521,268	268,105	991,849
160,566	521,268	268,105	991,849
-	-	200,491	499,634
-	10,449,394	15,310,346	25,953,290
-	-	-	3,700,000
(714,422)	-	(216,725)	268,053
(714,422)	10,449,394	15,294,112	30,420,977
$ 2,537,419	$ 10,970,662	$ 21,523,432	$ 49,668,595

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

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State of New Mexico
Farmington Municipal School District No. 5
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

June 30, 2023

Fund balances - total governmental funds	$	30,420,977
Amounts reported for governmental activities in the statement of net position are different because		
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds.		217,993,412
Right-to-use lease assets, net of accumulated amortization, used in governmental activities are not financial resources and, therefore, are not reported in the funds.		398,694
SBITA assets, net of accumulated amortization, used in governmental activities are not financial resources and, therefore, are not reported in the funds.		191,801
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be unavailable revenue in the fund financial statements, but are considered revenue in the statement of activities		991,849
Deferred outflows and inflows of resources pensions and other post employment benefits are applicable to future periods and, therefore, are not reported in funds		
Deferred outflows - pension		80,749,529
Deferred outflows - OPEB		12,258,760
Deferred inflows - pension		(135,122,358)
Deferred inflows - OPEB		(28,799,836)
Liabilities, including accrued compensated absences, accrued interest, bonds payable, leases, net pension liability, and net OPEB liability are not due and payable in the current period and, therefore, are not reported in the funds		
Accrued compensated absences not due and payable		(771,079)
Accrued interest payable		(669,846)
Bond premiums		(1,742,277)
Bonds payable		(67,490,000)
Lease liability		(402,306)
SBITA liabilites		(52,327)
Net pension liability		(168,225,321)
Net OPEB liability		(30,953,390)
Total net position - governmental activities	$	(91,223,718)

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

State of New Mexico
Farmington Municipal School District No. 5
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds

For the Year Ended June 30, 2023	General Fund 11000, 13000, 15200	Title I IASA 24101	ARP Act/ESSER III 24330
Revenues			
Property taxes	$ 601,525	$ -	$ -
Oil and gas taxes	55,500	-	-
Intergovernmental			
Federal flowthrough	196,446	4,574,522	5,817,617
Federal direct	122,866	-	-
Local sources	270,028	-	-
State flowthrough	-	-	-
State direct	106,887,419	-	-
Transportation distribution	3,643,506	-	-
Charges for services	29,431	-	-
Investment income	89	-	-
Miscellaneous	62,424	-	-
Total revenues	111,869,234	4,574,522	5,817,617
Expenditures			
Current			
Instruction	71,983,183	3,348,559	2,469,887
Support services - students	11,193,562	804,227	2,310,414
Support services - instruction	1,789,950	-	-
Support services - general administration	1,431,591	63,872	207,176
Support services - school administration	6,742,107	357,643	53,108
Central services	2,010,680	221	-
Operation and maintenance of plant	14,361,676	-	769,683
Student transportation	3,578,261	-	-
Other support services	15,604	-	-
Food services operations	-	-	-
Community services operations	971	-	-
Capital outlay	40,248	-	7,349
Debt service			
Principal	-	-	-
Interest and other charges	-	-	-
Total expenditures	113,147,833	4,574,522	5,817,617
Excess (deficiency) of revenues over expenditures	(1,278,599)	-	-
Other financing sources/(uses)			
Proceeds from sale of capital assets	548,623	-	-
Leases, SBITAs, or bond proceeds	-	-	-
Total other financing sources/(uses)	548,623	-	-
Net change in fund balances	(729,976)	-	-
Fund balances - beginning of year	6,121,869	-	-
Fund balances - end of year	$ 5,391,893	$ -	$ -

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

Special Capital Outlay HB-33 31600	Debt Service 41000	Nonmajor Governmental Funds	Total Governmental Funds
$ 3,346,195	$ 7,901,636	$ 3,091,948	$ 14,941,304
216,488	578,576	256,017	1,106,581
-	-	10,944,570	21,533,155
-	-	4,560,067	4,682,933
-	-	117,533	387,561
-	-	2,580,692	2,580,692
-	-	3,399,474	110,286,893
-	-	-	3,643,506
-	-	3,192,431	3,221,862
-	4,046	75,531	79,666
-	-	26,442	88,866
3,562,683	8,484,258	28,244,705	162,553,019
-	-	7,276,455	85,078,084
-	-	5,759,767	20,067,970
-	-	84,203	1,874,153
28,095	82,668	338,248	2,151,650
-	-	744,713	7,897,571
-	-	6,000	2,016,901
4,594,523	-	4,032,256	23,758,138
-	-	50,000	3,628,261
-	-	-	15,604
-	-	7,076,547	7,076,547
-	-	-	971
250,639	-	5,630,220	5,928,456
-	4,870,000	1,895,625	6,765,625
-	2,076,828	23,027	2,099,855
4,873,257	7,029,496	32,917,061	168,359,786
(1,310,574)	1,454,762	(4,672,356)	(5,806,767)
-	-	-	548,623
-	-	2,983,368	2,983,368
-	-	2,983,368	3,531,991
(1,310,574)	1,454,762	(1,688,988)	(2,274,776)
596,152	8,994,632	16,983,100	32,695,753
$ (714,422)	$ 10,449,394	$ 15,294,112	$ 30,420,977

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

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State of New Mexico
Farmington Municipal School District No. 5
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, 2023

Net change in fund balances - total governmental funds	$ (2,274,776)
Amounts reported for governmental activities in the statement of activities are different because	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense	
Capital expenditures	5,928,456
Depreciation expense	(7,259,631)
Amortization expense for ROU assets	(144,543)
Amortization expense for SBITA	(58,838)
Book value of capital assets disposed	(80,205)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds	
Change in unavailable revenue related to property taxes receivable	73,083
Governmental funds report district pension and OPEB contributions as expenditures. However, in the statement of activities, the cost of pension and OPEB benefits earned net of employee contributions is reported as pension and OPEB benefit	
Contributions subsequent to the measurement date - pension	13,502,793
Pension expense	(12,117,431)
Contributions subsequent to the measurement date - OPEB	1,574,913
OPEB benefit	5,877,036
The issuance of long-term debt (e.g. bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities	
Increase in accrued compensated absences not due and payable	(109,349)
Decrease in accrued interest payable	34,548
Bond premium amortization	169,908
Bond proceeds	(2,485,000)
Additions to leases liabilities	(498,368)
Additions to SBITA liabilities	(71,928)
Principal payments on bonds	6,605,000
Principal payments on SBITA	19,601
Principal payments on leases	141,024
Change in net position of governmental activities	$ 8,826,293

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

State of New Mexico
Farmington Municipal School District No. 5
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
General Fund (11000, 13000, 15200)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Property taxes	$ -	$ 584,503	$ 596,864	$ 12,361
Oil and gas taxes	-	20,150	55,500	35,350
Intergovernmental				
Federal flowthrough	17,628	17,628	196,446	178,818
Federal direct	32,617	203,330	122,866	(80,464)
Local sources	56,603	56,603	270,028	213,425
State flowthrough	-	1,271,479	-	(1,271,479)
State direct	104,419,442	106,990,208	106,887,419	(102,789)
Transportation distribution	3,643,496	3,643,496	3,312,270	(331,226)
Charges for services	26,884	26,884	29,431	2,547
Investment Income	6	6	89	83
Miscellaneous	64,647	64,647	62,424	(2,223)
Total revenues	108,261,323	112,878,934	111,533,337	(1,345,597)
Expenditures				
Current				
Instruction	66,745,768	69,901,669	71,479,098	(1,577,429)
Support services - students	15,127,846	15,252,846	11,227,622	4,025,224
Support services - instruction	1,352,979	1,575,401	1,791,857	(216,456)
Support services - general administration	1,948,741	2,000,741	1,433,029	567,712
Support services - school administration	6,405,785	6,405,785	6,743,916	(338,131)
Central services	2,673,859	2,746,859	2,013,833	733,026
Operation and maintenance of plant	15,992,813	16,535,190	14,288,650	2,246,540
Student transportation	3,643,496	3,658,317	3,620,520	37,797
Other support services	6,000	6,000	15,604	(9,604)
Community services operations	-	-	971	(971)
Total expenditures	113,897,287	118,082,808	112,615,100	5,467,708
Excess (deficiency) of revenues over expenditures	(5,635,964)	(5,203,874)	(1,081,763)	4,122,111
Other financing sources				
Designated cash (budgeted increase in cash	5,635,964	5,203,874	-	(5,203,874)
Proceeds from sale of capital assets	-	-	548,623	548,623
Total other financing sources	5,635,964	5,203,874	548,623	(4,655,251)
Net change in fund balance	-	-	(533,140)	(533,140)
Fund balance - beginning of year	-	-	7,368,329	7,368,329
Fund balance - end of year	$ -	$ -	$ 6,835,189	$ 6,835,189

Net change in fund balance (Non-GAAP budgetary basis)	$ (533,140)
Adjustments to revenues for taxes and intergovernmental revenue	335,897
Adjustments to expenditures for supplies and payroll expenditures	(532,733)
Net change in fund balance (GAAP Basis)	$ (729,976)

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

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Title I IASA Special Revenue Fund (24101)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal flowthrough	$ 3,579,365	$ 4,683,482	$ 3,236,429	$ (1,447,053)
Total revenues	3,579,365	4,683,482	3,236,429	(1,447,053)
Expenditures				
Current				
Instruction	2,135,648	3,319,695	3,301,281	18,414
Support services - students	801,941	897,705	803,231	94,474
Support services - general administration	58,894	71,134	63,872	7,262
Support services - school administration	582,882	394,948	358,700	36,248
Total expenditures	3,579,365	4,683,482	4,527,084	156,398
Excess (deficiency) of revenues over expenditures	-	-	(1,290,655)	(1,290,655)
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	(1,290,655)	(1,290,655)
Fund balance - beginning of year	-	-	(278,736)	(278,736)
Fund balance - end of year	$ -	$ -	$ (1,569,391)	$ (1,569,391)
Net change in fund balance (Non-GAAP Budgetary Basis)			$ (1,290,655)	
Adjustments to revenues for intergovernmental revenue			1,338,093	
Adjustments to expenditures for supplies and payroll expenditures			(47,438)	
Net change in fund balance (GAAP Basis)			$ -	

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

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State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
ARP Act/Esser III Special Revenue Fund (24330)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal flowthrough	$ 18,991,040	$ 19,465,475	$ 3,708,769	$ (15,756,706)
Total revenues	18,991,040	19,465,475	3,708,769	(15,756,706)
Expenditures				
Current				
Instruction	2,600,000	2,600,000	2,572,644	27,356
Support services - students	8,093,039	8,567,474	2,310,564	6,256,910
Support services - general administration	277,163	277,163	206,862	70,301
Support services - school administration	50,000	50,000	53,108	(3,108)
Operation and maintenance of plant	7,970,838	7,970,838	666,826	7,304,012
Total expenditures	18,991,040	19,465,475	5,817,353	13,648,122
Excess (deficiency) of revenues over expenditures	-	-	(2,108,584)	(2,108,584)
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	(2,108,584)	(2,108,584)
Fund balance - beginning of year	-	-	(501,609)	(501,609)
Fund balance - end of year	$ -	$ -	$ (2,610,193)	$ (2,610,193)
Net change in fund balance (Non-GAAP Budgetary Basis)			$ (2,108,584)	
Adjustments to revenues for intergovernmental revenue			2,108,848	
Adjustments to expenditures for supplies and payroll expenditures			(264)	
Net change in fund balance (GAAP Basis)			$ -	

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

State of New Mexico
Farmington Municipal School District No. 5
Statement of Fiduciary Net Position
Fiduciary Funds

June 30, 2023	Custodial Funds
Assets	
Cash and cash equivalents	$ 561,807
Total assets	$ 561,807
Liabilities	
Accounts payable	$ 26,935
Total liabilities	26,935
Net position	
Restricted for student organizations	534,872
Total net position	534,872
Total liabilities and net position	$ 561,807

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

State of New Mexico
Farmington Municipal School District No. 5
Statement of Changes in Fiduciary Net Position
Fiduciary Funds

For the Year Ended June 30, 2023	Custodial Funds
Additions	
Charges for services	$ 629,631
Total additions	629,631
Deductions	
Current	
Instruction	547,921
Support services - students	23
Total deductions	547,944
Net increase in fiduciary net position	81,687
Net position - beginning of year	453,185
Net position - end of year	$ 534,872

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

State of New Mexico
Farmington Municipal School District No. 5
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Farmington Municipal School District No. 5 (the "District") is a special purpose government corporation governed by an elected five-member Board of Education. The Board of Education is the basic level of government, which has oversight responsibility and control over all activities related to the public school education of the City of Farmington and surrounding area. The District is responsible for all activities related to public elementary and secondary school education within its jurisdiction. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

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

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

Reporting Entity

In evaluating how to define the District, for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statement No. 14, as amended by GASB Statement Nos. 39, 61, 80, and 90.

Blended component units, although legally separate entities, are in substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reporting Entity (Continued)

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

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity. Based upon the application of these criteria, the District does not have any component units required to be reported under GASB Statement No. 14, as amended by GASB Statement No. 39, GASB Statement No. 61, GASB Statement No.80, and GASB Statement No. 90.

Government-wide and Fund Financial Statements

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The District does not have any *business-type activities*. Likewise, the primary government is reported separately from its legally separate component unit for which the primary government is financially accountable.

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

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

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

General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

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

Fund Financial Statements

The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category—governmental and fiduciary—are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The major funds presented in the fund financial statements include the following:

The *General Fund* includes the following fund numbers: 11000, 13000, and 15200. The *Operating Fund* (11000) is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenues are provided by the District's school tax levy, state equalization and transportation funds, state instructional material allocations, and earnings from investments. Expenditures include all costs associated with the daily operations of the school except for those items included in other funds. The General Fund includes the *Pupil Transportation Fund* (13000), which is used to account for transportation distribution received from the New Mexico Public Education Department to pay for the costs associated with transporting school age children. It also includes the *Local Revenue Operational Fund* (15200), which is used to account for a portion of Ad Valorem taxes, Gas and Oil, and Copper revenues received from County taxes to support operations.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The *Title I IASA (24101)* is used to account for supplemental educational opportunity for academically disadvantaged children residing in the area. Campuses are identified for program participation by the percentage of students on free or reduced price lunches. Any school with a free and reduced price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criteria that identify a campus; educational need determines the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Public Education Department. Authority for creation of this fund is Part A of Chapter I of Title I of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

The *ARP Act/ESSER III (24330)* is used to provide local educational agencies with relief funds to help schools return safely to in-person instruction, and address the academic, social, emotional, and mental health impacts the COVID-19 Pandemic has had, and continues to have, on elementary and secondary schools students. Authority for creation of this fund is the Education Stabilization Fund, a component of the American Rescue Plan (ARP) Act, 2021.

The *Capital Improvements HB-33 (31600)* is used to account for two mill levy funds authorized by the Public-School Capital Improvement Act. The levy must be voted on by local residents and allows the District to impose a property tax.

The *Debt Service Fund (41000)* is used to accumulate resources for payment of principal and interest due on educational technology bonds. Financing is provided by a special tax levy approved by the voters of the county and assessed by the San Juan County Assessor and collected and remitted to the District by the San Juan County Treasurer.

Fiduciary funds are used to report assets held in a trustee or agency capacity for others that cannot be used to support the government's own programs. *Custodial* funds are purely custodial and do not involve measurement of results of operations. The District's fiduciary funds are used to account for the collection and payment of student activities.

The government reports the following fiduciary funds:

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

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and fiduciary funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Deposits and Investments

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

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

Receivables and Payables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. In the government-wide and governmental fund financial statements, property taxes are recorded as revenue when levied net of estimated refunds and uncollectable amounts.

Property taxes are levied on November 1 based on the assessed value of property as listed on the previous January 1 and are due in two payments by November 10th and April 10th. Property taxes uncollected after December 10th and May 10th are considered delinquent and the District may assess penalties and interest. The taxes attach as an enforceable lien on property thirty (30) days thereafter, at which time they become delinquent. Property taxes are collected by San Juan County and remitted monthly to the District.

Interfund Activities and Transactions

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

All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Interfund Activities and Transactions (Continued)

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Inventory

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

Inventory in the General Fund consist of expendable supplies held for consumption. Inventory in the special revenue funds consists of USDA commodities and other purchased food and non-food supplies. Commodities consumed during the year are reported as revenues and expenditures; unused commodities are reported as inventories.

Restricted Assets

Certain assets of the District are classified as restricted assets on the statement of net position because their use is limited by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors, grantors, contributors or laws or regulations of other governments. Special restricted asset accounts have been established to account for the sources and uses of these limited use assets as follows:

Bond debt service accounts – Includes certain proceeds from issuance of bonds, as well as certain resources set aside for the repayment of bonds or capital lease obligations.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District's policies as assets with an initial, individual cost of more than $5,000 (amount not rounded) per Section 12-6-10 NMSA 1978 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

The District was a Phase II government for purposes of implementing GASB Statement No. 34; however, the District does not have any infrastructure assets to report. Information Technology Equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.20.1.9 C (5). Donated capital assets are recorded at acquisition value at the date of donation. There were no donated assets during the year ended June 30, 2023.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Construction projects paid for by the Public School Capital Outlay Council are included in the District's capital assets. No interest was included as part of the cost of capital assets under construction.

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

Assets	Years
Buildings and improvements	25-50
Land improvements	10-20
Furniture and equipment	4-20

Right-to-Use Lease Assets

The District has recorded right-to-use lease assets as a result of implementing GASB Statement No. 87. The right-to-use lease assets are initially measured at an amount equal to the initial measurement of the related lease liability. The right-to-use lease assets are amortized on a straight-line basis over the term of the related lease. See note 7 for more information.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Subscription-Based Information Technology Arrangements (SBITAs)

The District recognizes SBITAs that have a term exceeding one year and the cumulative future payments on the contract exceed $5,000 that meet the definition of an other than short-term SBITA. The District uses a discount rate that they would get from their bank. Short-term subscription payments are expensed when incurred.

Deferred Outflows of Resources

In addition to assets, the balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, represents a use of net position that applies to a future period and so will not be recognized as an outflow of resources (expenditure) until that time. The District has five types of items that qualify for reporting in this category related to reporting both under GASB 68 and under GASB 75, which total $80,749,529 and $12,258,760, respectively, in the statement of net position. The amounts are further detailed in note 11 and note 12. These amounts are deferred and recognized as outflows of resources in future periods and will reduce the net pension liability, and net other post-employment benefit liability, respectively, in future periods.

Deferred Inflows of Resources

In addition to liabilities, the balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future periods and so will not be recognized as an inflow of resources (revenue) until that time. Revenue must be susceptible to accrual (measurable and available to finance expenditures of the current fiscal period) to be recognized. If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding liability for deferred inflows of resources. The District has one type of items, which arises under the modified accrual basis of accounting that qualify for reporting in this category. Accordingly, the item, unavailable revenue - property taxes, is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The District has recorded $991,849 related to property taxes considered “unavailable.”

In addition, the District has four types of items present on the statement of net position that qualify for reporting in this category related to reporting under GASB 68 and three types that related to reporting under GASB 75. The deferred inflows of resources total $135,122,358 and $28,799,836, respectively, in the statement of net position, and are further detailed in note 11 and note 12.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Deferred Inflows of Resources (Continued)

These amounts are deferred and recognized as inflows of resources in the period that the amounts become available.

Accrued Payroll

The amount recognized in the fund financial statements represents checks that were held at year end in relation to employee's summer payroll, including the applicable ERB, RHC, Social Security Taxes and Medicare payable.

Compensated Absences

It is the District's policy to permit employees to accumulate 120 days of earned but unused vacation, which will be paid to employees upon retirement from the District's service. The amount for liability has been reported in the government-wide financial statements.

Accumulated sick leave is not payable upon termination and is recorded as expenditures when it is paid.

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources are reported as an expenditure and a fund lability of the government fund that will pay it. In prior years, substantially all of the related expenditures have been liquidated by the general fund. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the government-wide statement of net position.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Debt issuance costs are expensed as incurred.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Lease Liabilities

The District has entered into agreements to lease certain buildings and equipment. Lease liabilities qualify as other than short-term leases under GASB Statement No. 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception or, for leases existing prior to the implementation year at the remaining terms of the agreement, using the facts and circumstances available at July 1, 2021. See note 8 for more information. The State of New Mexico has provided the following guidance related to the incremental borrowing rate (IBR), which the District is utilizing.

Lease Term	Incremental Borrowing Rate (IBR)
>1 year to 5 years	2.21%
>5 years to 10 years	2.86%
>10 years	3.27%

Pensions

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

Postemployment Benefits Other Than Pension (OPEB)

For purposes of measuring the post-employment liability, deferred outflows of resources and deferred inflows of resources related to post-employment, and post-employment expense, information about the fiduciary net position of the Retiree Health Care Act (RHCA) and additions to/deductions from RHCA's fiduciary net position have been determined on the same basis as they are reported by RHCA, 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 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Fund Balance Classification Policies and Procedures

Fund Balances

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

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

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

Nonspendable Fund Balance - At June 30, 2023, the District had nonspendable fund balance categorized in the governmental funds balance sheet in the amount of $499,634 as detailed on in note 16.

Restricted and Committed Fund Balance - At June 30, 2023, the District has presented restricted fund balance on the governmental funds balance sheet in the amount of $25,953,290 for various District operations as restricted by enabling legislation. The District has also presented committed fund balance on the governmental funds balance sheet in the amount of $3,700,00. The details of these fund balance items are located on the governmental funds balance sheet as detailed on note 16.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Net Position

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

Net investment in capital assets - Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The District includes unspent debt proceeds in the amount of $3,828,667 in the calculation of net investment in capital assets in the governmental activities.

Restricted Net Position - Net position is reported as restricted when constraints are placed on the use either by: (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation. Descriptions for the related restrictions for net position restricted for "special revenue, capital projects, and debt service" are described on pages 63-64 and 122-129.

Unrestricted Net Position - Net position that does not meet the definition of "Restricted" or "Net Investment in Capital Assets."

Revenues and Expenditures/Expenses

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration (1) early childhood education; (2) basic education; (3) special education; (4) bilingual-multicultural education; and (5) size, etc**.** Program revenues included in the statement of activities are derived directly from the program itself or from parties outside the District, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues. Program revenues are categorized as (a) charges for services, which include revenues collected for fees and use of District facilities, etc., (b) program-specific operating grants, which include revenues received from state and federal sources, such as the grants, to be used as specified within each program grant agreement, and (c) program-specific capital grants and contributions, which include revenues from state and federal sources to be used for capital projects. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes and state equalization guarantee.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The District reports all direct expenses by function in the statement of activities. Direct expenses are those that are clearly identifiable with a function. The District currently employs the indirect cost allocation systems, which was determined by NM PED to be 2.42% at June 30, 2023. Depreciation expense is specifically identified by function and included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the statement of activities.

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred, all other grant requirements have been met and the availability criterion have been met.

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

Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received $106,887,419 in state equalization guarantee distributions during the year ended June 30, 2023.

Tax Revenues - The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Property taxes are assessed on January 1st of each year and are payable in two equal installments, on November 10th of the year in which the tax bill is prepared and April 10th of the following year with the levies becoming delinquent 30 days (one month) thereafter. The District recognizes tax revenues in the period for which they are levied in the government-wide financial statements. The District records only the portion of the taxes considered 'measurable' and 'available' in the governmental fund financial statements. The District recognized $15,014,387 in tax revenues in the government-wide financial statements during the year ended June 30, 2023. Descriptions of the individual debt service and capital outlay funds contained in these financial statements include information regarding the authority for the collection and use of these taxes.

Federal Impact Aid – The District also receives Federal Impact Aid in lieu of property taxes for the presumed loss of property taxes that results from the federally owned land that lie within the District's boundaries but are not subject to property taxes. The District received $385,396 in Federal Impact Aid for the year ended June 30, 2023.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Transportation Distribution - School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through 12 attending public school within the school district. The District received $3,643,506 in transportation distributions during the year ended June 30, 2023.

Instructional Materials - The Public Education Department (Department) receives federal mineral leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, fifty percent is restricted to the requisition of materials listed in the State Board of Education "State Adopted Instructional Material" list, while fifty percent of each allocation is available for purchases directly from vendors. No allocations received from the State for the year ended June 30, 2023.

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

However, in the event that sufficient funds are not available in the public school capital improvement funds to make the state distribution provided for in this section, the dollar per program unit figure shall be reduced as necessary.

The District did not receive any state SB-9 matching during the year ended June 30, 2023.

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Money in the fund shall be disbursed by warrant of the Department of Finance and Administration on vouchers signed by the Secretary of Finance and Administration following certification by the council that the application has been approved. The District received $413,402 of Public School Capital Outlay matching during the year ended June 30, 2023.

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

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates for the District are management's estimate of depreciation on assets over their estimated useful lives, net pension liability and the related deferred inflows and outflows of resources, the net other post-employment benefits liabilities and the related deferred inflows and outflows of resources, and the current portion of accrued compensated absences.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 7, 2023. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued and Implemented Accounting Pronouncements

During the fiscal year ended June 30, 2023, the District adopted GASB Statement No. 91, *Conduit Debt Obligations*, GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs) and GASB Statement No. 99, *Omnibus 2022*.

The implementation of these statements, besides GASB Statement No. 96, SBITAs, did not have a significant impact on the District because the activities of the District were not affected by the statement in a material manner. GASB Statement No. 96, SBITAs did have a significant impact on the District. In the current year, additions to SBITAs included $178,711 related to prepaid amounts. Additional information about the changes to the financial statements related to the implementation of this Statement can be found in Notes 7 and 8.

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections*. The requirements of this Statement will enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for reporting periods beginning after June 15, 2023. Earlier application is encouraged.

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The requirements of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023. Earlier application is encouraged.

The District is evaluating the requirements of the above statements and the impact on reporting.

Note 2: RESTATEMENT AND CHANGE IN ACCOUNTING PRINCIPLE

Restatement

In fiscal year 2023 the District had a prior period reclassification restatement of $489,094, which was required to properly state fund balance in the Capital Improvements SB 9 Local (31701), and Capital Improvements SB 9 State (37103) which were both nonmajor governmental funds.

	Capital Improvements SB 9 Local (31701)	Capital Improvements SB 9 State (31703)	Total
Balances at June 30, 2023, as originally stated	$ 2,803,169	$ 658,441	$ 3,461,610
Restatement of fund balance	(489,094)	489,094	-
Balances a June 30, 2023, as restated	$ 2,314,075	$ 1,147,535	$ 3,461,610

Note 3: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Budgets for the General, Special Revenue, Debt Service and Capital Projects Funds are prepared by management and are approved by the local Board of Education and the School Budget and Planning Unit of the Public Education Department. Auxiliary student activity accounts are also budgeted.

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

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

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

Note 3: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

Budgetary Information (Continued)

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

1. In April or May, the local school board submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department (PED) a proposed operating budget for the ensuing fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets are submitted to the State of New Mexico Public Education Department.

2. In May or June of each year, the proposed "operating" budget will be reviewed and approved by the DBPU and certified and approved by the local school board at a public hearing of which notice has been published by the local school board which fixes the estimated budget for the school district for the ensuing fiscal year.

3. The school board meeting is open for the general public unless a closed meeting has been called.

4. The "operating" budget will be used by the District until they have been notified that the budget has been approved by the DBPU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system.

5. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the DBPU.

6. The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Public Education Department.

Note 3: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information (Continued)

7. Budget change requests are processed in accordance with Supplement 1 (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the DBPU.

8. Legal budget control for expenditures is by function.

9. Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget schedules included in the accompanying financial statements reflect the original budget and the final budget.

10. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds.

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

The appropriated budget for the year ended June 30, 2023, was properly amended by the District's Board of Education throughout the year. These amendments resulted in the following changes:

	Excess (deficiency) of Revenues over Expenditures	
	Original Budget	**Final Budget**
Budgeted funds		
General Fund - 11000, 13000, 15200	$ (5,635,964)	$ (5,203,874)
Title I IASA - 24101	-	-
ARP Act/ESSER III - 24330	-	-
Capital Improvements HB-33 - 31600	(3,132,773)	(586,065)
Debt Service - 41000	(8,268,676)	(8,927,998)
Nonmajor governmental funds	(16,548,825)	(19,263,070)

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

Note 3: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information (Continued)

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

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) a reconciliation of resultant basis, perspective, equity and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2023 is presented. Reconciliations between the non-GAAP budgetary basis amounts and the financial statements on the GAAP basis by fund can be found on each individual budgetary statement.

Note 4: DEPOSITS AND INVESTMENTS

Section 22-8-40, NMSA 1978 authorizes the investment of District funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the District properly followed State investment requirements as of June 30, 2023.

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

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

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

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

Note 4: DEPOSITS AND INVESTMENTS (Continued)

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2023, $31,789,380 of the District's bank balances of $32,539,380 was exposed to custodial credit risk; $15,974,205 was uninsured and collateralized by collateral held by the pledging bank's trust department, but not in the District's name. $15,815,175 of the District's deposits were uninsured and uncollateralized at June 30, 2023.

	Bank of the Southwest	Citizen Bank of Farmington	Wells Fargo Bank	Total
Amount of deposits	$ 953,834	$ 478,731	$ 31,106,815	$ 32,539,380
FDIC coverage	(250,000)	(250,000)	(250,000)	(750,000)
Total uninsured public funds	703,834	228,731	30,856,815	31,789,380
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the District's name	703,834	228,731	15,041,640	15,974,205
Uninsured and uncollateralized	$ -	$ -	$ 15,815,175	$ 15,815,175
Collateral requirement (50%)	$ 351,917	$ 114,366	$ 15,428,408	$ 15,894,691
Pledged securities	875,000	2,032,468	15,041,640	17,949,108
Over (under) collateralized	$ 523,083	$ 1,918,102	$ (386,768)	$ 2,054,417

The collateral pledged is listed on page 240 of this report. The types of collateral allowed are limited to direct obligations of the United States Government, all bonds issued by any agency, District or political subdivision of the State of New Mexico, securities, including student loans, that are guaranteed by the United States or the State of New Mexico, revenue bonds that are underwritten by a member of the financial industry regulatory authority, known as FINRA, and are rated BAA or above by a nationally recognized bond rating service, or letter of credit issued by a federal home loan bank.

Note 4: DEPOSITS AND INVESTMENTS (Continued)

The District utilized internal pooled accounts for some of their programs and funds. Negative cash balances in individual funds that were part of the pooled accounts were reclassified as due to/from account in the combining balance sheet as of June 30, 2023. Fund 13000 is general fund, 24101 through 25131 are federal funds, and 26107 through 43000 are nonfederal funds. The following individual funds had negative cash balances as of June 30, 2023:

13000	Pupil Transportation	$ 221,641
24101	Title I - ESEA	1,523,114
24106	Entitlement IDEA-B	13,641
24115	IDEA-B Private Schools Share	117
24118	Fresh Fruit and Vegetables	74,448
24119	21st Century Community Learning Centers	130,895
24154	Teacher/Principal Training & Recruiting	155,446
24174	Carl D Perkin Secondary - Current	42,330
24176	Carl D. Perkins Secondary - Redistribution	617
24189	Student Supp Academic Title IV	105,365
24190	Title I - Comprehensive Support and Improvement (CSI)	15
24195	Project Aware 93.243	15,840
24308	CARES Act, ESSER II	387,463
24330	ARP Act/ESSER III	2,605,164
24344	ESSER II Student and Staff Development	122,796
24346	IDEA Act/American Rescue Plan Act of 2021	97,873
24350	ARP Act, ESSER III - Homeless Children and Youth Retention Stipen	16,970
24355	ARP II - Emergency Relief Fund Homeless Children and Youth	14,670
25131	Johnson O'Malley	134,529
26107	REC/District Fiscal Agent	13,178
27107	27107 GOB Library	9,958
27149	PreK Initiative	321,423
27150	Indian Education Act	70,609
27201	School Lunch Co-Pay - Laws of 2020	2,925
27407	Family Income Index	211,436
27502	Career Technical Education Program (Pilot)	103,210
28211	Youth Conservation Corp NMEMNR	38,783
28217	NM Food Security Appropriation/Statewide Hunger Iniative	45,646
43000	Ed Tech Debt Service	169,047
	Total	$ 6,427,508

Note 4: DEPOSITS AND INVESTMENTS (Continued)

Reconciliation of Cash, Cash Equivalents, and Investments

Cash and cash equivalents per statement of net position	$ 9,465,535
Restricted cash and cash equivalents per statement of net position	19,430,882
Investments per statement of net position	3,155,993
Restricted investments statement of net position	783,600
Cash and cash equivalents per statement of fiduciary net position	561,807
Total cash, cash equivalents and investments	33,397,817
Add outstanding checks	6,552,230
Less deposits in transit	(3,739,786)
Less NMFA cash	(527,959)
Less NMFA investments	(3,142,922)
Bank balance of deposits	$ 32,539,380

The District has presented commercial checking accounts with interest (public funds) in the amount of $796,671 as investments in the statement of net position; however these are classified as deposits for disclosure purposes.

Investments

The District's investments at June 30, 2023, include the following:

Investment Type	Fair Value	Investment Maturity
U.S. Treasury money market mutual funds	$ 3,142,922	49 Days
Total investments	$ 3,142,922	

Investment Type	Weighted Average Maturities (F)	Fair Value	Rating
U.S. Treasury money market mutual funds	49 Days	$ 3,142,922	AAAm

* Based on Standard & Poor's rating

Interest Rate Risk – Investments. The District does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates.

Note 4: DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Concentration Credit Risk – Investments. For an investment, concentration credit risk is when any one issuer is 5% or more of the investment portfolio of the District. The District currently has 100% in money market mutual funds. Since the District only purchases investment with high credit ratings, the additional concentration is not viewed to be an additional risk by the District. The District's policy related to concentration credit risk is to comply with the state statute as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978).

Fair Value Measurement

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

The three levels of the fair value hierarchy are described below:

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

Level 2 Inputs to the valuation methodology include:

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

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

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

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

Note 4: DEPOSITS AND INVESTMENTS (Continued)

Fair Value Measurement (Continued)

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

The District maintained a balance of $3,142,922 in the U.S. Treasury money market mutual funds at year end which required fair value disclosure.

	Level 1	Level 2	Level 3	Total
Investments by fair value level				
U.S. Treasury money market mutual funds	$ 3,142,922	$ -	$ -	$ 3,142,922
Total investments	$ 3,142,922	$ -	$ -	$ 3,142,922

Note 5: ACCOUNTS RECEIVABLE

Accounts receivable as of June 30, 2023, are as follows:

	General Fund 11000, 13000, 15200	Title I IASA 24101	ARP Act/ESSER III 24330	Capital Improvements HB-33 31600
Property taxes	$ 51,401	$ -	$ -	$ 194,212
Intergovernmental				
Federal sources	-	1,945,139	2,754,878	-
State sources	331,236	-	-	-
Totals	$ 382,637	$ 1,945,139	$ 2,754,878	$ 194,212

	Debt Service 41000	Nonmajor Governmental Funds	Total
Property taxes	$ 636,004	$ 328,599	$ 1,210,216
Intergovernmental			
Federal sources	-	2,405,146	7,105,163
State sources	-	794,756	1,125,992
Totals	$ 636,004	$ 3,528,501	$ 9,441,371

The above receivables are deemed 100% collectible.

In accordance with GASB Statement No. 33, property tax revenues in the amount of $991,849 that was not collected within the period of availability have been reclassified as deferred inflows for unavailable revenue in the governmental fund financial statements.

Note 6: INTERFUND RECEIVABLES AND PAYABLES

The District records temporary interfund receivables and payables to enable the fund to operate until grant monies are received. The composition of interfund balances during the year ended June 30, 2023 is as follows:

	Due From	Due To
Major Funds		
Fund 11000 Operating	$ 6,891,580	$ -
Fund 13000 Pupil Transportation	-	278,608
Fund 24101 Title 1 IASA	-	1,569,391
Fund 24330 ARP Act-ESSER II	-	2,610,193
Non-major Funds		
Fund 21000 Food Services	-	-
Fund 22000 Athletics	-	35
Fund 24106 Entitlement IDEA-B	-	73,429
Fund 24113 Education of Homeless	-	-
Fund 24115 IDEA-B Private Schools Share	-	117
Fund 24118 Fresh Fruit and Vegetables	-	74,448
Fund 24153 English Language Acquisition	-	-
Fund 24171 Carl D Perkins - JAG	-	-
Fund 24174 Carl D Perkins Secondary - Current	-	42,330
Fund 24188 AMP Advancing Measurement at PED	-	-
Fund 24189 Student Supp Academic Achievement Title IV	-	106,156
Fund 24191 Title I - HS Redesign	-	-
Fund 24308 CARES Act/ESSER II	-	387,463
Fund 24344 ESSR III Student and Staff Development	-	122,796
Fund 24346 IDEA Act/American Rescue Plan Act of 2021	-	98,072
Fund 24350 ARP Act, ESSER III - Homeless Children and Youth Retention Stipend	-	17,000
Fund 24355 ARP II - Emergency Relief Fund Homeless Children and Youth	-	14,670
Fund 25131 Johnson O'Malley	-	136,406
Fund 26107 REC/District Fiscal Agent	-	17,144
Fund 27107 27107 GOB Library	-	9,958
Fund 27144 New Mexico Reads to Lead K-3	-	1,553
Fund 27149 PreK Initiative	-	338,502
Fund 27150 Indian Education Act	-	70,609
Fund 27201 Schol Lunch Co-Pay - Laws of 2020	-	2,925
Fund 27407 Family Income Index	-	235,315
Fund 27502 Career Technical Education Program (Pilot)	-	103,210
Fund 28211 NM Schools Covid-19 Testing Program DOH	-	40,507
Fund 28217 NM Food Security Appropriation	-	45,646
Fund 43000 Ed Tech Debt Service	-	169,047
	$ 6,891,580	$ 6,891,580

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

Note 7: CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2023, follows. Land and construction in progress are not subject to depreciation.

Governmental activities	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023
Capital assets not being				
Land	$ 4,142,761	$ -	$ -	$ 4,142,761
Construction in progress	1,001,385	4,204,224	(3,408,512)	1,797,097
Total capital assets not being depreciated/amortized	5,144,146	4,204,224	(3,408,512)	5,939,858
Capital assets being depreciated/amortized				
Buildings and improvements	322,205,117	3,408,512	(534,700)	325,078,929
Land improvements	4,448,663	-	-	4,448,663
Furniture and equipment	14,609,047	975,225	(251,386)	15,332,886
SBITA assets	-	250,639	-	250,639
ROU-lease asset - buildings and improvements	224,345	498,368	(224,345)	498,368
Total capital assets being depreciated/amortized	341,487,172	5,132,744	(1,010,431)	345,609,485
Less accumulated depreciation/amortization				
Buildings and improvements	(112,165,416)	(6,273,957)	454,495	(117,984,878)
Land improvements	(4,431,935)	-	-	(4,431,935)
Furniture and equipment	(9,655,823)	(985,674)	251,386	(10,390,111)
SBITA	-	(58,838)	-	(58,838)
ROU-lease asset - buildings and improvements	(179,476)	(144,543)	224,345	(99,674)
Total accumulated depreciation/amortization	(126,432,650)	(7,463,012)	930,226	(132,965,436)
Total capital assets being depreciated, net of depreciation/amortization	215,054,522	(2,330,268)	(80,205)	212,644,049
Total capital assets, net of depreciation/amortization	$ 220,198,668	$ 1,873,956	$(3,488,717)	$ 218,583,907

Note 7: CAPITAL ASSETS (Continued)

Depreciation and amortization expense for the year ended June 30, 2023 was charged to the following functions.

Governmental activities	
Instruction	$ 3,906,011
Support services - students	748,884
Support services - instruction	119,080
Support services - general administration	100,354
Support services - school administration	331,852
Central services	84,599
Operation and maintenance of plant	1,049,028
Student transportation	755,794
Other support services	694
Food service operations	366,716
Total	$ 7,463,012

Amortization expense for leases and for SBITA for the year ended June 30, 2023 was charged to the instruction function in the amounts of $144,543 and $58,838, respectively.

Note 8: LONG-TERM LIABILITIES

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

General obligation bonds are direct obligations and pledge the full faith and credit of the District. These bonds are issued with varying terms and varying amounts of principal maturing each year. All general obligation bonds as of June 30, 2023 are for governmental activities.

Note 8: LONG-TERM LIABILITIES (Continued)

Bonds outstanding at June 30, 2023 are comprised of the following.

	Series 2014	Series 2015	Series 2017A
Original Issue	$ 23,500,000	$ 35,000,000	$ 7,100,000
Principal	September 1	September 1	September 1
Interest	March 1 September 1	March 1 September 1	March 1 September 1
Interest Rates	2.00-3.00%	3.00-5.00%	1.16-3.14%
Maturity Date	September 2027	September 2033	September 2032

	Series 2018	Series 2018A	Series 2020
Original Issue	$ 4,000,000	$ 11,000,000	$ 3,900,000
Principal	September 1	September 1	September 1
Interest	March 1 September 1	March 1 September 1	March 1 September 1
Interest Rates	1.76-3.27%	2.14-3.41%	0.49-1.82%
Maturity Date	September 2033	September 2033	September 2035

	Series 2020A	Series 2022	Series 2023
Original Issue	$ 7,510,000	$ 2,000,000	$ 2,000,000
Principal	September 1	September 1	September 1
Interest	March 1 September 1	March 1 September 1	March 1 September 1
Interest Rates	1.00-1.27%	0.92-2.76%	2.82-3.05%
Maturity Date	September 2024	September 2037	September 2025

During the year ended June 30, 2023, the following changes occurred in the liabilities reported in the government-wide statement of net position:

	Balance June 30, 2022	Additions	Retirements	Balance June 30, 2023	Due Within One Year
General Obligation Bonds	$ 71,610,000	$ 2,485,000	$ 6,605,000	$ 67,490,000	$ 6,570,000
Bond Premium, net	1,912,185	-	169,908	1,742,277	169,908
SBITA	-	71,928	19,601	52,327	23,840
Leases	44,962	498,368	141,024	402,306	97,270
Compensated absences	661,730	695,577	586,228	771,079	586,228
Total long-term liabilities	$ 74,228,877	$ 3,750,873	$ 7,521,761	$ 70,457,989	$ 7,447,246

Note 8: LONG-TERM LIABILITIES (Continued)

The annual requirements to amortize the general obligation bonds outstanding as of June 30, 2023, including interest payments, are as follows:

Fiscal Year Ending	Principal	Interest	Total Debt Service
2024	$ 6,570,000	$ 1,989,487	$ 8,559,487
2025	5,785,000	1,839,424	7,624,424
2026	5,810,000	1,663,469	7,473,469
2027	6,225,000	1,463,395	7,688,395
2028	6,515,000	1,239,486	7,754,486
2029-2033	29,575,000	3,285,075	32,860,075
2034-2038	7,010,000	171,828	7,181,828
Totals	$67,490,000	$11,652,164	$79,142,164

Leases – The District has entered into a lease agreement for copier equipment. The lease agreement has been recorded at the present value of future lease payments as of the date of their inception or, for leases existing prior to the implementation year, at the remaining terms of the agreement, using the facts and circumstances available at July 1, 2022.

The right-of-use lease liability was composed of the following as of June 30, 2023:

Effective Date	End Date	Monthly Payments	Borrowing Rate	Lease Liability
Equipment				
7/1/2022	6/30/2027	$ 8,765	2.2%	$ 402,306
Totals				$ 402,306

The future minimum payments on this lease as of June 30, 2023 was as follows:

Year Ending June 30,	Principal	Interest	Total
2024	$ 97,270	$ 7,910	$105,180
2025	99,442	5,738	105,180
2026	101,662	3,518	105,180
2027	103,932	1,248	105,180
Totals	$ 402,306	$ 18,414	$420,720

Note 8: LONG-TERM LIABILITIES (Continued)

The District has four software arrangements that require recognition under GASBS No. 96. The District now recognizes a subscription-based information technology arrangements (SBITA) liability and an intangible right-to-use subscription asset for various software. The District used a 2.21% discount rate for arrangements based on rates provided by the District's bank. There are no residual value guarantees in the agreements.

The following is a schedule of minimum future payments from subscription agreements as of June 30th:

Fiscal Year Ending	Principal	Interest	Total SBITA
2024	$ 23,840	$ 916	$ 24,756
2025	24,372	384	24,756
2026	4,115	11	4,126
Totals	$ 52,327	$ 1,311	$ 53,638

Compensated Absences – Administrative employees of the District are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2023, compensated absences increased $109,349 from the prior year accrual. In prior years, the general fund was typically used to liquidate such long-term liabilities. See note 1 for more details.

Note 9: RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The District purchases separate commercial insurance coverage for workers' compensation, liability, and property damage. Coverage for automobile claims are limited to the NMSA Tort Claims Act on a per occurrence basis. Coverage for general liability claims is subject to the NMSA Tort Claims Act on a per occurrence basis.

The commercial insurance carried is a claims incurred policy for which the District is covered for claims originating against the District during the policy period. The amount of coverage is dependent on the date of the liability-imposing event. The District has maintained continuous coverage and does not believe it has any exposure to events which occurred prior to the year ended June 30, 2023.

Note 10: OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

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

A. Deficit fund balance of individual funds. The District had the following funds that maintained a deficit fund balance at June 30, 2023:

Major Funds	
Fund 31600 Special Capital Outlay HB-33	$ 714,422
Nonmajor Funds	
Fund 24115 IDEA-B Private Schools Share	117
Fund 24119 21st Century Community Learning Centers	2,367
Fund 24154 Teacher/Principal Training & Recruiting	125,695
Fund 24190 Title I - Comprehensive Support and Improvement (CSI)	865
Fund 26107 Kellogg Fund/Kellogg Foundation	17,271
Fund 27107 27107 GOB Library	7,177
Fund 27149 PreK Initiative	11,318
Fund 27150 Indian Education Act	6,391
Fund 27502 Career Technical Education Program (Pilot)	420
Fund 28211 NM Schools Covid-19 Testing Program DOH	41,204
Total governmental funds	$ 927,247

B. Excess of expenditures over appropriations. The District had the following fund functions with excess of expenditures over appropriations for the year ended June 30, 2023.

Major Funds	
Fund 11000 Operational - instruction	$ 1,577,429
Fund 11000 Operational - Services	971
Fund 41000 Debt Service - support services	6,889
Total governmental funds	$ 1,585,289
Nonmajor Funds	
Fund 24189 Student Supp Academic Title IV - instruction	$ 58,439
Fund 27183 NM Grown Fresh Fruits and Veg - services	37,000
Fund 28217 NM Food Security Appropriation - services	32,100
Total governmental funds	$ 127,539

C. The District had no designated cash appropriations in excess of available balance.

Note 11: PENSION PLAN—EDUCATIONAL RETIREMENT BOARD

General Information about the Pension Plan

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

The Plan is a cost-sharing, multiple-employer pension plan established to provide retirement and disability benefits for certified teachers and other employees of the state's public schools, institutions of higher learning, and state agencies providing educational programs. Additional tenets of the ERA can be found in Section 22-11-1 through 22-11-52, NMSA 1978, as amended.

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

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

Benefits provided - A member's retirement benefit is determined by a formula, which includes three component parts: (1) the member's final average salary (FAS), (2) the number of years of service credit, and (3) a multiplier, which for those who began employment prior to July 1, 2019, is 0.0235. The multiplier is variable for those who began work after July 1, 2019. The FAS is the average of the member's salaries for the last five years of service or any other consecutive five-year period, whichever is greater. A brief summary of Plan coverage provisions follows:

For members employed before July 1, 2010, a member is eligible to retire when one of the following events occurs: the member's age and allowable service credit add up to the sum or 75 or more and those who retire under the age of 60, and who have fewer than 25 years of earned service credit will receive reduced retirement benefits; the member is at least sixty-five years of age and has five or more years of earned service credit; or the member has service credit totaling 25 years or more.

Note 11: PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

General Information about the Pension Plan (Continued)

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

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

Section 22-11-23.3, NMSA 1978 added eligibility requirements for new members who were first employed on or after July 1, 2019, or who were employed before July 1, 2019 but terminated employment and subsequently withdrew all contributions and returned to work for an NMERB employer on or after July 1, 2019. These members must meet one of the following requirements: the member is any age and has thirty or more years of earned service credit; or the member is at least 67 years of age and has 5 or more years of earned service credit; or the sum of the member's age and years of earned service credit equals at least eighty.

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

As of July 1, 2013, for current and future retirees the COLA is immediately reduced until the Plan is 100% funded. The COLA reduction is based on the median retirement benefit of all retirees excluding disability retirements. Retirees with benefits at or below the median and with 25 or more years of service credit will have a 10.00% COLA reduction; their average COLA will be 1.50%. Once the funding is greater than 90%, the COLA reductions will decrease.

Note 11: PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

General Information about the Pension Plan (Continued)

The retirees with benefits at or below the median and with 25 or more years of service credit will have a 5.00% COLA reduction; their average COLA will be 1.70%. Members on disability retirement are entitled to a COLA commencing on July 1 of the third full year following disability retirement. A member on regular retirement who can prove retirement because of a disability may qualify for a COLA beginning July 1 in the third full year of retirement.

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

Contributions - The contribution requirements of plan members and the District are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2023 plan members are required to contribute 9.92% of their gross salary. NMERB is required to contribute 18.24% of the gross covered salary. Plan members whose annual salary is $24,000 or less are required to contribute 7.90% of their gross salary. Plan members whose annual salary exceeded $24,000 are required to contribute 10.70% of their gross salary. Employers contribute 15.15% of the gross covered salary for employees whose annual salary was $24,000 or less, and 15.15% of the gross covered salary for employees whose salary exceeded $24,000. Contributions to the pension plan from the District were $13,502,793 for the year ended June 30, 2023.

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

The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2021. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2022, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2022. At June 30, 2023, the District reported a liability of $168,225,321 for its proportionate share of the net pension liability. The District'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, 2022. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2022, the District's proportion was 1.99784 percent, which was a decrease of 0.03387 percent from its proportion measured as of June 30, 2021.

Note 11: PENSION PLAN—EDUCATIONAL RETIREMENT BOARD (Continued)

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

For the year ended June 30, 2023, the District recognized pension expense of $12,117,431.

At the June 30, 2023, the District 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	$ 6,038,218	$ 2,748,243
Changes in proportion	900,218	3,063,891
Net difference between projected and actual earnings on pension plan investments	31,966,274	35,809,075
Changes of assumptions	28,342,026	93,501,149
District's contributions subsequent to the measurement date	13,502,793	-
Total	$ 80,749,529	$ 135,122,358

$13,502,793 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date of June 30, 2022, will be recognized as a reduction of the net pension liability in the year ended June 30, 2023.

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	
2023	$ (38,711,131)
2024	(28,342,919)
2025	(6,674,772)
2026	5,853,200
Thereafter	-

Actuarial assumptions - The total pension liability, net pension liability, and certain sensitivity information shown in this report are based on actuarial valuation and performed as of June 30, 2021. The total pension liability was rolled forward from the valuation date to June 30, 2022 using generally accepted actuarial principles. There were no significant events or changes in benefit provisions that required an adjustment to the rollforward liabilities as of June 30, 2022. For purposes of projecting future benefits, it is assumed that the full COLA will be paid in all future years.

Note 11: PENSION PLAN—EDUCATIONAL RETIREMENT BOARD (Continued)

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

The total pension liability was rolled forward from the valuation date to June 30, 2022 using generally accepted actuarial principles and incorporated the following changes to the Plan's provisions: Change to the employer contribution rate, which increased the employer contribution by 1% for the fiscal year 2022, resulting in a 15.15% employer contribution rate, by 2% for the fiscal year 2023, resulting in a 17.15% employer rate contribution rate, and by 1% for fiscal years 2024, and forward, resulting in an 18.15% employer contribution rate. As a result of these changes and the excellent performance of the fund for the fiscal year, the discount rate remained 7.00%.

The actuarial methods and assumptions used to determine contributions rates included in the measurement are as follows:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll
Remaining Period	Amortized – closed 30 years from June 30, 2019 to June 30, 2049
Asset Valuation Method	5 year smoothed market
Inflation	2.3%
Salary Increase	Composed of 2.30% inflation, plus 0.70% productivity increase rate, plus step rate promotional increases for members with less than 15 years of service
Investment Rate of Return	7.00%
Retirement Age	Experience based table rates based on age and service, adopted by the Board on April 17, 2020 in conjunction with the six-year experience study for the period ending June 30, 2019.
Mortality	Healthy males: 2020 GRS Southwest Region Teacher Mortality Table, set back one year and scaled at 95%. Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2020. Healthy females: 2020 GRS Southwest Region Teacher Mortality Table, set back one year. Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2020.

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.

Note 11: PENSION PLAN—EDUCATIONAL RETIREMENT BOARD (Continued)

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

Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension plan. The following schedule shows the current asset allocation policy adopted on February 2022.

Comparative Schedule of Target Investment Allocation

Asset Class	Allocation	Policy Target
Equities		
Domestic Equities		
Large cap equities	11.50%	14.00%
Small- mid cap equities	2.00%	3.00%
Total domestic	13.50%	17.00%
International Equities		
Developed	4.30%	5.00%
Emerging markets	6.40%	9.00%
Total international	10.70%	14.00%
Total equities	24.20%	31.00%
Fixed Income		
Opportunistic credit	17.00%	16.00%
Core bonds	4.50%	6.00%
Emerging market debt	1.40%	2.00%
Total fixed income	22.90%	24.00%
Alternatives		
Real estate - REITS	2.10%	2.00%
Real assets	6.50%	6.00%
Private equity	22.70%	15.00%
Global asset allocation	2.50%	2.00%
Risk parity	4.10%	3.00%
Inflation-linked assets	9.50%	9.00%
Other	4.60%	7.00%
Total alternatives	52.00%	44.00%
Cash	1.20%	1.00%
Total	100%	100%

Note 11: PENSION PLAN—EDUCATIONAL RETIREMENT BOARD (Continued)

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

Discount rate - A single discount rate of 7.00% was used to measure the total pension liability as of June 30, 2022. This single discount rate was based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.69%. Based on the stated assumptions and the projection of cash flows, the pension plan's fiduciary net position and future contributions were sufficient to finance all projected future benefit payments of current plan members. As a result, 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.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate - The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the June 30, 2021. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.00%) or one percentage point higher (8.00%) than the single discount rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	$ 228,136,094	$ 168,225,321	$ 118,759,240

Pension plan fiduciary net position - Detailed information about the pension plan's fiduciary net position is available in the separately issued audited financial statements as of and for the year ended June 30, 2022, which is publicly available at www.nmerb.org.

Payables to the pension plan - The District remits the legally required employer and employee contributions on a monthly basis to ERB. The ERB requires that the contributions be remitted by the 15th day of the month following the month for which contributions are withheld.

Note 12: OTHER POST-EMPLOYMENT BENEFITS (OPEB) – NEW MEXICO RETIREE HEALTH CARE FUND

General Information about the Other Post-Employment Benefits Plan

Plan Description - Substantially all of the College's full-time employees are provided with other post-employment benefits (OPEB) through the New Mexico Retiree Health Care Authority (NMRHCA). NMRHCA was created by the state's Retiree Health Care Act, Section 10-7C-1 through 10-7C-16, NMSA 1978, as amended, to administer the New Mexico Retiree Health Care Fund (Plan). The Plan is a cost-sharing, multiple employer defined benefit healthcare plan established to provide comprehensive core group health insurance for persons who have retired from certain public service in New Mexico.

The purpose is to provide eligible retirees (including terminated employees who have accumulated benefits but are not yet receiving them), their spouses, dependents and surviving spouses and dependents with health insurance consisting of a plan or optional plans of benefits that can be purchased by funds flowing into the retiree health care fund and by co-payments or out-of-pocket payments of eligible retirees.

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

The Authority issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the New Mexico Retiree Health Care Authority at 6300 Jefferson Street NE, Suite 150, Albuquerque, NM 87109.

Benefits provided - The Act authorizes the Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service-based subsidy rate schedule for the medical, plus basic life plan, plus an additional participation fee of five dollars ($5) if the eligible participant retired prior to the employer's effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the Authority or viewed on their website at www.nmrhca.org.

Note 12: OTHER POST-EMPLOYMENT BENEFITS (OPEB) – NEW MEXICO RETIREE HEALTH CARE FUND (Continued)

General Information about the Other Post-Employment Benefits Plan (Continued)

Employees covered by benefit terms **-** At June 30, 2022, the Fund's measurement date, the following employees were covered by the benefit terms:

Plan Membership	
Current retirees and surviving spouses	53,092
Inactive and eligible for deferred benefit	11,759
Current active members	92,520
	157,371
Active membership	
State general	18,691
State police and corrections	1,919
Municipal general	20,357
Municipal police	1,573
Municipal FTRE	756
Educational Retirement Board	49,224
	92,520

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

The Act is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4, or 5; municipal fire member coverage plan 3, 4, or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2015, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced plan during the fiscal year ended June 30, 2022, the statute required each participating employer to contribute 2% of each participating employee's annual salary; each participating employee was required to contribute 1% of their salary. In addition, pursuant to Section 10-7C-5(G) NMSA 1978, at the first session of the Legislature following July 1, 2014, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Act.

Note 12: OTHER POST-EMPLOYMENT BENEFITS (OPEB) – NEW MEXICO RETIREE HEALTH CARE FUND (Continued)

General Information about the Other Post-Employment Benefits Plan (Continued)

The District's contributions to the plan for the year ended June 30, 2023 totaled $1,574,913, which equals the required contributions for the year.

At June 30, 2023, the District reported a liability of $30,953,390 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 20212, the District's proportion was 1.33904 percent which was a decrease of 0.00876 percent from June 30, 2021.

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

For the year ended June 30, 2023, the District recognized OPEB benefit of ($5,877,036). At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 514,846	$ 4,587,950
Changes in proportion	3,137,463	1,266,487
Net difference between projected and actual earnings on pension plan investments	426,818	-
Changes of assumptions	6,604,720	22,945,399
District's contributions subsequent to the measurement date	1,574,913	-
Total	$ 12,258,760	$ 28,799,836

$1,574,913 reported as deferred outflows of resources related to OPEB resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2023.

Note 12: OTHER POST-EMPLOYMENT BENEFITS (OPEB) – NEW MEXICO RETIREE HEALTH CARE FUND (Continued)

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

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

Year ended June 30		
2023	$	(5,552,543)
2024		(3,736,779)
2025		(2,031,390)
2026		(4,386,939)
2027		(2,408,338)

Actuarial assumptions - The total OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021. The mortality, retirement, disability, turnover, and salary increase assumptions for PERA members are based on the PERA actuarial valuation as of June 30, 2018 and for ERB members are based on the ERB actuarial valuation as of June 30, 2020. The following actuarial assumptions were applied to the actuary's measurement:

Valuation Date	June 30, 2021
Actuarial cost method	Entry age normal, level percent of pay, calculated on individual employee basis
Asset valuation method	Market value of assets
Actuarial assumptions:	
Inflation	2.30% for ERB member, 2.50% for PERA members
Projected payroll increase	3.25% to 13.00% based on years of service, including inflation
Investment rate of return	7.00%, net of OPEB plan investment expense and margin for adverse deviation, including inflation.
Health care cost trend rate	8% graded down to 4.5% over 14 years for Non-Medicare medical plan costs and 7.5% graded down to 4.5% over 12 for Medicare medical plan costs.

Note 12: OTHER POST-EMPLOYMENT BENEFITS (OPEB) – NEW MEXICO RETIREE HEALTH CARE FUND (Continued)

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

Mortality	ERB members: 2020 GRS Southwest Region Teacher Mortality Table, set back one year (and scaled at 95% for males). Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2020. PERA members: Headcount-Weighted RP-2014 Blue Collar Annuitant Mortality, set forward one year for females, projected generationally with Scale MP-2017 times 60%.

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

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

Note 12: OTHER POST-EMPLOYMENT BENEFITS (OPEB) – NEW MEXICO RETIREE HEALTH CARE FUND (Continued)

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

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

Comparative Schedule of Target Investment Allocation

Asset Class	Target Allocation	Long-Term
U.S. core fixed income	20%	0.4%
U.S. equity - large cap	20%	6.6%
Non U.S. - emerging markets	15%	9.2%
Non U.S. - developed equities	12%	7.3%
Private equity	10%	10.6%
Credit and structured finance	10%	3.1%
Real estate	5%	3.7%
Absolute return	5%	2.5%
U.S. equity - small/mid cap	3%	6.6%

Discount rate - The discount rate used to measure the total OPEB liability is 5.42% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates proportional to the actuary determined contribution rates. For this purpose, employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries are not included. Based on those assumptions, the Authority's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members through the fiscal year ending June 30, 2059. The 7.00% discount rate, which includes the assumed inflation rateof 2.30% for ERB members and 2.50% for PERA members, was used to calculate the net OPEB liability through 2052. Beyond 2059, the index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher (3.54%) was applied. Thus, 5.42% is the blended discount rate.

Basis for Allocation - The employers' proportionate share, reported in the Schedule of Employer Allocations, is calculated using employer contributions for employers that were members of the Authority as of June 30, 2022.

Note 12: OTHER POST-EMPLOYMENT BENEFITS (OPEB) – NEW MEXICO RETIREE HEALTH CARE FUND (Continued)

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

Sensitivity of the District's proportionate share of the net OPEB liability to changes in the discount rate - The following presents the District's proportionate share of the net OPEB liability, calculated using the discount rate of 5.42% as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower 4.42 percent) or 1-percentage-point higher (6.42 percent) than the current discount rate:

	1% Decrease (4.42%)	Current Discount Rate (5.42%)	1% Increase (6.42%)
District's proportionate share of the net OPEB liability	$ 38,519,589	$ 30,953,390	$ 24,920,867

The following presents the Net OPEB Liability of NMRHCA as of June 30, 2022, as well as what the Fund's Net OPEB Liability would be if it were calculated using a health cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the health cost trend rates used:

	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB liability	$ 24,801,724	$ 30,953,390	$ 36,196,220

OPEB plan fiduciary net position - Additional financial information supporting the preparation of the Schedule of Employer Allocations and the Schedule of OPEB Amounts by Employer, including the disclosure of the net OPEB liability and the unmodified audit opinion on the financial statements, is located in the New Mexico Retiree Health Care Authority financial statements for the fiscal year ended June 30, 2022. Additional financial information is available at www.nmrhca.state.nm.us or by contacting New Mexico Retiree Health Care Authority at 6300 Jefferson Street NE, Suite 150, Albuquerque, NM 87109.

Payables to the Pension Plan - The NMRHCA requires that the contributions be remitted by the 15th day of the month following the month for which contributions are withheld. At June 30, 2023, the District recorded a payable to NMRHCA in the amount of $24,429 for the contributions withheld in the months of May and June 2023, which is included in the Accounts Payable on the Statement of Net Position.

Note 13: COMMITMENTS AND CONTINGENCIES

During the ordinary course of its operation, the District is party to various claims, legal actions, and complaints. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of counsel for the District, the liabilities which may arise from such actions would not result in losses which would exceed the liability insurance limits in effect at the time the claim arose or otherwise materially affect the financial condition of the District or results of activities.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund(s). The amount, if any, of expenditures from current or prior years which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts not recorded, if any, to be immaterial.

The District has active construction projects as of June 30, 2023. At year-end, the District's commitments with contractors are as follows:

	Expected Total Project
Bond Project	$ 712,689
Total commitments	$ 712,689

District commitments are funded by PSFA and property tax revenue.

Note 14: CONCENTRATIONS

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

Note 15: RESTRICTED NET POSITION

The government-wide statement of net position reports $23,434,676 of restricted net position, all of which is restricted by enabling legislation. For descriptions of the related restrictions for net position restricted for special revenue, debt service and capital projects, see pages 63-64 and 122-129.

Note 16: FUND BALANCES

Fund balances on the modified accrual basis was classified as follows at June 30, 2023:

	Nonspendable	Restricted	Committed	Unassigned (deficit)
General Fund - 11000, 13000, 15200				
Inventory	$ 299,143	$ -	$ -	$ -
Local Revenue Operational	-	193,550	-	-
Subsequent year's expenditures	-	-	3,700,000	-
Unassigned	-	-	-	1,199,200
Total General Fund	299,143	193,550	3,700,000	1,199,200
Title I IASA - 24101				
Education	-	-	-	-
ARP Act/ESSER III - 24330				
Education	-	-	-	-
Special Capital Outlay HB-33 - 31600				
Unassigned (deficit)	-	-	-	(714,422)
Debt Service - 41000				
Debt Service	-	10,449,394	-	-
Nonmajor Funds				
Inventory	196,591	-	-	-
Prepaids	3,900	-	-	-
Food Service		867,159		
Extracurricular activities	-	1,919,834	-	-
Education	-	2,928,360	-	-
Capital acquisitions and improvements	-	9,551,204	-	-
Debt service	-	43,789	-	-
Unassigned (deficit)	-	-	-	(216,725)
Total Nonmajor Funds	200,491	15,310,346	-	(216,725)
Total fund balances	$ 499,634	$ 25,953,290	$ 3,700,000	$ 268,053

Note 17: TAX ABATEMENTS

Farmington Municipal School District No. 5 had no tax abatement during the year ended June 30, 2023. The District is not subject to any tax abatement agreements entered into by other governmental agencies.

Required Supplementary Information

Farmington Municipal School District No. 5

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Proportionate Share of
the Net Pension Liability
Educational Retirement Board (ERB) Pension Plan
Last 10 Fiscal Years*

	June 30,		
Fiscal Year	**2023**	**2022**	**2021**
Measurement Date	**2022**	**2021**	**2020**
The District's proportion of the net pension liability	1.99784%	2.03171%	2.03841%
The Disticts's proportionate share pension liability (asset)	$ 168,225,321	$ 143,996,770	$ 413,101,925
The District's covered payroll	68,325,550	65,053,865	65,135,350
The District's proportionate share of the net liability (asset)	246.21%	221.35%	634.22%
Plan fiduciary net position as a percentage of the total pension liability	64.87%	69.77%	39.11%

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

See notes to required supplementary information.

June 30,					
2020 **2019**	**2019** **2018**	**2018** **2017**	**2017** **2016**	**2016** **2015**	**2015** **2014**
1.93388%	1.87091%	1.90992%	1.96531%	2.00837%	1.95300%
$ 146,535,937	$ 222,476,100	$ 212,258,352	$ 141,432,228	$ 130,087,473	$ 111,735,344
56,536,623	52,286,029	54,392,248	56,130,511	57,084,325	53,977,809
259.19%	425.50%	390.24%	251.97%	227.89%	207.00%
64.13%	52.17%	52.95%	61.58%	63.97%	66.34%

See notes to required supplementary information.

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Contributions
Educational Retirement Board (ERB) Pension Plan
Last 10 Fiscal Years*

As of and for the Year Ended June 30,	2023	2022	2021
Contractually required contribution	$ 13,502,793	$ 9,605,208	$ 9,197,741
Contributions in relation to the contractually required contribution	(13,502,793)	(9,605,208)	(9,197,741)
The District's covered payroll	79,001,926	68,325,550	65,053,865
Contributions as a percentage of covered payroll	17.09%	14.06%	14.14%

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

See notes to required supplementary information.

2020	2019	2018	2017	2016	2015
$ 9,219,944	$ 7,859,226	$ 7,267,901	$ 7,564,470	$ 7,800,895	$ 7,934,721
(9,219,944)	(7,859,226)	(9,258,813)	(7,564,470)	(7,800,895)	(7,935,390)
65,135,350	56,536,623	52,286,029	54,402,833	56,130,511	57,084,325
14.16%	13.90%	13.90%	13.90%	13.90%	13.90%

See notes to required supplementary information.

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Proportionate Share of the Net OPEB Liability
New Mexico Retiree Health Care Authority (NMRHCA) Plan
Last 10 Fiscal Years*

	June 30,		
Fiscal Year	**2023**	**2022**	**2021**
Measurement Date	**2022**	**2021**	**2020**
The District's proportion of the net OPEB liability	1.33904%	1.34780%	1.37250%
The District's proportionate share of the net OPEB liability	$ 30,953,390	$ 44,347,334	$ 57,630,013
The District's covered payroll	68,325,550	65,053,865	65,135,350
The District's proportionate share of the net OPEB liability as a percentage of its covered payroll	45.30%	68.17%	88.48%
Plan fiduciary net position as a percentage of the total OPEB liability	33.33%	25.39%	16.50%

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

See notes to required supplementary information.

June 30,		
2020	**2019**	**2018**
2019	**2018**	**2017**
1.25719%	1.24545%	1.26702%
$ 40,762,987	$ 54,156,585	$ 57,417,203
56,536,623	52,286,029	54,392,248
72.10%	103.58%	105.56%
18.92%	13.14%	11.34%

See notes to required supplementary information.

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Contributions
New Mexico Retiree Health Care Authority (NMRHCA) Plan
Last 10 Fiscal Years*

As of and for the Year Ended June 30,	2023	2022	2021
Contractually required contributions	$ 1,574,913	$ 1,366,511	$ 1,300,964
Contributions in relation to the contractually required contribution	(1,574,913)	(1,366,511)	(1,300,964)
Contribution deficiency (excess)			$ -
The District's covered payroll	$ 79,001,926	$ 68,325,550	$ 65,053,865
Contributions as a percentage of covered payroll	1.99%	2.00%	2.00%

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

See notes to required supplementary information.

2020	2019	2018
$ 1,302,707	$ 1,129,703	$ 1,044,579
(1,302,707)	(1,129,703)	(1,044,579)
$ -	$ -	$ -
$ 65,135,350	$ 56,536,623	$ 52,286,029
2.00%	2.00%	2.00%

See notes to required supplementary information.

State of New Mexico
Farmington Municipal School District No. 5
Notes to Required Supplementary Information

Educational Retirement Board (ERB) Plan

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

Changes of assumptions. There were not assumption changes since the last actuary valuation.

New Mexico Retiree Health Care Authority (NMRHCA) Plan

Changes of benefit terms. The NMRHCA eligibility benefits changes in recent years are described in Note 1 of the NMRHC FY22 audit available at https://www.nmrhca.org/wp-content/uploads/2023/01/RPTS-05496.019-NMRHCA-6_30_2022-Measurement-GAS-74-Report5745459.2.pdf.

Changes of assumptions. The New Mexico Retiree Healthcare Authority (NMRHCA) Actuarial Valuation as of June 30, 2022 report is available at https://www.nmrhca.org/wp-content/uploads/2022/12/343-Retiree-Health-Care-Authority-FY22-Final-Report.pdf.

See the notes to the financial statements beginning on page 24 which summarizes actuarial assumptions and methods effective with the June 30, 2022 valuation.

Supplementary Information

Farmington Municipal School District No. 5

State of New Mexico
Farmington Municipal School District No. 5
Nonmajor Governmental Fund Descriptions

SPECIAL REVENUE FUNDS

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

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

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

Non-Instructional Support (23000) – To account for funds student fee which are approved by the Board of Education.

Javits Gifted and Talented (24102) – The purpose of this program is to meet the special education needs of gifted and talented students. The major emphasis of the program is on serving students traditionally underrepresented in gifted and talented programs, particularly economically disadvantaged, limited English proficient (LEP), and disabled students, to help reduce the serious gap in achievement among certain groups of students at the highest levels of achievement. Authorization: Elementary and Secondary Education Act of 1965, as amended, Title V, Part D, Subpart 6.

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

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

Education of Homeless (24113) - To ensure that all homeless children and youth have equal access to the same free, appropriate public education available to other children, the Education for Homeless Children and Youth program provides assistance to States, Outlying Areas, and the Department of Interior/Bureau of Indian Education (BIE) to: (1) establish or designate an Office of Coordinator of Education of Homeless Children and Youths; (2) develop and carry out a State plan for the education of homeless children; and (3) make subgrants to local educational agencies to support the education of those children. Authorization: McKinney-Vento Homeless Assistance Act, Title VII, Subtitle B.

State of New Mexico
Farmington Municipal School District No. 5
Nonmajor Governmental Fund Descriptions

SPECIAL REVENUE FUNDS (Continued)

IDEA-B Private Schools Share (24115) – To provide grants to States to assist the States in providing a free appropriate public education to all children with disabilities. The program is funded by the United States government, under the Individuals With Disabilities Act, Part B, Section 619, as amended, Public Laws 94-142, 99-457, 100-630, 101-497, and 101-476.

Fresh Fruit and Vegetables (24118) – To assist States, through cash grants, in providing free fresh fruits and vegetables to school children in designated participating schools beginning in school year 2004/2006. Authorization granted under National School Lunch Act, as amended, 42 U.S.C. 1769.

21st Century Community Learning Centers (24119) – After school adolescence care, providing the community with responsible Child Care, while providing the children and their families with referral services, drug prevention education, academic help, and character building (social skill) activities. Funding is provided by the Department of Education under the Elementary and Secondary Education Act of 1965, Title X, part I Section 10901, Public Law 103-382 Stat. 3844, 20 U.S.C. 8241.

Title I – 1003g (24124) – The objective of this grant is to provide in conjunction with Title I funds for school improvement reserved under section 1003(a) of the ESEA. School Improvement Grants under section 1003(g) of the ESEA are used to improve student achievement in Title I schools identified for improvement, corrective action, or restructuring so as to enable those schools to make adequate yearly progress (A YP) and exit improvement status. Funding is by the Elementary and Secondary Education Act of 1965, as amended, Title I, Part B, Subpart 1.

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

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

Carl D Perkins Secondary - Current (24174), Carl D Perkins Secondary - Redistribution (24176) – Basic grants assist states and outlying areas to expand and improve their programs of vocational education and provide equal access in vocational education to special need populations. Authorized by Carl D. Perkins Vocational and Applied Technology Education Amendments of 1998, Title I, Public Law 105-332, 20 U.S.C. 2301, et seq.

AMP Advancing Measurement at PED (24188) – The purpose of this grant award is to support activities included in the school's Educational Plan for Student Success, or areas in need of improvement, identified through the instructional audit. The program is funded by the United States government, under the Individuals with Disabilities Act, Public Law 108-446 Part B.

State of New Mexico
Farmington Municipal School District No. 5
Nonmajor Governmental Fund Descriptions

SPECIAL REVENUE FUNDS (Continued)

Student Supp Academic Achievement Title IV (24189) – To support well-rounded education opportunities, safe and health students and effective use of technology (ESEA sections 4107, 4108 and 419). Funding is by the US Department of Education, Title IV – Student Support and Academic Enrichment Grants.

Title I - Comprehensive Support and Improvement (CSI) (24190) – To provide targeted, planned intervention in state identified schools, in order to promote school wide positive results. Authority for creation of this fund is Part A of Chapter I of Title I of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

Project Aware 93.243 (24195) – To provide assistance to children in dealing with violence and traumatic events through health and development. Authority for creation of this fund is the Substance Abuse and Mental Health Services through the University of New Mexico Health Sciences Center, Department of Psychiatry and Behavioral Sciences' Division of Community Behavioral Health partnership with the NM Public Education Department.

ARRA - IDEA - B CEIS (24212) – Up to 15% of combined entitlement and preschool funding may be budgeted as per 34 CFR § 300.226. Must be used consistent with the applicable provisions of IDEA-B, as follows: (1) Must be used only to pay the excess costs of providing special education and related services to children with disabilities: (2) Must be used to supplement State. local, and other Federal funds and not to supplant such funds: and (3) Must not be used to reduce an LEA's maintenance of effort (MOE) for the education of children with disabilities below the preceding year's level except as allowed by 34 CFR §§ 300.204 and 205.

CARES Act/ESSER II (24308) – To provide local educational agencies with emergency relief funds to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools. Authority for creation of this fund is the Education Stabilization Fund, a component of the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, 2021.

ESSER II Student and Staff Development (24344) – To help schools to return safely to in-person instruction, maximize in person instructional time, sustain the safe operation of schools, and address the academic, social, emotional, and mental health impacts of the COVID-19 pandemic on New Mexico's students. Authority for creation of this fund is the Education Stabilization Fund, a component of the American Rescue Plan (ARP) Act.

IDEA Act/American Rescue Plan Act of 2021 (24346) – To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all students with disabilities. Funding authorized by the American Rescue Plan Act.

State of New Mexico
Farmington Municipal School District No. 5
Nonmajor Governmental Fund Descriptions

SPECIAL REVENUE FUNDS (Continued)

ARP Act, ESSER III – Homeless Children and Youth Retention Stipends (24350) – The objective of the ARP-HCY I fund is to provide local educational agencies with relief funds to help schools return safely to in-person instruction, and sustaining safe operations while meeting academic, social, emotional, and mental health impacts the COVID-19 Pandemic has had, and continues to have, on elementary and secondary schools students. Authority for creation of this fund is the Education Stabilization Fund, a component of the American Rescue Plan (ARP) Act, 2021.

ARP II - Emergency Relief Fund Homeless Children and Youth (24355) – The objective of the ARP-HCY II fund is to provide local educational agencies with relief funds to address the impact the COVID-19 Pandemic has had, and continues to have, on elementary and secondary schools. Authority for creation of this fund is the Education Stabilization Fund, a component of the American Rescue Plan (ARP) Act, 2021.

Johnson O'Malley (25131) - The Johnson O'Malley project provides supplemental programs in special education and other special needs for New Mexico public schools where eligible Indian children are enrolled. Funding is provided by the Department of the Interior, Bureau of Indian Affairs, through the Navajo Tribe, under the Johnson O'Malley Act of April 16, 1934; as amended 25 U.S.C. 452, Public Law 93 638; 25 U.S.C. 455-457.

Impact Aid Special Education (25145), **Impact Aid Indian Education (25147)** – To account for funding of a Federal program to provide financial assistance to local educational agencies (LEA's) where enrollments or availability of revenue are adversely affected by Federal activities, i.e., where the tax base of a district is reduced through the Federal acquisition of real property (Section 2), or where there are a significant number of children who reside on Federal (including Indian) lands and/or children whose parents are employed on Federal property or in the Uniformed Services (Section 3(a) and 3(b)): where there is a significant decrease (Section 3(c)) or a sudden and substantial increase (Section 4) in school enrollment as the result of Federal activities; to provide disaster assistance for reduced or increased operating costs (Section 7(a)), for replacing or repairing damaged or destroyed supplies, equipment, and books, and for repairing minor damage to facilities. Funding authorized by Public Law 81-874.

Title XIX Medicaid 3/21 Years (25153) – This fund is used to account for a program providing school-based screening, diagnostic services and other related health services and administrative activities in conformance with the approved Medicaid State Plan in order to improve health and developmental outcomes for children. Authority for the creation of this fund is the Social Security Act, Title XIX, as amended; Public Laws 89-97, 90-248, and 91-56; 42 U.S.C. 1396 et seq., as amended; Public Law 92-223; Public Law 92-603; Public Law 93-66; Public Law 93-233; Public Law 96-499; Public Law 97-35; Public Law 97-248; Public Law 98-369; Public Law 99-272; Public Law 99-509; Public Law 100-93; Public Law 100-202; Public Law 100-203; Public Law100-360; Public Law 100-436; Public Law 100-485; Public Law 100-647; Public Law 101-166; Public Law 101-234; Public Law 101-239; Public Law 101-508; Public Law 101-517; Public Law 102-234; Public Law 102-170; Public Law 102-394; Public Law 103-66; Public Law 103-112; Public Law 103-333; Public Law 104-91; Public Law 104-191; Public Law 104-193; Public Law 104-208,104-134; Balanced Budget Act of 1997, Public Law 105-33; Public Law 106-113; Public Law 106-554; Public Law 108-27; Public Law 108-173; Public Law 109-91; Public Law 109-171; Public Law 109-432; Public Law 110-28.

State of New Mexico
Farmington Municipal School District No. 5
Nonmajor Governmental Fund Descriptions

SPECIAL REVENUE FUNDS (Continued)

Indian ED Formula Grant (25184) – The purpose of this program is to support projects which improve educational opportunities and achievement of Native American children. Funding is provided by the Federal Government, under the Elementary and Secondary Education Act of 1965, Title IX, Part A, Subpart 1, as amended, Public Law 103-382, 20 U.S.C. 7811-7818; 25 U.S.C. 2002.

Mentoring For Safe Schools (25187) – To provide funding to state, local, community, and national organizations to propose the enhancement or expansion of initiatives that will assist in the development and maturity of community programs to provide mentoring services to high-risk populations that are underserved due to location, shortage of mentors, special physical or mental challenges of the targeted population, or other analogous situations identified by the community in need of mentoring services.

Native American Program (25248) – To bring school-wide classroom reading instruction and targeted intervention for Limited English Proficient (LEP) students where the native language is Navajo.

REC/District Fiscal Agent (26107) – The purpose of this program is to use funds made available through the American Rescue Plan Act to promote two major goals: 1. Create a new teacher/educator pipeline for schools in New Mexico. 2. Improve adult-to-student ratios in classrooms as the state recovers from the COVID-19 pandemic. Improving the ratio allows educators to provide targeted small group intervention for a broad range of needs. Authority for the creation of this fund is the New Mexico Public Education Department.

Kellogg Fund/Kellogg Foundation (26121) – This grant will expand evidence-based parent education and family support programs targeting vulnerable families in select New Mexico neighborhoods to promote parental knowledge of child development needs and parental advocacy skills.

Emergency Connectively Fund FCC (26222) – This grant was to help cover reasonable costs of laptop and tablet computers; Wi-Fi hotspots; modems; routers; and broadband connectivity purchases for off-campus use by students and school staff by the Universal Service Administrative Company, through a component of the American Rescue Plan (ARP) Act, 2021.

27107 GOB Library (27107) – To account for funds provided for the purpose of acquiring library books, equipment, and library resources for public school and state-supported school libraries statewide. Authority for the creation of this fund is the New Mexico Public Education Department.

Instructional Material – Special Appropriations (27109) – The purpose of this grant award is provide high-quality, culturally and linguistically relevant instructions materials. The funding was made available through special and supplemental appropriations passed during the 2019 legislative session.

State of New Mexico
Farmington Municipal School District No. 5
Nonmajor Governmental Fund Descriptions

SPECIAL REVENUE FUNDS (Continued)

New Mexico Reads To Lead K-3 (27114) – Provides an aligned approach for districts and schools to ensure that children can read by the end of third grade-giving them essential skills for future career and college success. It also provides regional and district reading coaches, supports for intervention, and professional development for parents, teachers, reading coaches, and administrators.

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

Indian Education Act (27150) – To increase academic achievement and provide culturally relevant learning experiences for American Indian students; to establish collaborative partnerships that engage active participation of American Indian parents, students, tribe(s), community-based organizations, universities, private sector and/ or other entities who work with American Indian students; to establish a parent community advisory committee to participate in the development of an Indigenous curriculum framework and to profile Indigenous best practices.

Breakfast for Elementary Students (27155) – The Breakfast for Elementary School program provides foods (at no charge) after the instructional day has begun, provided that instruction occurs simultaneously with breakfast. Authorized through 22-13-13.2 NMSA 1978; NMAC 6.12.9.

Libraries GO Bond 2006 (27170) – Funding made available to update and expand library collections.

Schools Buses (27178) – Funds to public school districts to replace public school buses. Authority for the creation of the fund is Senate Bill 60, Severance Tax Bond Projects 2013.

NM Grown FVV (27183) – This funding is to be used in promoting a healthy nutrition plan while stimulating local economy.

School Lunch Co-Pay - Laws of 2020 (27201) – State funding meant to lessen the burden of the strained community resources by subsidizing the cost of School Lunch Co-pay.

Open Sci Ed Expansion Initiative (27202) –The purpose of this grant award is to expand Science Education curriculum. The funding was made available through New Mexico State Appropriations.

Public School Bus Cameras (27405) – The purpose of this grant award is to provide district owned school bus cameras. This was made available through the New Mexico Public Education Department, NM Laws of 2021, HB-285, Chapter 138, Section 17, Paragraph 172.

State of New Mexico
Farmington Municipal School District No. 5
Nonmajor Governmental Fund Descriptions

SPECIAL REVENUE FUNDS (Continued)

Family Income Index (27407) – The purpose of this grant award is to provide student support and services to schools serving the highest concentration of students living in poverty through literacy interventions, math interventions, and other student support and services. Authority for the creation of this fund is the New Mexico Public Education Department.

Native American Language Certificate Salaries (27411) – Funds are to be used to increase salaries for teachers who hold a Native American Language and Culture certificate. The funding was made available through special and supplemental appropriations passed during the 2022 legislative session.

Career Technical Education Program (Pilot) (27502) – Funds are to be used for (1) to support Local Educational Agencies (LEAs) with the cost of Career Technical Education (CTE) programs of study, (2) to provide relevant career exploration, and (3) to provide other CTE-related supports. Authorization: 2019 New Mexico House Bill 91.

Youth Conservation Corp NMEMNR (28133) – Allows for students to participate in conservation programs at National, State and City Parks as well as study time for academic programs.

GEAR-UP CHE (28178) – Funds to provide tutoring for students needing specialized help at the mid-school level.

NM Schools Covid-19 Testing Program DOH (28211) – The purpose of the NM Schools COVID-19 Testing grant is to support the prevention, mitigation, and response of COVID-19 through screening and testing students and staff. This funding was made available by the New Mexico Department of Health under the NM Schools COVID-19 Testing Program.

NM Food Security Appropriation/Statewide Hunger Initiative (28217) – The purpose of this funding is to a vehicle, trailer, or water tank and supplies to assist in properly washing and cleaning locally grown produce of small growers in primarily the Shiprock area. This funding was made available by the State of New Mexico's statewide hunger initiative appropriation.

Westmeath Foundation (29102) – Exclusively for the Exceptional Programs Office to use only for educational, scientific, or literary purposes.

CAPITAL PROJECTS FUNDS

Bond Building (31100) – This fund provides financing for the construction of buildings, the purchase of equipment, and the acquisition and improvement of land. Funding is provided by the sale of general obligation bonds, which have been approved by the voters of the district.

State of New Mexico
Farmington Municipal School District No. 5
Nonmajor Governmental Fund Descriptions

CAPITAL PROJECTS FUNDS (Continued)

Special Capital Outlay – Local (31200) –This fund is used to account for funding from the Public School Capital Outlay Council. These funds are used to remodel, erect, refurbish, purchase or improve school grounds, or any combination thereof as determined by the PSCOC.

Special Capital Outlay - Local (31300) – This fund is used to account for revenues that are derived from local sources such as the sale of a building.

Special Capital Outlay - State (31400) – This fund provides financing for special appropriation monies received from the State of New Mexico under Chapter 367, Laws of 1993.

Capital Improvements SB-9 - Local (31701) – This fund provides financing for the purchase of equipment and capital improvements to School District property. Funding is received from a 2 mil property tax levy and interest earned on investments, under New Mexico Senate Bill 9.

Capital Improvements SB-9 State Match Cash (31703) – To account for resources received through Senate Bill 9 and local tax levies obtained for the purpose of building, remodeling, and equipping classroom facilities. Funding authority is the New Mexico Public Education Department.

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

DEBT SERVICE FUNDS

Ed. Tech (43000) – Used to account for the accumulation of resources for and the payment of, general long-term debt principal, interest, and related costs associated with the Education Technology bond issues.

State of New Mexico
Farmington Municipal School District No. 5
Combining Balance Sheet
Nonmajor Governmental Funds

	Special Revenue			
June 30, 2023	Food Services 21000	Athletics 22000	Non-Instructional Support 23000	Javits Gifted and Talented 24102
Assets				
Cash and cash equivalents	$ 953,221	$ 381,739	$ 1,640,469	$ 1,610
Investments	-	-	-	-
Receivables				
Property taxes	-	-	-	-
Intergovernmental	844,197	-	-	-
Prepaids	-	-	-	-
Inventory	196,591	-	-	-
Total assets	$ 1,994,009	$ 381,739	$ 1,640,469	$ 1,610
Liabilities, deferred inflows of resources, and fund balances				
Liabilities				
Accounts payable	$ 919,215	$ 1,831	$ 96,722	$ -
Accrued payroll	11,044	-	3,786	-
Unearned revenue	-	-	-	1,610
Due to other funds	-	35	-	-
Total liabilities	930,259	1,866	100,508	1,610
Deferred inflows of resources				
Unavailable revenue - property taxes	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund balances				
Nonspendable	196,591	-	-	-
Spendable				
Restricted	867,159	379,873	1,539,961	-
Unassigned (deficit)	-	-	-	-
Total fund balances	1,063,750	379,873	1,539,961	-
Total liabilities, deferred inflows of resources, and fund balances	$ 1,994,009	$ 381,739	$ 1,640,469	$ 1,610

Special Revenue						
Entitlement IDEA-B 24106	Preschool IDEA-B 24109	Education of Homeless 24113	IDEA-B Private Schools Share 24115	Fresh Fruit and Vegetables 24118	21st Century Community Learning Centers 24119
$ 59,788	$ 35,676	$ 28,342	$ -	$ -	$ 241
-	-	-	-	-	-
-	-	-	-	-	-
108,340	-	786	-	88,241	128,770
-	-	-	-	-	-
-	-	-	-	-	-
$ 168,128	$ 35,676	$ 29,128	$ -	$ 88,241	$ 129,011
$ 34,911	$ 17,886	$ 29,128	$ -	$ 13,793	$ 1
59,788	2,450	-	-	-	241
-	-	-	-	-	-
73,429	15,340	-	117	74,448	131,136
168,128	35,676	29,128	117	88,241	131,378
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(117)	-	(2,367)
-	-	-	(117)	-	(2,367)
$ 168,128	$ 35,676	$ 29,128	$ -	$ 88,241	$ 129,011

(Continued)

State of New Mexico
Farmington Municipal School District No. 5
Combining Balance Sheet
Nonmajor Governmental Funds

	Special Revenue			
June 30, 2023	Title I - 1003g 24124	English Language Acquisition 24153	Teacher/ Principal Training & Recruiting 24154	Carl D Perkins Secondary - Current 24174
Assets				
Cash and cash equivalents	$ 52,701	$ 8,964	$ 1,883	$ -
Investments	-	-	-	-
Receivables				
Property taxes	-	-	-	-
Intergovernmental	-	60,966	28,855	65,589
Prepaids	-	-	3,900	-
Inventory	-	-	-	-
Total assets	$ 52,701	$ 69,930	$ 34,638	$ 65,589
Liabilities, deferred inflows of resources, and fund balances				
Liabilities				
Accounts payable	$ -	$ 68,914	$ 1,121	$ 23,259
Accrued payroll	-	1,016	1,883	-
Unearned revenue	52,701	-	-	-
Due to other funds	-	-	157,329	42,330
Total liabilities	52,701	69,930	160,333	65,589
Deferred inflows of resources				
Unavailable revenue - property taxes	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund balances				
Nonspendable	-	-	3,900	-
Spendable				
Restricted	-	-	-	-
Unassigned (deficit)	-	-	(129,595)	-
Total fund balances	-	-	(125,695)	-
Total liabilities, deferred inflows of resources, and fund balances	$ 52,701	$ 69,930	$ 34,638	$ 65,589

Special Revenue						
Carl D Perkins Secondary - Redistribution 24176	AMP Advancing Measurement at PED 24188	Student Supp Academic Achievement Title IV 24189	Title I - Comprehensive Support and Improvement (CSI) 24190	Project Aware 93.243 24195	ARRA - IDEA-B CEIS 24212
$ -	$ -	$ 791	$ -	$ 5,773	$ 55
-	-	-	-	-	-
-	-	-	-	-	-
617	-	113,102	-	22,420	-
-	-	-	-	-	-
-	-	-	-	-	-
$ 617	$ -	$ 113,893	$ -	$ 28,193	$ 55
$ -	$ -	$ 7,126	$ 850	$ 807	$ -
-	-	611	-	5,773	-
-	-	-	-	-	55
617	-	106,156	15	21,613	-
617	-	113,893	865	28,193	55
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(865)	-	-
-	-	-	(865)	-	-
$ 617	$ -	$ 113,893	$ -	$ 28,193	$ 55

(Continued)

State of New Mexico
Farmington Municipal School District No. 5
Combining Balance Sheet
Nonmajor Governmental Funds

	Special Revenue			
June 30, 2023	CARES Act/ESSER II 24308	ESSER II Student and Staff Development 24344	IDEA Act/American Rescue Plan Act of 2021 24346	ESSER III – Homeless Children and Youth Retention 24350
Assets				
Cash and cash equivalents	$ -	$ -	$ 199	$ 30
Investments	-	-	-	-
Receivables				
Property taxes	-	-	-	-
Intergovernmental	387,522	122,796	115,998	17,330
Prepaids	-	-	-	-
Inventory	-	-	-	-
Total assets	$ 387,522	$ 122,796	$ 116,197	$ 17,360
Liabilities, deferred inflows of resources, and fund balances				
Liabilities				
Accounts payable	$ 59	$ -	$ 17,926	$ 330
Accrued payroll	-	-	199	30
Unearned revenue	-	-	-	-
Due to other funds	387,463	122,796	98,072	17,000
Total liabilities	387,522	122,796	116,197	17,360
Deferred inflows of resources				
Unavailable revenue - property taxes	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund balances				
Nonspendable	-	-	-	-
Spendable				
Restricted	-	-	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances	-	-	-	-
Total liabilities, deferred inflows of resources, and fund balances	$ 387,522	$ 122,796	$ 116,197	$ 17,360

Special Revenue						
Emergency Relief Fund Homeless Children and Youth 24355	Johnson O'Malley 25131	Impact Aid Special Education 25145	Impact Aid Indian Education 25147	Title XIX Medicaid 3/21 Years 25153	Indian ED Formula Grant 25184
$ -	$ 1,877	$ 264,854	$ 163,683	$ 2,322,107	$ 42,233
-	-	-	-	-	-
-	-	-	-	-	-
14,671	147,625	-	-	137,321	-
-	-	-	-	-	-
-	-	-	-	-	-
$ 14,671	$ 149,502	$ 264,854	$ 163,683	$ 2,459,428	$ 42,233
$ 1	$ 6,133	$ -	$ 13,151	$ 10,555	$ 1,224
-	1,877	-	-	9,898	18,194
-	-	-	-	-	-
14,670	136,406	-	-	-	-
14,671	144,416	-	13,151	20,453	19,418
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	5,086	264,854	150,532	2,438,975	22,815
-	-	-	-	-	-
-	5,086	264,854	150,532	2,438,975	22,815
$ 14,671	$ 149,502	$ 264,854	$ 163,683	$ 2,459,428	$ 42,233

(Continued)

State of New Mexico
Farmington Municipal School District No. 5
Combining Balance Sheet
Nonmajor Governmental Funds

	Special Revenue			
June 30, 2023	Mentoring For Safe Schools 25187	Native American Program 25248	REC/District Fiscal Agent 26107	Kellogg Fund/ Kellogg Foundation 26121
Assets				
Cash and cash equivalents	$ 1	$ -	$ 3,966	$ 6,506
Investments	-	-	-	-
Receivables				
Property taxes	-	-	-	-
Intergovernmental	-	-	-	-
Prepaids	-	-	-	-
Inventory	-	-	-	-
Total assets	$ 1	$ -	$ 3,966	$ 6,506
Liabilities, deferred inflows of resources, and fund balances				
Liabilities				
Accounts payable	$ -	$ -	$ 127	$ 3
Accrued payroll	-	-	3,966	1,622
Unearned revenue	-	-	-	-
Due to other funds	-	-	17,144	-
Total liabilities	-	-	21,237	1,625
Deferred inflows of resources				
Unavailable revenue - property taxes	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund balances				
Nonspendable	-	-	-	-
Spendable				
Restricted	1	-	-	4,881
Unassigned (deficit)	-	-	(17,271)	-
Total fund balances	1	-	(17,271)	4,881
Total liabilities, deferred inflows of resources, and fund balances	$ 1	$ -	$ 3,966	$ 6,506

	Special Revenue					
Emergency Connectivity Fund FCC 26222	27107 GOB Library 27107	Instructional Materials - Special Appropriations 27109	New Mexico Reads To Lead K-3 27114	PreK Initiative 27149	Indian Education Act 27150
$ 1,053,149	$ -	$ 556	$ 4,130	$ 17,079	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	2,781	-	-	337,680	64,218
-	-	-	-	-	-
-	-	-	-	-	-
$ 1,053,149	$ 2,781	$ 556	$ 4,130	$ 354,759	$ 64,218
$ 1,053,148	$ -	$ -	$ 2,507	$ 10,496	$ -
-	-	-	-	17,079	-
-	-	-	-	-	-
-	9,958	-	1,553	338,502	70,609
1,053,148	9,958	-	4,060	366,077	70,609
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1	-	556	70	-	-
-	(7,177)	-	-	(11,318)	(6,391)
1	(7,177)	556	70	(11,318)	(6,391)
$ 1,053,149	$ 2,781	$ 556	$ 4,130	$ 354,759	$ 64,218

(Continued)

State of New Mexico
Farmington Municipal School District No. 5
Combining Balance Sheet
Nonmajor Governmental Funds

	Special Revenue			
June 30, 2023	Breakfast for Elementary Students 27155	Libraries GO Bond 2006 27170	School Buses 27178	NM Grown FVV 27183
Assets				
Cash and cash equivalents	$ 2,729	$ 2,431	$ -	$ -
Investments	-	-	-	-
Receivables				
Property taxes	-	-	-	-
Intergovernmental	-	-	-	-
Prepaids	-	-	-	-
Inventory	-	-	-	-
Total assets	$ 2,729	$ 2,431	$ -	$ -
Liabilities, deferred inflows of resources, and fund balances				
Liabilities				
Accounts payable	$ -	$ -	$ -	$ -
Accrued payroll	-	-	-	-
Unearned revenue	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	-	-	-	-
Deferred inflows of resources				
Unavailable revenue - property taxes	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund balances				
Nonspendable	-	-	-	-
Spendable				
Restricted	2,729	2,431	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances	2,729	2,431	-	-
Total liabilities, deferred inflows of resources, and fund balances	$ 2,729	$ 2,431	$ -	$ -

Special Revenue						
School Lunch Co-Pay - Laws of 2020 27201	Open Sci Ed Expansion Initiative 27202	Public School Bus Cameras 27405	Family Income Index 27407	Native American Language Certificate Salaries 27411	Career Technical Education Program (Pilot) 27502
$ -	$ -	$ -	$ 23,879	$ 500	$ -
-	-	-	-	-	-
-	-	-	-	-	-
2,925	-	-	235,382	-	103,210
-	-	-	-	-	-
-	-	-	-	-	-
$ 2,925	$ -	$ -	$ 259,261	$ 500	$ 103,210
$ -	$ -	$ -	$ 67	$ -	$ 420
-	-	-	23,879	-	-
-	-	-	-	-	-
2,925	-	-	235,315	-	103,210
2,925	-	-	259,261	-	103,630
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	500	-
-	-	-	-	-	(420)
-	-	-	-	500	(420)
$ 2,925	$ -	$ -	$ 259,261	$ 500	$ 103,210

(Continued)

State of New Mexico
Farmington Municipal School District No. 5
Combining Balance Sheet
Nonmajor Governmental Funds

	Special Revenue			
June 30, 2023	Youth Conservation Corp NMEMNR 28133	GEAR-UP CHE 28178	NM Schools Covid-19 Testing Program DOH 28211	Security Appropriation /Statewide Hunger Initiative 28217
Assets				
Cash and cash equivalents	$ 29,969	$ 1,546	$ 1,724	$ -
Investments	-	-	-	-
Receivables				
Property taxes	-	-	-	-
Intergovernmental	-	-	-	48,560
Prepaids	-	-	-	-
Inventory	-	-	-	-
Total assets	$ 29,969	$ 1,546	$ 1,724	$ 48,560
Liabilities, deferred inflows of resources, and fund balances				
Liabilities				
Accounts payable	$ -	$ -	$ 697	$ -
Accrued payroll	-	-	1,724	-
Unearned revenue	-	-	-	-
Due to other funds	-	-	40,507	45,646
Total liabilities	-	-	42,928	45,646
Deferred inflows of resources				
Unavailable revenue - property taxes	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund balances				
Nonspendable	-	-	-	-
Spendable				
Restricted	29,969	1,546	-	2,914
Unassigned (deficit)	-	-	(41,204)	-
Total fund balances	29,969	1,546	(41,204)	2,914
Total liabilities, deferred inflows of resources, and fund balances	$ 29,969	$ 1,546	$ 1,724	$ 48,560

Special Revenue	Capital Projects					
Westmeath Foundation 29102	Bond Building 31100	Special Capital Outlay - Local 31200	Special Capital Outlay - Local 31300	Special Capital Outlay - State 31400	Capital Improvements SB-9 - Local 31701
$ 500	$ 685,745	$ 2,142,496	$ 301,513	$ 48,375	$ 1,606,860
-	3,142,922	-	-	-	-
-	-	-	-	-	244,834
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ 500	$ 3,828,667	$ 2,142,496	$ 301,513	$ 48,375	$ 1,851,694
$ -	$ -	$ -	$ -	$ -	$ 759,698
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	759,698
-	-	-	-	-	200,699
-	-	-	-	-	200,699
-	-	-	-	-	-
500	3,828,667	2,142,496	301,513	48,375	891,297
-	-	-	-	-	-
500	3,828,667	2,142,496	301,513	48,375	891,297
$ 500	$ 3,828,667	$ 2,142,496	$ 301,513	$ 48,375	$ 1,851,694

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State of New Mexico
Farmington Municipal School District No. 5
Combining Balance Sheet
Nonmajor Governmental Funds

	Capital Projects		Debt Service	
June 30, 2023	SB-9 State Match Cash 31703	Ed. Technology Equipment Act 31900	Ed. Tech 43000	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	$ 2,076,123	$ 479,028	$ -	$ 14,455,041
Investments	-	-	196,477	3,339,399
Receivables				
Property taxes	-	-	83,765	328,599
Intergovernmental	-	-	-	3,199,902
Prepaids	-	-	-	3,900
Inventory	-	-	-	196,591
Total assets	$ 2,076,123	$ 479,028	$ 280,242	$ 21,523,432
Liabilities, deferred inflows of resources, and fund balances				
Liabilities				
Accounts payable	$ -	$ 216,295	$ -	$ 3,308,401
Accrued payroll	-	-	-	165,060
Unearned revenue	-	-	-	54,366
Due to other funds	-	-	169,047	2,433,388
Total liabilities	-	216,295	169,047	5,961,215
Deferred inflows of resources				
Unavailable revenue - property taxes	-	-	67,406	268,105
Total deferred inflows of resources	-	-	67,406	268,105
Fund balances				
Nonspendable	-	-	-	200,491
Spendable				
Restricted	2,076,123	262,733	43,789	15,310,346
Unassigned (deficit)	-	-	-	(216,725)
Total fund balances	2,076,123	262,733	43,789	15,294,112
Total liabilities, deferred inflows of resources, and fund balances	$ 2,076,123	$ 479,028	$ 280,242	$ 21,523,432

State of New Mexico
Farmington Municipal School District No. 5
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds

	Special Revenue			
For the Year Ended June 30, 2023	**Food Service 21000**	**Athletics 22000**	**Non-Instructional Support 23000**	**Javits Gifted and Talented 24102**
Revenues				
Property taxes	$ -	$ -	$ -	$ -
Oil and gas taxes	-	-	-	-
Intergovernmental				
Federal flowthrough	5,985,217	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	312,200	-	-	-
Charges for services	609,527	553,500	2,027,884	-
Investment income	163	-	-	-
Miscellaneous	-	1,455	24,987	-
Total revenues	6,907,107	554,955	2,052,871	-
Expenditures				
Current				
Instruction	-	442,590	1,932,531	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	6,750,267	-	-	-
Capital outlay	309,158	-	-	-
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Total expenditures	7,059,425	442,590	1,932,531	-
Excess (deficiency) of revenues over expenditures	(152,318)	112,365	120,340	-
Other financing sources				
Proceeds from sale of capital assets	-	-	-	-
Leases, SBITA's, or bond proceeds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(152,318)	112,365	120,340	-
Fund balances - beginning of year, as orginally stated	1,216,068	267,508	1,419,621	-
Fund balances - restatement (note 2)	-	-	-	-
Fund balances - beginning of year	1,216,068	267,508	1,419,621	-
Fund balances - end of year	$ 1,063,750	$ 379,873	$ 1,539,961	$ -

Special Revenue					
Entitlement IDEA-B 24106	Preschool IDEA-B 24109	Education of Homeless 24113	IDEA-B Private Schools Share 24115	Fresh Fruit and Vegetables 24118	21st Century Community Learning Centers 24119
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
2,620,462	65,028	15,000	-	184,179	313,272
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,620,462	65,028	15,000	-	184,179	313,272
361,082	65,028	15,000	-	-	266,907
1,654,671	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	40,365
604,709	-	-	-	-	-
-	-	-	-	-	6,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	184,179	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,620,462	65,028	15,000	-	184,179	313,272
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(117)	-	(2,367)
-	-	-	-	-	-
-	-	-	(117)	-	(2,367)
$ -	$ -	$ -	$ (117)	$ -	$ (2,367)

(Continued)

State of New Mexico
Farmington Municipal School District No. 5
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds

	Special Revenue			
For the Year Ended June 30, 2023	**Title I - 1003g 24124**	**English Language Acquisition 24153**	**Teacher/ Principal Training & Recruiting 24154**	**Carl D Perkins Secondary - Current 24174**
Revenues				
Property taxes	$ -	$ -	$ -	$ -
Oil and gas taxes	-	-	-	-
Intergovernmental				
Federal flowthrough	-	82,787	333,798	138,605
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	82,787	333,798	138,605
Expenditures				
Current				
Instruction	-	76,116	194,225	102,357
Support services - students	-	5,000	132,858	-
Support services - instruction	-	-	-	-
Support services - general administration	-	1,671	6,715	2,798
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	33,450
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Total expenditures	-	82,787	333,798	138,605
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources				
Proceeds from sale of capital assets	-	-	-	-
Leases, SBITA's, or bond proceeds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balances - beginning of year, as orginally stated	-	-	(125,695)	-
Fund balances - restatement (note 2)	-	-	-	-
Fund balances - beginning of year	-	-	(125,695)	-
Fund balances - end of year	$ -	$ -	$ (125,695)	$ -

Special Revenue						
Carl D Perkins Secondary - Redistribution 24176	AMP Advancing Measurement at PED 24188	Student Supp Academic Achievement Title IV 24189	Title I - Comprehensive Support and Improvement (CSI) 24190	Project Aware 93.243 24195	ARRA - IDEA-B CEIS 24212
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	214,127	-	163,787	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	214,127	-	163,787	-
-	-	148,881	-	-	-
-	-	65,246	-	163,787	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	214,127	-	163,787	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(865)	-	-
-	-	-	-	-	-
-	-	-	(865)	-	-
$ -	$ -	$ -	$ (865)	$ -	$ -

(Continued)

State of New Mexico
Farmington Municipal School District No. 5
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds

	Special Revenue			
For the Year Ended June 30, 2023	**CARES Act/ESSER II 24308**	**ESSER II Student and Staff Development 24344**	**IDEA Act/American Rescue Plan Act of 2021 24346**	**ARP Act, ESSER III – Homeless Children and Youth 24350**
Revenues				
Property taxes	$ -	$ -	$ -	$ -
Oil and gas taxes	-	-	-	-
Intergovernmental				
Federal flowthrough	501,959	122,796	137,236	32,218
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	501,959	122,796	137,236	32,218
Expenditures				
Current				
Instruction	11,496	120,317	134,820	32,218
Support services - students	399,002	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	91,461	2,479	2,416	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Total expenditures	501,959	122,796	137,236	32,218
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources				
Proceeds from sale of capital assets	-	-	-	-
Leases, SBITA's, or bond proceeds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balances - beginning of year, as orginally stated	-	-	-	-
Fund balances - restatement (note 2)	-	-	-	-
Fund balances - beginning of year	-	-	-	-
Fund balances - end of year	$ -	$ -	$ -	$ -

Special Revenue					
ARP II - Emergency Relief Fund Homeless Children and Youth 24355	Johnson O'Malley 25131	Impact Aid Special Education 25145	Impact Aid Indian Education 25147	Title XIX Medicaid 3/21 Years 25153	Indian ED Formula Grant 25184
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
34,099	-	-	-	-	-
-	573,595	92,247	193,264	1,825,304	819,162
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
34,099	573,595	92,247	193,264	1,825,304	819,162
33,376	211,546	-	24,333	-	7,306
723	86,852	3,626	28,053	2,594,311	522,530
-	-	-	-	82,479	-
-	19,926	-	-	9,473	130,915
-	4,408	-	-	-	135,596
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	263,600	-
-	-	-	-	-	-
-	-	-	-	-	-
34,099	322,732	3,626	52,386	2,949,863	796,347
-	250,863	88,621	140,878	(1,124,559)	22,815
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	250,863	88,621	140,878	(1,124,559)	22,815
-	(245,777)	176,233	9,654	3,563,534	-
-	-	-	-	-	-
-	(245,777)	176,233	9,654	3,563,534	-
$ -	$ 5,086	$ 264,854	$ 150,532	$ 2,438,975	$ 22,815

(Continued)

State of New Mexico
Farmington Municipal School District No. 5
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds

	Special Revenue			
For the Year Ended June 30, 2023	**Mentoring For Safe Schools 25187**	**Native American Program 25248**	**REC/District Fiscal Agent 26107**	**Kellogg Fund/Kellogg Foundation 26121**
Revenues				
Property taxes	$ -	$ -	$ -	$ -
Oil and gas taxes	-	-	-	-
Intergovernmental				
Federal flowthrough	-	-	-	-
Federal direct	-	3,347	-	-
Local sources	-	-	-	100,000
State flowthrough	-	-	-	-
State direct	-	-	185,594	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	3,347	185,594	100,000
Expenditures				
Current				
Instruction	-	-	202,865	129,807
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Total expenditures	-	-	202,865	129,807
Excess (deficiency) of revenues over expenditures	-	3,347	(17,271)	(29,807)
Other financing sources				
Proceeds from sale of capital assets	-	-	-	-
Leases, SBITA's, or bond proceeds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	3,347	(17,271)	(29,807)
Fund balances - beginning of year, as orginally stated	1	(3,347)	-	34,688
Fund balances - restatement (note 2)	-	-	-	-
Fund balances - beginning of year	1	(3,347)	-	34,688
Fund balances - end of year	$ 1	$ -	$ (17,271)	$ 4,881

Special Revenue					
Emergency Connectivity Fund FCC 26222	27107 GOB Library 27107	Instructional Materials - Special Appropriations 27109	New Mexico Reads To Lead K-3 27114	PreK Initiative 27149	Indian Education Act 27150
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
1,053,148	-	-	-	-	-
-	-	-	-	-	-
-	2,781	-	-	875,423	82,221
222,056	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,275,204	2,781	-	-	875,423	82,221
1,275,203	-	-	-	826,587	63,233
-	-	-	-	-	18,988
-	1,724	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	50,000	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,275,203	1,724	-	-	876,587	82,221
1	1,057	-	-	(1,164)	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1	1,057	-	-	(1,164)	-
-	(8,234)	556	70	(10,154)	(6,391)
-	-	-	-	-	-
-	(8,234)	556	70	(10,154)	(6,391)
$ 1	$ (7,177)	$ 556	$ 70	$ (11,318)	$ (6,391)

(Continued)

State of New Mexico
Farmington Municipal School District No. 5
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds

	Special Revenue			
For the Year Ended June 30, 2023	**Breakfast for Elementary 27155**	**Libraries GO Bond 2006 27170**	**School Buses 27178**	**NM Grown FVV 27183**
Revenues				
Property taxes	$ -	$ -	$ -	$ -
Oil and gas taxes	-	-	-	-
Intergovernmental				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	12,656	-	-	83,728
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	12,656	-	-	83,728
Expenditures				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	12,656	-	-	83,728
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Total expenditures	12,656	-	-	83,728
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources				
Proceeds from sale of capital assets	-	-	-	-
Leases, SBITA's, or bond proceeds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balances - beginning of year, as orginally stated	2,729	2,431	-	-
Fund balances - restatement (note 2)	-	-	-	-
Fund balances - beginning of year	2,729	2,431	-	-
Fund balances - end of year	$ 2,729	$ 2,431	$ -	$ -

Special Revenue					
School Lunch Co-Pay - Laws of 2020 27201	Open Sci Ed Expansion Initiative 27202	Public School Bus Cameras 27405	Family Income Index 27407	Native American Language Certificate Salaries 27411	Career Technical Education Program (Pilot) 27502
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
13,617	10,200	-	400,360	33,875	137,243
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
13,617	10,200	-	400,360	33,875	137,243
-	10,200	-	400,360	33,375	137,663
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
13,617	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
13,617	10,200	-	400,360	33,375	137,663
-	-	-	-	500	(420)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	500	(420)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ -	$ -	$ -	$ -	$ 500	$ (420)

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State of New Mexico
Farmington Municipal School District No. 5
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds

	Special Revenue			
For the Year Ended June 30, 2023	**Youth Conservation Corp NMEMNR 28133**	**GEAR-UP CHE 28178**	**NM Schools Covid-19 Testing Program DOH 28211**	**Security Appropriation /Statewide Hunger Initiative 28217**
Revenues				
Property taxes	$ -	$ -	$ -	$ -
Oil and gas taxes	-	-	-	-
Intergovernmental				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	43,066	80,660
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	43,066	80,660
Expenditures				
Current				
Instruction	-	-	-	-
Support services - students	-	-	84,120	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	32,100
Capital outlay	-	-	-	45,646
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Total expenditures	-	-	84,120	77,746
Excess (deficiency) of revenues over expenditures	-	-	(41,054)	2,914
Other financing sources				
Proceeds from sale of capital assets	-	-	-	-
Leases, SBITA's, or bond proceeds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	(41,054)	2,914
Fund balances - beginning of year, as orginally stated	29,969	1,546	(150)	-
Fund balances - restatement (note 2)	-	-	-	-
Fund balances - beginning of year	29,969	1,546	(150)	-
Fund balances - end of year	$ 29,969	$ 1,546	$ (41,204)	$ 2,914

Special Revenue	Capital Projects					
Westmeath Foundation 29102	Bond Building 31100	Special Capital Outlay - Local 31200	Special Capital Outlay - Local 31300	Special Capital Outlay - State 31400	Capital Improvements SB-9 - Local 31701
$ -	$ -	$ -	$ -	$ -	$ 3,028,549
-					222,016
-	-	-	-	-	-
-	-	-	-	-	-
17,533	-	-	-	-	-
-	-	-	-	-	-
-	-	2,142,496	-	413,402	-
-	1,000	-	520	-	-
-	70,970	-	-	-	-
-	-	-	-	-	-
17,533	71,970	2,142,496	520	413,402	3,250,565
17,033	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	29,653
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	291,255	-	3,492,556
-	-	-	-	-	-
-	-	-	-	-	-
-	2,506,747	-	1,077,855	413,402	980,362
-	-	-	-	-	160,625
-	-	-	37	-	10,147
17,033	2,506,747	-	1,369,147	413,402	4,673,343
500	(2,434,777)	2,142,496	(1,368,627)	-	(1,422,778)
-	-	-	-	-	-
-	2,000,000	-	498,368	-	-
-	2,000,000	-	498,368	-	-
500	(434,777)	2,142,496	(870,259)	-	(1,422,778)
-	4,263,444	-	1,171,772	48,375	2,803,169
-	-	-	-	-	(489,094)
-	4,263,444	-	1,171,772	48,375	2,314,075
$ 500	$ 3,828,667	$ 2,142,496	$ 301,513	$ 48,375	$ 891,297

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State of New Mexico
Farmington Municipal School District No. 5
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds

	Capital Projects		Debt Service	
For the Year Ended June 30, 2023	**SB-9 State Match Cash 31703**	**Ed. Technology Equipment Act 31900**	**Ed. Tech 43000**	**Total Nonmajor Governmental Funds**
Revenues				
Property taxes	$ -	$ -	$ 63,399	$ 3,091,948
Oil and gas taxes	-	-	34,001	256,017
Intergovernmental				
Federal flowthrough	-	-	-	10,944,570
Federal direct	-	-	-	4,560,067
Local sources	-	-	-	117,533
State flowthrough	928,588	-	-	2,580,692
State direct	-	-	-	3,399,474
Charges for services	-	-	-	3,192,431
Investment income	-	2,722	1,676	75,531
Miscellaneous	-	-	-	26,442
Total revenues	928,588	2,722	99,076	28,244,705
Expenditures				
Current				
Instruction	-	-	-	7,276,455
Support services - students	-	-	-	5,759,767
Support services - instruction	-	-	-	84,203
Support services - general administration	-	-	376	338,248
Support services - school administration	-	-	-	744,713
Central services	-	-	-	6,000
Operation and maintenance of plant	-	248,445	-	4,032,256
Student transportation	-	-	-	50,000
Food services operations	-	-	-	7,076,547
Capital outlay	-	-	-	5,630,220
Debt service				
Principal	-	-	1,735,000	1,895,625
Interest and other charges	-	-	12,843	23,027
Total expenditures	-	248,445	1,748,219	32,917,061
Excess (deficiency) of revenues over expenditures	928,588	(245,723)	(1,649,143)	(4,672,356)
Other financing sources				
Proceeds from sale of capital assets	-	-	-	-
Leases, SBITA's, or bond proceeds	-	485,000	-	2,983,368
Total other financing sources (uses)	-	485,000	-	2,983,368
Net change in fund balances	928,588	239,277	(1,649,143)	(1,688,988)
Fund balances - beginning of year, as orginally stated	658,441	23,456	1,692,932	16,983,100
Fund balances - restatement (note 2)	489,094	-	-	-
Fund balances - beginning of year	1,147,535	23,456	1,692,932	16,983,100
Fund balances - end of year	$ 2,076,123	$ 262,733	$ 43,789	$ 15,294,112

State of New Mexico
Farmington Municipal School District No. 5
Combining Balance Sheet
General Fund

June 30, 2023	Operating 11000	Pupil Transportation 13000	Local Revenue 15200	Total
Assets				
Cash and cash equivalents	$ 2,048,811	$ 56,967	$ 193,550	$ 2,299,328
Investments	13,071	-	-	13,071
Receivables				
Property taxes	51,401	-	-	51,401
Intergovernmental	-	331,236	-	331,236
Due from other funds	6,891,580	-	-	6,891,580
Inventory	-	299,143	-	299,143
Total assets	$ 9,004,863	$ 687,346	$ 193,550	$ 9,885,759
Liabilities, deferred inflows of resources, and fund balances				
Liabilities				
Accounts payable	$ 2,025,752	$ 57,414	$ -	$ 2,083,166
Accrued payroll	2,033,215	56,967	-	2,090,182
Due to other funds	-	278,608	-	278,608
Total liabilities	4,058,967	392,989	-	4,451,956
Deferred inflows of resources				
Unavailable revenue - property taxes	41,910	-	-	41,910
Total deferred inflows of resources	41,910	-	-	41,910
Fund balances				
Nonspendable	-	299,143	-	299,143
Spendable				
Restricted	-	-	193,550	193,550
Committed	3,700,000	-	-	3,700,000
Unassigned (deficit)	1,203,986	(4,786)	-	1,199,200
Total fund balances	4,903,986	294,357	193,550	5,391,893
Total liabilities, deferred inflows of resources, and fund balances	$ 9,004,863	$ 687,346	$ 193,550	$ 9,885,759

State of New Mexico
Farmington Municipal School District No. 5
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
General Fund

For the Year Ended June 30, 2023	Operating 11000	Pupil Transportation 13000	Local Revenue 15200	Total
Revenues				
Property taxes	$ 4,661	$ -	$ 596,864	$ 601,525
Oil and gas taxes	-	-	55,500	55,500
Intergovernmental				
Federal flowthrough	196,446	-	-	196,446
Federal direct	122,866	-	-	122,866
Local sources	270,028	-	-	270,028
State direct	106,887,419	-	-	106,887,419
Transportation distribution	-	3,643,506	-	3,643,506
Charges for services	29,431	-	-	29,431
Investment income	89	-	-	89
Miscellaneous	62,424	-	-	62,424
Total revenues	107,573,364	3,643,506	652,364	111,869,234
Expenditures				
Current				
Instruction	71,983,183	-	-	71,983,183
Support services - students	10,738,955	-	454,607	11,193,562
Support services - instruction	1,789,950	-	-	1,789,950
Support services - general	1,427,384	-	4,207	1,431,591
Support services - school	6,742,107	-	-	6,742,107
Central services	2,010,680	-	-	2,010,680
Operation and maintenance plant	14,361,676	-	-	14,361,676
Student transportation	-	3,578,261	-	3,578,261
Other support services	15,604	-	-	15,604
Community services operations	971	-	-	971
Capital outlay	40,248	-	-	40,248
Total expenditures	109,110,758	3,578,261	458,814	113,147,833
Excess (deficiency) of revenues over expenditures	(1,537,394)	65,245	193,550	(1,278,599)
Other financing sources				
Proceeds from sale of capital assets	548,623	-	-	548,623
Total other financing sources	548,623	-	-	548,623
Net change in fund balances	(988,771)	65,245	193,550	(729,976)
Fund balances - beginning of year	5,892,757	229,112	-	6,121,869
Fund balances - end of year	$ 4,903,986	$ 294,357	$ 193,550	$ 5,391,893

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Operating Fund (11000)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Property taxes	$ -	$ 584,503	$ -	$ (584,503)
Oil and gas taxes	-	20,150	-	(20,150)
Intergovernmental				
Federal flowthrough	17,628	17,628	196,446	178,818
Federal direct	32,617	203,330	122,866	(80,464)
Local sources	56,603	56,603	270,028	213,425
State flowthrough	-	1,251,741	-	(1,251,741)
State direct	104,419,442	106,887,418	106,887,419	1
Charges for services	26,884	26,884	29,431	2,547
Investment income	6	6	89	83
Miscellaneous	64,647	64,647	62,424	(2,223)
Total revenues	104,617,827	109,112,910	107,568,703	(1,544,207)
Expenditures				
Current				
Instruction	66,759,087	69,901,669	71,479,100	(1,577,431)
Support services - students	15,127,846	15,252,846	10,773,013	4,479,833
Support services - instruction	1,352,979	1,575,401	1,791,857	(216,456)
Support services - general administration	1,948,741	2,000,741	1,428,822	571,919
Support services - school administration	6,405,785	6,405,785	6,743,916	(338,131)
Central services	2,673,859	2,746,859	2,013,833	733,026
Operation and maintenance of plant	15,992,813	16,535,190	14,288,650	2,246,540
Other support services	6,000	6,000	15,604	(9,604)
Community services operations	-	-	971	(971)
Total expenditures	110,267,110	114,424,491	108,535,766	5,888,725
Excess (deficiency) of revenues over expenditures	(5,649,283)	(5,311,581)	(967,063)	4,344,518
Other financing sources				
Designated cash balance (budgeted increase in cash)	5,649,283	5,311,581	-	(5,311,581)
Proceeds from sale of capital assets	-	-	548,623	548,623
Total other financing sources	5,649,283	5,311,581	548,623	(4,762,958)
Net change in fund balance	-	-	(418,440)	(418,440)
Fund balance - beginning of year	-	-	7,338,687	7,338,687
Fund balance - end of year	$ -	$ -	$ 6,920,247	$ 6,920,247

Net change in fund balance (Non-GAAP Budgetary Basis)	$ (418,440)
Adjustments to revenues for taxes	4,661
Adjustments to expenditures for supplies and payroll expenditures	(574,992)
Net change in fund balance (GAAP Basis)	$ (988,771)

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Pupil Transportation Fund (13000)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
State flowthrough	$ -	$ 19,738	$ -	$ (19,738)
Transportation distribution	3,643,496	3,643,496	3,312,270	(331,226)
Total revenues	3,643,496	3,663,234	3,312,270	(350,964)
Expenditures				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	3,643,496	3,658,317	3,620,520	37,797
Total expenditures	3,643,496	3,658,317	3,620,520	37,797
Excess (deficiency) of revenues over expenditures	-	4,917	(308,250)	(313,167)
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	(4,917)	-	4,917
Total other financing sources	-	(4,917)	-	4,917
Net change in fund balance	-	-	(308,250)	(308,250)
Fund balance - beginning of year	-	-	29,642	29,642
Fund balance - end of year	$ -	$ -	$ (278,608)	$ (278,608)

Net change in fund balance (Non-GAAP Budgetary Basis)	$ (308,250)
Adjustments to revenue for transportation distribution	331,236
Adjustments to expenditures for supplies and payroll expenditures	42,259
Net change in fund balance (GAAP Basis)	$ 65,245

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Local Revenue Fund (15200)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Property taxes	$ 580,308	$ 580,308	$ 596,864	$ 16,556
Oil and gas taxes	14,937	14,937	55,500	40,563
Intergovernmental				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Transportation distribution	-	-	-	-
Total revenues	595,245	595,245	652,364	57,119
Expenditures				
Current				
Instruction	-	-	-	-
Support services - students	589,442	589,442	454,607	134,835
Support services - instruction	-	-	-	-
Support services - general administrat	5,803	5,803	4,207	1,596
Support services - school administrati	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Total expenditures	595,245	595,245	458,814	136,431
Excess (deficiency) of revenues over expenditures	-	-	193,550	193,550
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	193,550	193,550
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	$ -	$ -	$ 193,550	$ 193,550
Net change in fund balance (Non-GAAP Budgetary Basis)			$ 193,550	
No adjustments to revenue			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ 193,550	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Special Capital Improvements HB-33 Capital Projects Fund (31600)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Property taxes	$ 2,200,601	$ 2,200,601	$ 3,328,074	$ 1,127,473
Oil and gas taxes	44,810	44,810	216,488	171,678
Total revenues	2,245,411	2,245,411	3,544,562	1,299,151
Expenditures				
Support services - general administra	22,006	22,006	28,377	(6,371)
Operation and maintenance of plant	894,353	894,353	-	894,353
Capital outlay	4,461,825	1,915,117	1,759,043	156,074
Total expenditures	5,378,184	2,831,476	1,787,420	1,044,056
Excess (deficiency) of revenues over expenditures	(3,132,773)	(586,065)	1,757,142	2,343,207
Other financing sources				
Designated cash balance (budgeted increase in cash)	3,132,773	586,065	-	(586,065)
Total other financing sources	3,132,773	586,065	-	(586,065)
Net change in fund balance	-	-	1,757,142	1,757,142
Fund balance - beginning of year	-	-	586,065	586,065
Fund balance - end of year	$ -	$ -	$ 2,343,207	$ 2,343,207
Net change in fund balance (Non-GAAP Budgetary Basis)			$ 1,757,142	
Adjustments to revenues for taxes			18,121	
Adjustments to expenditures for other services			(3,085,837)	
Net change in fund balance (GAAP Basis)			$ (1,310,574)	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Ed. Tech Debt Service Fund (41000)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Property taxes	$ 7,577,860	$ 7,577,860	$ 7,848,419	$ 270,559
Oil and gas taxes	154,305	154,305	578,576	424,271
Investment income	213	213	4,046	3,833
Total revenues	7,732,378	7,732,378	8,431,041	698,663
Expenditures				
Current				
Support services - general administration	75,779	75,779	82,668	(6,889)
Debt service				
Principal	4,870,000	4,870,000	4,870,000	-
Interest and other charges	11,055,275	11,714,597	2,077,932	9,636,665
Total expenditures	16,001,054	16,660,376	7,030,600	9,629,776
Excess (deficiency) of revenues over expenditures	(8,268,676)	(8,927,998)	1,400,441	10,328,439
Other financing sources				
Designated cash balance (budgeted increase in cash)	8,268,676	8,927,998	-	(8,927,998)
Total other financing sources	8,268,676	8,927,998	-	(8,927,998)
Net change in fund balance	-	-	1,400,441	1,400,441
Fund balance - beginning of year	-	-	8,934,217	8,934,217
Fund balance - end of year	$ -	$ -	$ 10,334,658	$ 10,334,658
Net change in fund balance (Non-GAAP Budgetary Basis)			$ 1,400,441	
Adjustments to revenues for taxes			53,217	
Adjustments to expenditures for other services			1,104	
Net change in fund balance (GAAP Basis)			$ 1,454,762	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Food Services Special Revenue Fund (21000)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal flowthrough	$ 7,000,000	$ 7,000,000	$ 5,626,572	$ (1,373,428)
State direct	-	-	312,200	312,200
Charges for services	270,000	288,501	598,537	310,036
Investment income	750,150	750,150	163	(749,987)
Total revenues	8,020,150	8,038,651	6,537,472	(1,501,179)
Expenditures				
Current				
Food services operations	7,850,150	8,584,563	6,254,540	2,330,023
Total expenditures	8,020,150	8,773,064	6,329,708	2,443,356
Excess (deficiency) of revenues over expenditures	-	(734,413)	207,764	942,177
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	734,413	-	(734,413)
Total other financing sources	-	734,413	-	(734,413)
Net change in fund balance	-	-	207,764	207,764
Fund balance - beginning of year	-	-	734,413	734,413
Fund balance - end of year	$ -	$ -	$ 942,177	$ 942,177
Net change in fund balance (Non-GAAP Budgetary Basis)			$ 207,764	
Adjustments to revenues for intergovernmental revenue and donated commodities			369,635	
Adjustments to expenditures for food supplies and other contract services			(729,717)	
Net change in fund balance (GAAP Basis)			$ (152,318)	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Athletics Special Revenue Fund (22000)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Charges for services	$ -	$ 504,304	$ 553,500	$ 49,196
Total revenues	-	504,304	554,955	50,651
Expenditures				
Current				
Instruction	295,091	776,183	445,130	331,053
Total expenditures	295,091	776,183	445,130	331,053
Excess (deficiency) of revenues over expenditures	(295,091)	(271,879)	109,825	381,704
Other financing sources				
Designated cash balance (budgeted increase in cash)	295,091	271,879	-	(271,879)
Total other financing sources	295,091	271,879	-	(271,879)
Net change in fund balance	-	-	109,825	109,825
Fund balance - beginning of year	-	-	271,879	271,879
Fund balance - end of year	$ -	$ -	$ 381,704	$ 381,704

Net change in fund balance (Non-GAAP Budgetary Basis)	$ 109,825
No adjustments to revenues	-
Adjustments to expenditures for supplies and payroll expenditures	2,540
Net change in fund balance (GAAP Basis)	$ 112,365

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Non-Instructional Support Special Revenue Fund (23000)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Charges for services	$ -	$ 431,445	$ 2,027,884	$ 1,596,439
Investment income	-	-	-	-
Miscellaneous	-	-	24,987	24,987
Total revenues	-	431,445	2,052,871	1,621,426
Expenditures				
Current				
Instruction	2,125,646	1,904,298	1,873,956	30,342
Total expenditures	2,125,646	1,904,298	1,889,041	15,257
Excess (deficiency) of revenues over expenditures	(2,125,646)	(1,472,853)	163,830	1,636,683
Other financing sources				
Designated cash balance (budgeted increase in cash)	2,125,646	1,472,853	-	(1,472,853)
Total other financing sources	2,125,646	1,472,853	-	(1,472,853)
Net change in fund balance	-	-	163,830	163,830
Fund balance - beginning of year	-	-	1,472,853	1,472,853
Fund balance - end of year	$ -	$ -	$ 1,636,683	$ 1,636,683

Net change in fund balance (Non-GAAP Budgetary Basis)	$ 163,830
No adjustments to revenues	-
Adjustments to expenditures for supplies and payroll expenditures	(43,490)
Net change in fund balance (GAAP Basis)	$ 120,340

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Javits Gifted and Talented Special Revenue Fund (24102)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal flowthrough	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
Expenditures				
Current				
Instruction	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	1,610	1,610
Fund balance - end of year	$ -	$ -	$ 1,610	$ 1,610
Net change in fund balance (Non-GAAP Budgetary Basis)			$ -	
No adjustments to revenues			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ -	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Entitlement IDEA-B Special Revenue Fund (24106)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal flowthrough	$ 2,512,122	$ 3,024,291	$ 3,111,965	$ 87,674
Total revenues	2,512,122	3,024,291	3,111,965	87,674
Expenditures				
Current				
Instruction	611,900	761,900	760,864	1,036
Support services - students	1,401,870	1,753,488	1,657,733	95,755
Support services - general administration	54,765	65,316	-	65,316
Support services - school administration	443,587	443,587	604,658	(161,071)
Total expenditures	2,512,122	3,024,291	3,023,255	1,036
Excess (deficiency) of revenues over expenditures	-	-	88,710	88,710
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	88,710	88,710
Fund balance - beginning of year	-	-	(162,139)	(162,139)
Fund balance - end of year	$ -	$ -	$ (73,429)	$ (73,429)
Net change in fund balance (Non-GAAP Budgetary Basis)			$ 88,710	
Adjustments to revenues for intergovernmental revenue			(491,503)	
Adjustments to expenditures for supplies and payroll expenditures			402,793	
Net change in fund balance (GAAP Basis)			$ -	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Preschool IDEA-B Special Revenue Fund (24109)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal flowthrough	$ 58,853	$ 65,430	$ 81,131	$ 15,701
Total revenues	58,853	65,430	81,131	15,701
Expenditures				
Current				
Instruction	57,640	64,217	64,201	16
Support services - general administration	1,213	1,213	-	1,213
Total expenditures	58,853	65,430	64,201	1,229
Excess (deficiency) of revenues over expenditures	-	-	16,930	16,930
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	16,930	16,930
Fund balance - beginning of year	-	-	956	956
Fund balance - end of year	$ -	$ -	$ 17,886	$ 17,886
Net change in fund balance (Non-GAAP Budgetary Basis)			$ 16,930	
Adjustments to revenues for intergovernmental revenue			(16,103)	
Adjustments to expenditures for payroll expenditures			(827)	
Net change in fund balance (GAAP Basis)			$ -	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Education of Homeless Special Revenue Fund (24113)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal flowthrough	$ 15,000	$ 15,000	$ 14,214	$ (786)
Total revenues	15,000	15,000	14,214	(786)
Expenditures				
Current				
Instruction	15,000	15,000	15,000	-
Total expenditures	15,000	15,000	15,000	-
Excess (deficiency) of revenues over expenditures	-	-	(786)	(786)
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	(786)	(786)
Fund balance - beginning of year	-	-	29,128	29,128
Fund balance - end of year	$ -	$ -	$ 28,342	$ 28,342

Net change in fund balance (Non-GAAP Budgetary Basis)	$ (786)
Adjustments to revenues for intergovernmental revenue	786
No adjustments to expenditures	-
Net change in fund balance (GAAP Basis)	$ -

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
IDEA-B Private Schools Share Special Revenue Fund (24115)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal flowthrough	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
Expenditures				
Current				
Support services - students	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	(117)	(117)
Fund balance - end of year	$ -	$ -	$ (117)	$ (117)
Net change in fund balance (Non-GAAP Budgetary Basis)			$ -	
No adjustments to revenues			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ -	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Fresh Fruits and Vegetables Special Revenue Fund (24118)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal flowthrough	$ 128,581	$ 170,402	$ 184,179	$ 13,777
Total revenues	128,581	170,402	184,179	13,777
Expenditures				
Current				
Food services operations	128,581	170,402	170,386	16
Total expenditures	128,581	170,402	170,386	16
Excess (deficiency) of revenues over expenditures	-	-	13,793	13,793
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	13,793	13,793
Fund balance - beginning of year	-	-	(88,241)	(88,241)
Fund balance - end of year	$ -	$ -	$ (74,448)	$ (74,448)
Net change in fund balance (Non-GAAP Budgetary Basis)			$ 13,793	
No adjustments to revenues			-	
Adjustments to expenditures for supplies and materials			(13,793)	
Net change in fund balance (GAAP Basis)			$ -	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
21st Century Community Learning Centers Special Revenue Fund (24119)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal flowthrough	$ 313,403	$ 347,740	$ 381,106	$ 33,366
Total revenues	313,403	347,740	381,106	33,366
Expenditures				
Current				
Instruction	255,712	292,152	266,907	25,245
Support services - general administration	51,091	48,988	40,365	8,623
Central services	6,600	6,600	6,000	600
Total expenditures	313,403	347,740	313,272	34,468
Excess (deficiency) of revenues over expenditures	-	-	67,834	67,834
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	67,834	67,834
Fund balance - beginning of year	-	-	(198,970)	(198,970)
Fund balance - end of year	$ -	$ -	$ (131,136)	$ (131,136)
Net change in fund balance (Non-GAAP Budgetary Basis)			$ 67,834	
Adjustments to revenues for intergovernmental revenue			(67,834)	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ -	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Title I - 1003g Special Revenue Fund (24124)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal flowthrough	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
Expenditures				
Current				
Instruction	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	52,701	52,701
Fund balance - end of year	$ -	$ -	$ 52,701	$ 52,701
Net change in fund balance (Non-GAAP Budgetary Basis)			$ -	
No adjustments to revenues			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ -	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
English Language Acquisition Special Revenue Fund (24153)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal flowthrough	$ 99,519	$ 191,630	$ 70,379	$ (121,251)
Total revenues	99,519	191,630	70,379	(121,251)
Expenditures				
Current				
Instruction	77,511	170,093	73,075	97,018
Support services - students	15,000	5,000	5,000	-
Support services - general administration	2,008	3,905	1,671	2,234
Total expenditures	99,519	191,630	79,746	111,884
Excess (deficiency) of revenues over expenditures	-	-	(9,367)	(9,367)
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	(9,367)	(9,367)
Fund balance - beginning of year	-	-	17,315	17,315
Fund balance - end of year	$ -	$ -	$ 7,948	$ 7,948

Net change in fund balance (Non-GAAP Budgetary Basis)	$ (9,367)
Adjustments to revenues for intergovernmental revenue	12,408
Adjustments to expenditures for professional development and supplies	(3,041)
Net change in fund balance (GAAP Basis)	$ -

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Teacher/Principal Training & Recruiting Special Revenue Fund (24154)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal flowthrough	$ 438,942	$ 691,936	$ 446,996	$ (244,940)
Total revenues	438,942	691,936	446,996	(244,940)
Expenditures				
Current				
Instruction	164,047	458,087	197,004	261,083
Support services - students	266,035	224,989	132,858	92,131
Support services - general administration	8,860	8,860	6,715	2,145
Total expenditures	438,942	691,936	336,577	355,359
Excess (deficiency) of revenues over expenditures	-	-	110,419	110,419
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	110,419	110,419
Fund balance - beginning of year	-	-	(267,748)	(267,748)
Fund balance - end of year	$ -	$ -	$ (157,329)	$ (157,329)

Net change in fund balance (Non-GAAP Budgetary Basis)	$ 110,419
Adjustments to revenues for intergovernmental revenue	(113,198)
Adjustments to expenditures for supplies and payroll expenditures	2,779
Net change in fund balance (GAAP Basis)	$ -

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Carl D Perkins Secondary - Current Special Revenue Fund (24174)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal flowthrough	$ 139,521	$ 152,478	$ 97,580	$ (54,898)
Total revenues	139,521	152,478	97,580	(54,898)
Expenditures				
Current				
Instruction	109,105	121,415	110,806	10,609
Support services - general administration	5,416	6,063	2,798	3,265
Capital outlay	25,000	25,000	25,000	-
Total expenditures	139,521	152,478	138,604	13,874
Excess (deficiency) of revenues over expenditures	-	-	(41,024)	(41,024)
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	(41,024)	(41,024)
Fund balance - beginning of year	-	-	(1,306)	(1,306)
Fund balance - end of year	$ -	$ -	$ (42,330)	$ (42,330)
Net change in fund balance (Non-GAAP Budgetary Basis)			$ (41,024)	
Adjustments to revenues for intergovernmental revenue			41,025	
Adjustments to payroll expenditures			(1)	
Net change in fund balance (GAAP Basis)			$ -	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Carl D Perkins Secondary - Redistribution Special Revenue Fund (24176)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal flowthrough	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
Expenditures				
Current				
Instruction	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	(617)	(617)
Fund balance - end of year	$ -	$ -	$ (617)	$ (617)
Net change in fund balance (Non-GAAP Budgetary Basis)			$ -	
No adjustments to revenues			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ -	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
AMP Advancing Measurement at PED Special Revenue Fund (24188)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal flowthrough	$ -	$ -	$ 234,026	$ 234,026
Total revenues	-	-	234,026	234,026
Expenditures				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - general administration	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	234,026	234,026
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	234,026	234,026
Fund balance - beginning of year	-	-	(234,026)	(234,026)
Fund balance - end of year	$ -	$ -	$ -	$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			$ 234,026	
Adjustments to revenues for intergovernmental revenue			(234,026)	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ -	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Student Supp Academic Achievement Title IV Special Revenue Fund (24189)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal flowthrough	$ 206,589	$ 365,564	$ 213,035	$ (152,529)
Total revenues	206,589	365,564	213,035	(152,529)
Expenditures				
Current				
Instruction	147,208	150,860	209,299	(58,439)
Support services - students	53,000	53,000	761	52,239
Support services - general administration	6,381	6,381	-	6,381
Total expenditures	206,589	210,241	210,060	181
Excess (deficiency) of revenues over expenditures	-	155,323	2,975	(152,348)
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	(155,323)	-	155,323
Total other financing sources	-	(155,323)	-	155,323
Net change in fund balance	-	-	2,975	2,975
Fund balance - beginning of year	-	-	(108,951)	(108,951)
Fund balance - end of year	$ -	$ -	$ (105,976)	$ (105,976)

Net change in fund balance (Non-GAAP Budgetary Basis)	$ 2,975
Adjustments to revenues for intergovernmental revenue	1,092
Adjustments to expenditures for payroll expenditures and supplies	(4,067)
Net change in fund balance (GAAP Basis)	$ -

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Title I - Comprehensive Support and Improvement (CSI) Special Revenue Fund (24190)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal flowthrough	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
Expenditures				
Current				
Instruction	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	(15)	(15)
Fund balance - end of year	$ -	$ -	$ (15)	$ (15)
Net change in fund balance (Non-GAAP Budgetary Basis)			$ -	
No adjustments to revenues			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ -	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Project Aware 94.243 Special Revenue Fund (24195)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal flowthrough	$ -	$ 450,229	$ 141,367	$ (308,862)
Federal direct	-	-	-	-
Total revenues	-	450,229	141,367	(308,862)
Expenditures				
Current				
Support services - students	-	440,623	162,980	277,643
Total expenditures	-	450,229	162,980	287,249
Excess (deficiency) of revenues over expenditures	-	-	(21,613)	(21,613)
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	(21,613)	(21,613)
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	$ -	$ -	$ (21,613)	$ (21,613)

Net change in fund balance (Non-GAAP Budgetary Basis)	$ (21,613)
Adjustments to revenues for intergovernmental revenue	22,420
Adjustments to expenditures for workman's compensation	(807)
Net change in fund balance (GAAP Basis)	$ -

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
ARRA - IDEA-B CEIS Special Revenue Fund (24212)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal flowthrough	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
Expenditures				
Current				
Instruction	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	55	55
Fund balance - end of year	$ -	$ -	$ 55	$ 55
Net change in fund balance (Non-GAAP Budgetary Basis)			$ -	
No adjustments to revenues			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ -	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
CARES Act/ESSER II Special Revenue Fund (24308)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal flowthrough	$ -	$ 501,959	$ 2,237,201	$ 1,735,242
Total revenues	-	501,959	2,237,201	1,735,242
Expenditures				
Current				
Instruction	-	11,447	11,437	10
Support services - students	-	400,269	399,051	1,218
Support services - general administra	-	10,751	91,461	(80,710)
Support services - school administrat	-	8,712	-	8,712
Operation and maintenance of plant	-	70,780	-	70,780
Total expenditures	-	501,959	501,949	10
Excess (deficiency) of revenues over expenditures	-	-	1,735,252	1,735,252
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	1,735,252	1,735,252
Fund balance - beginning of year	-	-	(2,122,715)	(2,122,715)
Fund balance - end of year	$ -	$ -	$ (387,463)	$ (387,463)
Net change in fund balance (Non-GAAP Budgetary Basis)			$ 1,735,252	
Adjustments to revenues for intergovernmental revenue			(1,735,242)	
Adjustments to expenditures for workman's compensation			(10)	
Net change in fund balance (GAAP Basis)			$ -	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
ESSER II Student and Staff Development Special Revenue Fund (24344)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal flowthrough	$ 61,427	$ 122,854	$ -	$ (122,854)
Total revenues	61,427	122,854	-	(122,854)
Expenditures				
Current				
Instruction	60,162	120,324	120,317	7
Support services - general administration	1,265	2,530	2,479	51
Total expenditures	61,427	122,854	122,796	58
Excess (deficiency) of revenues over expenditures	-	-	(122,796)	(122,796)
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	(122,796)	(122,796)
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	$ -	$ -	$ (122,796)	$ (122,796)
Net change in fund balance (Non-GAAP Budgetary Basis)			$ (122,796)	
Adjustments to revenues for intergovernmental revenue			122,796	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ -	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
IDEA Act/American Rescue Plan Act of 2021 Special Revenue Fund (24346)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal flowthrough	$ -	$ 613,166	$ 21,238	$ (591,928)
Total revenues	-	613,166	21,238	(591,928)
Expenditures				
Current				
Instruction	-	600,535	116,894	483,641
Support services - general administration	-	12,631	2,416	10,215
Total expenditures	-	613,166	119,310	493,856
Excess (deficiency) of revenues over expenditures	-	-	(98,072)	(98,072)
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	(98,072)	(98,072)
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	$ -	$ -	$ (98,072)	$ (98,072)
Net change in fund balance (Non-GAAP Budgetary Basis)			$ (98,072)	
Adjustments to revenues for intergovernmental revenue			115,998	
Adjustments to expenditures for payroll expenditures and contract services			(17,926)	
Net change in fund balance (GAAP Basis)			$ -	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
ARP Act, ESSER III - Homeless Children and Youth Special Revenue Fund (24350)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal flowthrough	$ -	$ 32,218	$ 26,297	$ (5,921)
Total revenues	-	32,218	26,297	(5,921)
Expenditures				
Current				
Instruction	-	32,218	32,218	-
Total expenditures	-	32,218	32,218	-
Excess (deficiency) of revenues over expenditures	-	-	(5,921)	(5,921)
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	(5,921)	(5,921)
Fund balance - beginning of year	-	-	(11,079)	(11,079)
Fund balance - end of year	$ -	$ -	$ (17,000)	$ (17,000)

Net change in fund balance (Non-GAAP Budgetary Basis)	$ (5,921)
Adjustments to revenues for intergovernmental revenue	5,921
No adjustments to expenditures	-
Net change in fund balance (GAAP Basis)	$ -

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
ARP II - Emergency Relief Fund Homeless Children and Youth Special Revenue Fund (24355)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal flowthrough	$ -	$ 78,934	$ 22,017	$ (56,917)
Total revenues	-	78,934	22,017	(56,917)
Expenditures				
Current				
Instruction	-	73,934	33,375	40,559
Support services - students	-	5,000	723	4,277
Total expenditures	-	78,934	34,098	44,836
Excess (deficiency) of revenues over expenditures	-	-	(12,081)	(12,081)
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	(12,081)	(12,081)
Fund balance - beginning of year	-	-	(2,589)	(2,589)
Fund balance - end of year	$ -	$ -	$ (14,670)	$ (14,670)
Net change in fund balance (Non-GAAP Budgetary Basis)			$ (12,081)	
Adjustments to revenues for intergovernmental revenue			12,082	
Adjustments to expenditures for contract services			(1)	
Net change in fund balance (GAAP Basis)			$ -	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Johnson O'Malley Special Revenue Fund (25131)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal direct	$ -	$ 681,943	$ 436,330	$ (245,613)
Total revenues	-	681,943	436,330	(245,613)
Expenditures				
Current				
Instruction	172,000	320,530	211,324	109,206
Support services - students	54,244	83,933	86,275	(2,342)
Support services - general administration	-	22,425	20,061	2,364
Support services - school administration	-	4,463	4,484	(21)
Total expenditures	226,244	431,351	322,144	109,207
Excess (deficiency) of revenues over expenditures	(226,244)	250,592	114,186	(136,406)
Other financing sources				
Designated cash balance (budgeted increase in cash)	226,244	(250,592)	-	250,592
Total other financing sources	226,244	(250,592)	-	250,592
Net change in fund balance	-	-	114,186	114,186
Fund balance - beginning of year	-	-	(250,592)	(250,592)
Fund balance - end of year	$ -	$ -	$ (136,406)	$ (136,406)

Net change in fund balance (Non-GAAP Budgetary Basis)	$ 114,186
Adjustments to revenues for intergovernmental revenue	137,265
Adjustments to expenditures for supplies and payroll expenditures	(588)
Net change in fund balance (GAAP Basis)	$ 250,863

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Impact Aid Special Education Special Revenue Fund (25145)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal direct	$ -	$ 39,150	$ 92,247	$ 53,097
Total revenues	-	39,150	92,247	53,097
Expenditures				
Current				
Instruction	127,455	171,233	-	171,233
Support services - students	5,000	44,150	3,626	40,524
Total expenditures	132,455	215,383	3,626	211,757
Excess (deficiency) of revenues over expenditures	(132,455)	(176,233)	88,621	264,854
Other financing sources				
Designated cash balance (budgeted increase in cash)	132,455	176,233	-	(176,233)
Total other financing sources	132,455	176,233	-	(176,233)
Net change in fund balance	-	-	88,621	88,621
Fund balance - beginning of year	-	-	176,233	176,233
Fund balance - end of year	$ -	$ -	$ 264,854	$ 264,854
Net change in fund balance (Non-GAAP Budgetary Basis)			$ 88,621	
No adjustments to revenues			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ 88,621	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Impact Aid Indian Education Special Revenue Fund (25147)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal direct	$ -	$ 224,741	$ 193,264	$ (31,477)
Total revenues	-	224,741	193,264	(31,477)
Expenditures				
Current				
Instruction	150,000	78,624	24,333	54,291
Support services - students	60,179	123,033	16,794	106,239
Support services - general administration	-	4,630	-	4,630
Support services - school administration	-	30,000	-	30,000
Total expenditures	210,179	236,287	41,127	195,160
Excess (deficiency) of revenues over expenditures	(210,179)	(11,546)	152,137	163,683
Other financing sources				
Designated cash balance (budgeted increase in cash)	210,179	11,546	-	(11,546)
Total other financing sources	210,179	11,546	-	(11,546)
Net change in fund balance	-	-	152,137	152,137
Fund balance - beginning of year	-	-	11,546	11,546
Fund balance - end of year	$ -	$ -	$ 163,683	$ 163,683
Net change in fund balance (Non-GAAP Budgetary Basis)			$ 152,137	
No adjustments to revenues			-	
Adjustments to expenditures for professional development and supplies			(11,259)	
Net change in fund balance (GAAP Basis)			$ 140,878	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Title XIX Medicaid 3/21 Years Special Revenue Fund (25153)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal direct	$ -	$ -	$ 1,790,191	$ 1,790,191
Total revenues	-	-	1,790,191	1,790,191
Expenditures				
Current				
Support services - students	1,722,830	3,182,310	2,592,313	589,997
Support services - instruction	-	250,000	52,169	197,831
Support services - general administration	-	35,956	9,473	26,483
Total expenditures	1,722,830	3,468,266	2,946,248	522,018
Excess (deficiency) of revenues over expenditures	(1,722,830)	(3,468,266)	(1,156,057)	2,312,209
Other financing sources				
Designated cash balance (budgeted increase in cash)	1,722,830	3,468,266	-	(3,468,266)
Total other financing sources	1,722,830	3,468,266	-	(3,468,266)
Net change in fund balance	-	-	(1,156,057)	(1,156,057)
Fund balance - beginning of year	-	-	3,468,266	3,468,266
Fund balance - end of year	$ -	$ -	$ 2,312,209	$ 2,312,209

Net change in fund balance (Non-GAAP Budgetary Basis)	$ (1,156,057)
Adjustments to revenues for intergovernmental revenue	35,113
Adjustments to expenditures for supplies and payroll expenditures	(3,615)
Net change in fund balance (GAAP Basis)	$ (1,124,559)

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Indian ED Formula Grant Special Revenue Fund (25184)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal direct	$ -	$ 935,604	$ 956,866	$ 21,262
Total revenues	-	935,604	956,866	21,262
Expenditures				
Current				
Instruction	-	25,085	25,085	-
Support services - students	151,768	526,010	524,891	1,119
Support services - general administration	-	132,023	130,738	1,285
Support services - school administration	-	136,044	135,671	373
Total expenditures	151,768	819,162	816,385	2,777
Excess (deficiency) of revenues over expenditures	(151,768)	116,442	140,481	24,039
Other financing sources				
Designated cash balance (budgeted increase in cash)	151,768	(116,442)	-	116,442
Total other financing sources	151,768	(116,442)	-	116,442
Net change in fund balance	-	-	140,481	140,481
Fund balance - beginning of year	-	-	(116,442)	(116,442)
Fund balance - end of year	$ -	$ -	$ 24,039	$ 24,039
Net change in fund balance (Non-GAAP Budgetary Basis)			$ 140,481	
Adjustments to revenues for intergovernmental revenue			(137,704)	
Adjustments to expenditures for supplies and payroll expenditures			20,038	
Net change in fund balance (GAAP Basis)			$ 22,815	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Mentoring For Safe Schools Special Revenue Fund (25187)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal direct	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
Expenditures				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	1	1
Fund balance - end of year	$ -	$ -	$ 1	$ 1
Net change in fund balance (Non-GAAP Budgetary Basis)			$ -	
No adjustments to revenues			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ -	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Native American Program (25248)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal direct	$ -	$ 98,641	$ -	$ (98,641)
Total revenues	-	98,641	-	(98,641)
Expenditures				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	98,641	-	(98,641)
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	(98,641)	-	98,641
Total other financing sources	-	(98,641)	-	98,641
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	$ -	$ -	$ -	$ -

Net change in fund balance (Non-GAAP Budgetary Basis)	$ -
Adjustments to revenues for intergovernmental revenue	3,347
No adjustments to expenditures	-
Net change in fund balance (GAAP Basis)	$ 3,347

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
REC/District Fiscal Agent Special Revenue Fund (26107)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Federal direct	$ -	$ -	$ 185,594	$ 185,594
Total revenues	-	-	185,594	185,594
Expenditures				
Current				
Instruction	-	281,840	202,738	79,102
Total expenditures	-	281,840	202,738	79,102
Excess (deficiency) of revenues over expenditures	-	(281,840)	(17,144)	264,696
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	281,840	-	(281,840)
Total other financing sources	-	281,840	-	(281,840)
Net change in fund balance	-	-	(17,144)	(17,144)
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	$ -	$ -	$ (17,144)	$ (17,144)
Net change in fund balance (Non-GAAP Budgetary Basis)			$ (17,144)	
No adjustments to revenues			-	
Adjustments to expenditures for dental and vision expenditures			(127)	
Net change in fund balance (GAAP Basis)			$ (17,271)	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Kellogg Fund/Kellogg Foundation Special Revenue Fund (26121)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Local sources	$ 100,000	$ 100,000	$ 100,000	$ -
Total revenues	100,000	100,000	100,000	-
Expenditures				
Current				
Instruction	134,736	134,725	129,841	4,884
Support services - students	-	-	-	-
Total expenditures	134,736	134,725	129,841	4,884
Excess (deficiency) of revenues over expenditures	(34,736)	(34,725)	(29,841)	4,884
Other financing sources				
Designated cash balance (budgeted increase in cash)	34,736	34,725	-	(34,725)
Total other financing sources	34,736	34,725	-	(34,725)
Net change in fund balance	-	-	(29,841)	(29,841)
Fund balance - beginning of year	-	-	34,725	34,725
Fund balance - end of year	$ -	$ -	$ 4,884	$ 4,884
Net change in fund balance (Non-GAAP Budgetary Basis)			$ (29,841)	
No adjustments to revenues			-	
Adjustments to expenditures for supplies			34	
Net change in fund balance (GAAP Basis)			$ (29,807)	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Emergency Connectivity Fund FCC Special Revenue Fund (26222)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
State Direct	$ -	$ 1,275,204	$ 1,275,204	$ -
Total revenues	-	1,275,204	1,275,204	-
Expenditures				
Current				
Instruction	-	1,275,204	222,055	1,053,149
Total expenditures	-	1,275,204	222,055	1,053,149
Excess (deficiency) of revenues over expenditures	-	-	1,053,149	1,053,149
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	1,053,149	1,053,149
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	$ -	$ -	$ 1,053,149	$ 1,053,149
Net change in fund balance (Non-GAAP Budgetary Basis)			$ 1,053,149	
No adjustments to revenues			-	
Adjustments to expenditures for supply assets			(1,053,148)	
Net change in fund balance (GAAP Basis)			$ 1	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
27107 GOB Library Special Revenue Fund (27107)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
State flowthrough	$ -	$ 84,475	$ 43,130	$ (41,345)
Total revenues	-	84,475	43,130	(41,345)
Expenditures				
Current				
Support services - instruction	-	2,781	2,781	-
Total expenditures	-	2,781	2,781	-
Excess (deficiency) of revenues over expenditures	-	81,694	40,349	(41,345)
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	(81,694)	-	81,694
Total other financing sources	-	(81,694)	-	81,694
Net change in fund balance	-	-	40,349	40,349
Fund balance - beginning of year	-	-	(50,307)	(50,307)
Fund balance - end of year	$ -	$ -	$ (9,958)	$ (9,958)

Net change in fund balance (Non-GAAP Budgetary Basis)	$ 40,349
Adjustments to revenues for intergovernmental revenue	(40,349)
Adjustments to expenditures for library and audio visuals expenditures	1,057
Net change in fund balance (GAAP Basis)	$ 1,057

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Instructional Materials - Special Appropriation Special Revenue Fund (27109)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
State flowthrough	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
Expenditures				
Current				
Instruction	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	556	556
Fund balance - end of year	$ -	$ -	$ 556	$ 556
Net change in fund balance (Non-GAAP Budgetary Basis)			$ -	
No adjustments to revenues			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ -	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
New Mexico Reads To Lead K-3 Special Revenue Fund (27114)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
State flowthrough	$ -	$ -	$ 2,507	$ 2,507
Total revenues	-	-	2,507	2,507
Expenditures				
Current				
Instruction	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	2,507	2,507
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	2,507	2,507
Fund balance - beginning of year	-	-	70	70
Fund balance - end of year	$ -	$ -	$ 2,577	$ 2,577

Net change in fund balance (Non-GAAP Budgetary Basis)	$ 2,507
Adustments to revenues for intergovernmental revenue	(2,507)
No adjustments to expenditures	-
Net change in fund balance (GAAP Basis)	$ -

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
PreK Initiative Special Revenue Fund (27149)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
State flowthrough	$ 834,000	$ 875,423	$ 740,224	$ (135,199)
Total revenues	834,000	875,423	740,224	(135,199)
Expenditures				
Current				
Instruction	784,000	825,423	825,118	305
Student transportation	50,000	50,000	50,000	-
Total expenditures	834,000	875,423	875,118	305
Excess (deficiency) of revenues over expenditures	-	-	(134,894)	(134,894)
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	(134,894)	(134,894)
Fund balance - beginning of year	-	-	(203,608)	(203,608)
Fund balance - end of year	$ -	$ -	$ (338,502)	$ (338,502)
Net change in fund balance (Non-GAAP Budgetary Basis)			$ (134,894)	
Adjustments to revenues for intergovernmental revenue			135,199	
Adjustments to expenditures for supplies and payroll expenditures			(1,469)	
Net change in fund balance (GAAP Basis)			$ (1,164)	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Indian Education Act Special Revenue Fund (27150)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
State flowthrough	$ 82,477	$ 82,477	$ 31,999	$ (50,478)
Total revenues	82,477	82,477	31,999	(50,478)
Expenditures				
Current				
Instruction	2,000	63,234	63,233	1
Support services - students	80,477	19,243	18,988	255
Total expenditures	82,477	82,477	82,221	256
Excess (deficiency) of revenues over expenditures	-	-	(50,222)	(50,222)
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	(50,222)	(50,222)
Fund balance - beginning of year	-	-	(20,387)	(20,387)
Fund balance - end of year	$ -	$ -	$ (70,609)	$ (70,609)
Net change in fund balance (Non-GAAP Budgetary Basis)			$ (50,222)	
Adjustments to revenues for intergovernmental revenue			50,222	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ -	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Breakfast for Elementary Students Special Revenue Fund (27155)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
State flowthrough	$ 12,656	$ 12,656	$ 12,656	$ -
Total revenues	12,656	12,656	12,656	-
Expenditures				
Current				
Food services operations	12,656	12,656	12,656	-
Total expenditures	12,656	12,656	12,656	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	2,729	2,729
Fund balance - end of year	$ -	$ -	$ 2,729	$ 2,729
Net change in fund balance (Non-GAAP Budgetary Basis)			$ -	
No adjustments to revenues			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ -	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Libraries GO Bond 2006 Special Revenue Fund (27170)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
State direct	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
Expenditures				
Current				
Instruction	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	2,431	2,431
Fund balance - end of year	$ -	$ -	$ 2,431	$ 2,431
Net change in fund balance (Non-GAAP Budgetary Basis)			$ -	
No adjustments to revenues			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ -	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
School Buses Special Revenue Fund (27178)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
State flowthrough	$ -	$ 1,124,561	$ 1,124,561	$ -
Total revenues	-	1,124,561	1,124,561	-
Expenditures				
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	1,124,561	1,124,561	-
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	(1,124,561)	-	1,124,561
Total other financing sources	-	(1,124,561)	-	1,124,561
Net change in fund balance	-	-	1,124,561	1,124,561
Fund balance - beginning of year	-	-	(1,124,561)	(1,124,561)
Fund balance - end of year	$ -	$ -	$ -	$ -

Net change in fund balance (Non-GAAP Budgetary Basis)	$ 1,124,561
Adjustments to revenues for intergovernmental revenue	(1,124,561)
No adjustments to expenditures	-
Net change in fund balance (GAAP Basis)	$ -

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
NM Grown FVV Special Revenue Fund (27183)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
State flowthrough	$ 46,728	$ 46,728	$ 83,728	$ 37,000
Total revenues	46,728	46,728	83,728	37,000
Expenditures				
Current				
Food services operations	46,728	46,728	83,728	(37,000)
Total expenditures	46,728	46,728	83,728	(37,000)
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	$ -	$ -	$ -	$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			$ -	
No adjustments to revenues			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ -	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
School Lunch Co-Pay - Laws of 2020 Special Revenue Fund (27201)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
State flowthrough	$ 30,188	$ 30,188	$ 10,692	$ (19,496)
Total revenues	30,188	30,188	10,692	(19,496)
Expenditures				
Current				
Food services operations	30,188	30,188	13,617	16,571
Total expenditures	30,188	30,188	13,617	16,571
Excess (deficiency) of revenues over expenditures	-	-	(2,925)	(2,925)
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	(2,925)	(2,925)
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	$ -	$ -	$ (2,925)	$ (2,925)
Net change in fund balance (Non-GAAP Budgetary Basis)			$ (2,925)	
Adjustments to revenues for intergovernmental revenue			2,925	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ -	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Open Sci Ed Expansion Initiative Special Revenue Fund (27202)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
State flowthrough	$ -	$ 10,200	$ 20,302	$ 10,102
Total revenues	-	10,200	20,302	10,102
Expenditures				
Current				
Instruction	-	10,200	10,200	-
Total expenditures	-	10,200	10,200	-
Excess (deficiency) of revenues over expenditures	-	-	10,102	10,102
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	10,102	10,102
Fund balance - beginning of year	-	-	(10,102)	(10,102)
Fund balance - end of year	$ -	$ -	$ -	$ -

Net change in fund balance (Non-GAAP Budgetary Basis)	$ 10,102
Adjustments to revenues for intergovernmental revenue	(10,102)
No adjustments to expenditures	-
Net change in fund balance (GAAP Basis)	$ -

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Public School Bus Cameras Special Revenue Fund (27405)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
State flowthrough	$ -	$ 27,489	$ 27,489	$ -
Total revenues	-	27,489	27,489	-
Expenditures				
Current				
Student transportation	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	27,489	27,489	-
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	(27,489)	-	27,489
Total other financing sources	-	(27,489)	-	27,489
Net change in fund balance	-	-	27,489	27,489
Fund balance - beginning of year	-	-	(27,489)	(27,489)
Fund balance - end of year	$ -	$ -	$ -	$ -

Net change in fund balance (Non-GAAP Budgetary Basis)	$ 27,489
Adjustments to revenues for intergovernmental revenue	(27,489)
No adjustments to expenditures	-
Net change in fund balance (GAAP Basis)	$ -

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Family Income Index Special Revenue Fund (27407)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
State flowthrough	$ 449,935	$ 449,935	$ 314,603	$ (135,332)
Total revenues	449,935	449,935	314,603	(135,332)
Expenditures				
Current				
Instruction	449,935	449,935	400,293	49,642
Total expenditures	449,935	449,935	400,293	49,642
Excess (deficiency) of revenues over expenditures	-	-	(85,690)	(85,690)
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	(85,690)	(85,690)
Fund balance - beginning of year	-	-	(149,625)	(149,625)
Fund balance - end of year	$ -	$ -	$ (235,315)	$ (235,315)

Net change in fund balance (Non-GAAP Budgetary Basis)	$ (85,690)
Adjustments to revenues for intergovernmental revenue	85,757
Adjustments to expenditures for workman's compensation	(67)
Net change in fund balance (GAAP Basis)	$ -

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Native American Language Certificate Salaries Special Revenue Fund (27411)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
State flowthrough	$ -	$ 33,375	$ 33,875	$ 500
Total revenues	-	33,375	33,875	500
Expenditures				
Current				
Instruction	-	33,375	33,375	-
Total expenditures	-	33,375	33,375	-
Excess (deficiency) of revenues over expenditures	-	-	500	500
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	500	500
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	$ -	$ -	$ 500	$ 500
Net change in fund balance (Non-GAAP Budgetary Basis)			$ 500	
No adjustments to revenues			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ 500	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Career Technical Education Program (Pilot) Special Revenue Fund (27502)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
State flowthrough	$ 135,001	$ 142,665	$ 41,501	$ (101,164)
Total revenues	135,001	142,665	41,501	(101,164)
Expenditures				
Current				
Instruction	135,001	142,665	137,243	5,422
Total expenditures	135,001	142,665	137,243	5,422
Excess (deficiency) of revenues over expenditures	-	-	(95,742)	(95,742)
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	(95,742)	(95,742)
Fund balance - beginning of year	-	-	(7,468)	(7,468)
Fund balance - end of year	$ -	$ -	$ (103,210)	$ (103,210)

Net change in fund balance (Non-GAAP Budgetary Basis)	$ (95,742)
Adjustments to revenues for intergovernmental revenue	95,742
Adjustments to expenditures for supplies	(420)
Net change in fund balance (GAAP Basis)	$ (420)

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Youth Conservation Corp NMEMNR Special Revenue Fund (28133)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
State direct	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
Expenditures				
Current				
Instruction	-	29,969	-	29,969
Total expenditures	-	29,969	-	29,969
Excess (deficiency) of revenues over expenditures	-	(29,969)	-	29,969
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	29,969	-	(29,969)
Total other financing sources	-	29,969	-	(29,969)
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	29,969	29,969
Fund balance - end of year	$ -	$ -	$ 29,969	$ 29,969
Net change in fund balance (Non-GAAP Budgetary Basis)			$ -	
No adjustments to revenues			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ -	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
GEAR-UP CHE Special Revenue Fund (28178)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
State direct	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
Expenditures				
Current				
Instruction	-	1,546	-	1,546
Total expenditures	-	1,546	-	1,546
Excess (deficiency) of revenues over expenditures	-	(1,546)	-	1,546
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	1,546	-	(1,546)
Total other financing sources	-	1,546	-	(1,546)
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	1,546	1,546
Fund balance - end of year	$ -	$ -	$ 1,546	$ 1,546
Net change in fund balance (Non-GAAP Budgetary Basis)			$ -	
No adjustments to revenues			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ -	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
NM Schools Covid-19 Testing Program DOH Special Revenue Fund (28211)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
State direct	$ -	$ 400,120	$ 82,426	$ (317,694)
Total revenues	-	400,120	82,426	(317,694)
Expenditures				
Current				
Support services - students	220,075	220,075	83,573	136,502
Total expenditures	220,075	220,075	83,573	136,502
Excess (deficiency) of revenues over expenditures	(220,075)	180,045	(1,147)	(181,192)
Other financing sources				
Designated cash balance (budgeted increase in cash)	220,075	(180,045)	-	180,045
Total other financing sources	220,075	(180,045)	-	180,045
Net change in fund balance	-	-	(1,147)	(1,147)
Fund balance - beginning of year	-	-	(39,360)	(39,360)
Fund balance - end of year	$ -	$ -	$ (40,507)	$ (40,507)
Net change in fund balance (Non-GAAP Budgetary Basis)			$ (1,147)	
Adjustments to revenues for intergovernmental revenue			(39,360)	
Adjustments to expenditures for supplies and payroll expenditures			(547)	
Net change in fund balance (GAAP Basis)			$ (41,054)	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
NM Food Security Appropriation (28217)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
State direct	$ -	$ 48,650	$ 32,100	$ (16,550)
Total revenues	-	48,650	32,100	(16,550)
Expenditures				
Food services operations	-	-	32,100	(32,100)
Capital outlay	-	48,650	45,646	3,004
Total expenditures	-	48,650	77,746	(29,096)
Excess (deficiency) of revenues over expenditures	-	-	(45,646)	(45,646)
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	(45,646)	(45,646)
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	$ -	$ -	$ (45,646)	$ (45,646)
Net change in fund balance (Non-GAAP Budgetary Basis)			$ (45,646)	
Adjustments to revenues for intergovernmental revenue			48,560	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ 2,914	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Westmeath Foundation Special Revenue Fund (29102)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
Local sources	$ -	$ 17,533	$ 17,533	$ -
Total revenues	-	17,533	17,533	-
Expenditures				
Current				
Instruction	-	17,533	17,033	500
Total expenditures	-	17,533	17,033	500
Excess (deficiency) of revenues over expenditures	-	-	500	500
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	500	500
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	$ -	$ -	$ 500	$ 500
Net change in fund balance (Non-GAAP Budgetary Basis)			$ 500	
No adjustments to revenues			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ 500	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Bond Building Capital Projects Fund (31100)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Investment income	$ 4,778	$ 4,778	$ 70,970	$ 66,192
Total revenues	4,778	4,778	71,970	67,192
Expenditures				
Current				
Operation and maintenance of plant	170,185	170,185	143,092	27,093
Capital outlay	5,431,789	8,098,037	2,363,655	5,734,382
Total expenditures	5,601,974	8,268,222	2,506,747	5,761,475
Excess (deficiency) of revenues over expenditures	(5,597,196)	(8,263,444)	(2,434,777)	5,828,667
Other financing sources				
Designated cash balance	3,597,196	4,263,444	-	(4,263,444)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	-	-	
Transfers (out)	-	-	-	
Bond proceeds	2,000,000	4,000,000	2,000,000	(2,000,000)
Total other financing sources	5,597,196	8,263,444	2,000,000	(6,263,444)
Net change in fund balance	-	-	(434,777)	(434,777)
Fund balance - beginning of year	-	-	4,263,444	4,263,444
Fund balance - end of year	$ -	$ -	$ 3,828,667	$ 3,828,667
Net change in fund balance (Non-GAAP Budgetary Basis)			$ (434,777)	
No adjustments to revenues			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ (434,777)	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Public School Capital Outlay - Capital Projects Fund (31200)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Charges for services	$ -	2,142,496	2,142,496	$ -
Total revenues	-	2,142,496	2,142,496	-
Expenditures				
Capital outlay	-	2,142,496	-	2,142,496
Debt service				
Principal	-	-	-	-
Total expenditures	-	2,142,496	-	2,142,496
Excess (deficiency) of revenues over expenditures	-	-	2,142,496	2,142,496
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	-	-	
Transfers (out)	-	-	-	
Bond proceeds	-	-	-	
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	2,142,496	2,142,496
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	$ -	$ -	$ 2,142,496	$ 2,142,496
Net change in fund balance (Non-GAAP Budgetary Basis)			$ 2,142,496	
No adjustments to revenues			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ 2,142,496	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Special Capital Outlay - Local Capital Projects Fund (31300)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Charges for services	$ 217	$ 217	$ 520	$ 303
Total revenues	217	217	520	303
Expenditures				
Current				
Capital outlay	800,392	1,171,989	870,779	301,210
Total expenditures	800,392	1,171,989	870,779	301,210
Excess (deficiency) of revenues over expenditures	(800,175)	(1,171,772)	(870,259)	301,513
Other financing sources				
Designated cash balance	800,175	939,782	-	(939,782)
Proceeds from sale of capital assets	-	231,990	-	(231,990)
Total other financing sources	800,175	1,171,772	-	(1,171,772)
Net change in fund balance	-	-	(870,259)	(870,259)
Fund balance - beginning of year	-	-	1,171,772	1,171,772
Fund balance - end of year	$ -	$ -	$ 301,513	$ 301,513

Net change in fund balance (Non-GAAP Budgetary Basis)	$ (870,259)
Adjustments to revenues for lease	498,368
Adjustments to expenditures for lease	(498,368)
Net change in fund balance (GAAP Basis)	$ (870,259)

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Special Capital Outlay - State Capital Projects Fund (31400)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
State direct	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
Expenditures				
Current				
Instruction	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	48,375	48,375
Fund balance - end of year	$ -	$ -	$ 48,375	$ 48,375

Net change in fund balance (Non-GAAP Budgetary Basis)	$ -
Adjustments to revenues for intergovernmental revenue	413,402
Adjustments to expenditures for capital outlay expenditures	(413,402)
Net change in fund balance (GAAP Basis)	$ -

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Capital Improvements SB-9 - Local Capital Projects Fund (31701)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Property taxes	$ 2,934,135	$ 2,934,135	$ 3,008,239	$ 74,104
Oil and gas taxes	59,747	59,747	222,016	162,269
Total revenues	2,993,882	2,993,882	3,230,255	236,373
Expenditures				
Current				
Support services - general administration	29,341	29,341	30,082	(741)
Operation and maintenance of plant	4,961,107	5,689,745	3,829,423	1,860,322
Capital outlay	295,194	295,194	295,194	-
Total expenditures	10,276,090	6,014,280	4,154,699	1,859,581
Excess (deficiency) of revenues over expenditures	(7,282,208)	(3,020,398)	(924,444)	2,095,954
Other financing sources				
Designated cash balance (budgeted increase in cash)	7,282,208	3,020,398	-	(3,020,398)
Total other financing sources	7,282,208	3,020,398	-	(3,020,398)
Net change in fund balance	-	-	(924,444)	(924,444)
Fund balance - beginning of year, as originally stated	-	-	3,020,398	3,020,398
Fund balance - restatement (note 2)	-	-	(489,094)	(489,094)
Fund balance - beginning of year	-	-	2,531,304	2,531,304
Fund balance - end of year	$ -	$ -	$ 1,606,860	$ 1,606,860
Net change in fund balance (Non-GAAP Budgetary Basis)			$ (924,444)	
Adjustments to revenues for taxes			20,310	
Adjustments to expenditures for supplies and maintenance expenditures			(518,644)	
Net change in fund balance (GAAP Basis)			$ (1,422,778)	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
SB-9 - State Match Cash Capital Projects Fund (31703)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental				
State flowthrough	$ -	$ 928,588	$ 928,588	$ -
Total revenues	-	928,588	928,588	-
Expenditures				
Capital outlay	1,147,535	1,587,029	-	1,587,029
Total expenditures	1,147,535	1,587,029	-	1,587,029
Excess (deficiency) of revenues over expenditures	(1,147,535)	(658,441)	928,588	1,587,029
Other financing sources				
Designated cash balance (budgeted increase in cash)	1,147,535	658,441	-	(658,441)
Total other financing sources	1,147,535	658,441	-	(658,441)
Net change in fund balance	-	-	928,588	928,588
Fund balance - beginning of year, as originally stated	-	-	658,441	658,441
Fund balance - restatement (note 2)	-	-	489,094	489,094
Fund balance - beginning of year	-	-	1,147,535	1,147,535
Fund balance - end of year	$ -	$ -	$ 2,076,123	$ 2,076,123
Net change in fund balance (Non-GAAP Budgetary Basis)			$ 928,588	
No adjustments to revenues			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP Basis)			$ 928,588	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Ed. Technology Equipment Act Capital Projects Fund (31900)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Investment income	$ -	$ -	$ 2,722	$ 2,722
Total revenues	-	-	2,722	2,722
Expenditures				
Current				
Operation and maintenance of plant	14,484	508,456	32,150	476,306
Capital outlay	-	-	-	-
Total expenditures	14,484	508,456	32,150	476,306
Excess (deficiency) of revenues over expenditures	(14,484)	(508,456)	(29,428)	479,028
Other financing sources				
Designated cash balance	14,484	23,456	-	(23,456)
Leases, SBITA's, or bond proceeds	-	485,000	485,000	
Total other financing sources	14,484	508,456	485,000	(23,456)
Net change in fund balance	-	-	455,572	455,572
Fund balance - beginning of year	-	-	23,456	23,456
Fund balance - end of year	$ -	$ -	$ 479,028	$ 479,028
Net change in fund balance (Non-GAAP Budgetary Basis)			$ 455,572	
No adjustments to revenues			-	
Adjustments to expenditures for supply assets			(216,295)	
Net change in fund balance (GAAP Basis)			$ 239,277	

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Ed. Tech Debt Service Fund (43000)

For the Year Ended June 30, 2023	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues				
Property taxes	$ 1,172,981	$ 1,172,981	$ 58,910	$ (1,114,071)
Oil and gas taxes	23,885	23,885	34,001	10,116
Investment income	143	143	1,676	1,533
Total revenues	1,197,009	1,197,009	94,587	(1,102,422)
Expenditures				
Current				
Support services - general administration	12,316	12,316	589	11,727
Debt service				
Principal	1,250,000	1,250,000	1,735,000	(485,000)
Interest and other charges	1,513,344	1,615,968	12,843	1,603,125
Total expenditures	2,775,660	2,878,284	1,748,432	1,129,852
Excess (deficiency) of revenues over expenditures	(1,578,651)	(1,681,275)	(1,653,845)	27,430
Other financing sources				
Designated cash balance (budgeted increase in cash)	1,578,651	1,681,275	-	(1,681,275)
Total other financing sources	1,578,651	1,681,275	-	(1,681,275)
Net change in fund balance	-	-	(1,653,845)	(1,653,845)
Fund balance - beginning of year	-	-	1,681,275	1,681,275
Fund balance - end of year	$ -	$ -	$ 27,430	$ 27,430
Net change in fund balance (Non-GAAP Budgetary Basis)			$ (1,653,845)	
Adjustments to revenues for taxes			4,489	
Adjustments to expenditures for tax collections costs			213	
Net change in fund balance (GAAP Basis)			$ (1,649,143)	

State of New Mexico
Farmington Municipal School District No. 5
Combining Statement of Fiduciary Net Position
Fiduciary Funds

June 30, 2023	Farmington HS	Piedra Vista HS	Total Custodial Funds
Assets			
Cash and cash equivalents	$ 307,549	$ 254,258	$ 561,807
Total assets	$ 307,549	$ 254,258	$ 561,807
Liabilities			
Accounts payable	$ 11,276	$ 15,659	$ 26,935
Total liabilities	11,276	15,659	26,935
Net position			
Restricted for student organizations	296,273	238,599	534,872
Total net position	296,273	238,599	534,872
Total liabilities and net position	$ 307,549	$ 254,258	$ 561,807

State of New Mexico
Farmington Municipal School District No. 5
Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds

For the Year Ended June 30, 2023	Farmington HS	Piedra Vista HS	Total Custodial Funds
Additions			
Charges for services	$ 226,420	$ 403,211	$ 629,631
Total additions	226,420	403,211	629,631
Deductions			
Current			
Instruction	168,306	379,615	547,921
Support services - students	-	23	23
Total deductions	168,306	379,638	547,944
Net increase (deficiency) in fiduciary net position	58,114	23,573	81,687
Net position - beginning of year	238,159	215,026	453,185
Net position - end of year	$ 296,273	$ 238,599	$ 534,872

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Supporting Schedules

Farmington Municipal School District No. 5

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Deposit and Investment Accounts
June 30, 2023

Bank Account Type/ Name	Bank of the Southwest	Citizens Bank of Farmington
Operational - non-interest-bearing checking	$ -	$ -
Operational investments - interest-bearing checking	-	-
Bond building - non-interest-bearing checking	-	-
Secondary athletic - non-interest-bearing checking	-	-
FHS scorp activity - non-interest-bearing checking	-	-
NonBudgeted - non-interest-bearing checking	-	-
PV activity acct - non-interest-bearing checking	-	-
Debt - non-interest-bearing checking	-	-
Debt service investments - interest bearing checking	-	-
Accounts payable - non-interest-bearing checking	-	-
Payroll - non-interest-bearing checking	-	-
Payroll clearing - non-interest-bearing checking	-	-
Tech bonds - interest-bearing checking	-	478,731
School lunch - interest-bearing checking	953,834	-
Bond building	-	-
Bond building	-	-
Bond building	-	-
Bond building	-	-
Ed tech	-	-
Debt service	-	-
Debt service	-	-
Total	953,834	478,731
Reconciling items	(11,657)	-
Reconciled balance June 30, 2022	$ 942,177	$ 478,731

Less investments per statement of net position	
Less restricted investments per statement of net position	
Less restricted cash per statement of net position	
Less cash and cash equivalents per statement of fiduciary net position	
Cash and cash equivalents per statement of net position	

Wells Fargo Bank	New Mexico Finance Authority	Total
$ 13,670,606	$ -	$ 13,670,606
13,071	-	13,071
164,712	-	164,712
397,256	-	397,256
329,922	-	329,922
1,555,059	-	1,555,059
267,002	-	267,002
8,806,915	-	8,806,915
783,600	-	783,600
202,806	-	202,806
2,121,213	-	2,121,213
2,794,653	-	2,794,653
-	-	478,731
-	-	953,834
-	12	12
-	344	344
-	1,959,451	1,959,451
-	38,638	38,638
-	297	297
-	1,665,505	1,665,505
-	6,634	6,634
31,106,815	3,670,881	36,210,261
(2,800,787)	-	(2,812,444)
$ 28,306,028	$ 3,670,881	33,397,817
		(3,155,993)
		(783,600)
		(19,430,882)
		(561,807)
		$ 9,465,535

State of New Mexico
Farmington Municipal School District No. 5
Cash Reconciliation

For the Year Ended June 30, 2023	Operational 11000	Transportation 13000	Local Revenue Operational 15200	Food Services 21000
PED cash, June 30, 2022	$ 7,338,687	$ 29,642	$ -	$ 734,413
Add				
2022-2023 receipts	108,117,326	3,312,270	652,364	6,606,572
Repayment of loans	-	-	-	-
Total cash available	115,456,013	3,341,912	652,364	7,340,985
Less				
2022-2023 expenditures	(108,534,722)	(3,619,326)	(458,814)	(6,398,824)
Repayment of prior year loans	(6,738,774)	278,609	-	-
Payroll liabilities	15,232	(1,195)	-	16
PED Cash, June 30, 2023	$ 197,749	$ -	$ 193,550	$ 942,177
Audit Adjustments				
Loans for negative cash	$ -	$ -	$ -	$ -
Investments	(13,071)	-	-	-
Due from other funds	(169,082)	-	-	-
Held checks	2,033,215	56,967	-	11,044
Cash per financial statement	$ 2,048,811	$ 56,967	$ 193,550	$ 953,221

Athletics 22000	Non-Instructional Support 23000	Federal Flowthrough 24000	Federal Direct 25000	Local Grants 26000	State Flowthrough 27000	State Direct 28000
$ 271,879	$ 1,472,853	$ (3,956,846)	$ 3,289,012	$ 34,725	$ (1,588,082)	$ (7,845)
554,955	2,052,868	14,307,629	3,468,897	1,560,799	2,447,761	82,426
-	-	5,458,393	136,404	-	762,072	86,153
826,834	3,525,721	15,809,176	6,894,313	1,595,524	1,621,751	160,734
(445,130)	(1,904,298)	(15,661,594)	(4,129,613)	(554,638)	(1,614,605)	(129,223)
-	-	-	-	-	-	-
-	15,263	(23,512)	87	17,147	3,200	4
$ 381,704	$ 1,636,686	$ 124,070	$ 2,764,787	$ 1,058,033	$ 10,346	$ 31,515
$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-
35	(3)	-	-	-	-	-
-	3,786	123,289	29,968	5,588	40,958	1,724
$ 381,739	$ 1,640,469	$ 247,359	$ 2,794,755	$ 1,063,621	$ 51,304	$ 33,239

(Continued)

State of New Mexico
Farmington Municipal School District No. 5
Cash Reconciliation

For the Year Ended June 30, 2023	Local or State Fund 29000	Bond Building 31100	Public School Capital Outlay 31200	Special Capital Capital Outlay Local 31300
PED cash, June 30, 2022	$ -	$ 4,263,444	$ -	$ 1,171,772
Add				
2022-2023 receipts	17,533	2,071,970	2,142,496	520
Repayment of loans	-	-	-	-
Total cash available	17,533	6,335,414	2,142,496	1,172,292
Less				
2022-2023 expenditures	(17,033)	(2,506,747)	-	(870,779)
Repayment of prior year loans	-	-	-	-
Payroll liabilities	-	-	-	-
PED Cash, June 30, 2023	$ 500	$ 3,828,667	$ 2,142,496	$ 301,513
Audit Adjustments				
Loans for negative cash	$ -	$ -	$ -	$ -
Investments	-	(3,142,922)	-	-
Due from other funds	-	-	-	-
Held checks	-	-	-	-
Cash per financial statement	$ 500	$ 685,745	$ 2,142,496	$ 301,513

Special Capital Capital Outlay State 31400	Special Capital Capital Outlay State 31600	Capital Improvements SB-9-Local 31701	Capital Improvements SB-9-State Match 31703	Education Technology Equipment Act 31900	Debt Service 41000
$ 48,375	$ 586,065	$ 3,020,398	$ 658,441	$ 23,456	$ 8,934,217
-	3,544,562	2,741,161	1,417,682	487,722	8,431,041
-	-	-	-	-	-
48,375	4,130,627	5,761,559	2,076,123	511,178	17,365,258
-	(1,791,605)	(4,154,699)	-	(32,150)	(7,026,416)
-	-	-	-	-	-
-	4,185	-	-	-	(4,184)
$ 48,375	$ 2,343,207	$ 1,606,860	$ 2,076,123	$ 479,028	$ 10,334,658
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	(587,123)
-	-	-	-	-	-
-	-	-	-	-	-
$ 48,375	$ 2,343,207	$ 1,606,860	$ 2,076,123	$ 479,028	$ 9,747,535

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State of New Mexico
Farmington Municipal School District No. 5
Cash Reconciliation

For the Year Ended June 30, 2023	Ed Tech Debt Service 43000	Total
PED cash, June 30, 2022	$ 1,681,275	$ 28,005,881
Add		
2022-2023 receipts	94,587	164,113,141
Repayment of loans	-	6,443,022
Total cash available	1,775,862	198,562,044
Less		
2022-2023 expenditures	(1,748,432)	(161,598,648)
Repayment of prior year loans	-	(6,460,165)
Payroll liabilities	-	26,243
PED Cash, June 30, 2023	$ 27,430	$ 30,529,474
Audit Adjustments		
Loans for negative cash	$ -	$ -
Investments	(196,477)	(3,939,593)
Due from other funds	169,047	(3)
Held checks	-	2,306,539
Cash per financial statement	$ -	$ 28,896,417

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2023

Name of Depository	Description of Pledged Collateral	Maturity	CUSIP Number	Fair Market Value June 30, 2023
Bank of the Southwest				
	LETTER OF CREDIT	2/2/2024		$ 500,000
	LETTER OF CREDIT	12/5/2023		25,000
	LETTER OF CREDIT	11/2/2023		250,000
	LETTER OF CREDIT	9/6/2023		100,000
	Total Bank of the Southwest			875,000
	Name and location of safekeeper for above pledged collateral: Federal Home Loan Bank, Dallas, TX			
Citizens Bank of Farmington				
	FNMA Ser 2011-105 CL 5-PB	10/25/2041	3136A1MJ1	2,032,468
	Total Citizens Bank of Farmington			2,032,468
	Name and location of safekeeper for above pledged collateral: Federal Home Loan Bank, Dallas, TX			
Wells Fargo Bank				
	FNMA FNMS 2.500%	3/1/2052	3140MGEK3	4,893,992
	FNMA FNMS 2.500%	4/1/2051	3140XAR61	15,462
	FNMA FNMS 3.500%	9/1/2047	3140XCF29	9,166,724
	GNII SF MA8878 5.000%	5/20/2053	3617X2K1	965,462
	Total Wells Fargo Bank			15,041,640
	Name and location of safekeeper for above pledged collateral: BNY Mellon, New York, NY			
Total pledged collateral				$ 17,949,108

Statistical Section
of
Farmington Municipal School District No. 5

This part of Farmington Municipal School District No. 5's annual comprehensive financial report present detail information as a context for understanding what the information in the financial statement, note disclosures, and required supplementary information says about the government's overall financial health.

GASB Statement No. 44 provided the requirements for the scheduled contained in this section of the District's ACFR.

Content

Financial Trends

242-251

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

Revenue Capacity

252-260

These schedules contain information to help the reader assess the District's most significant local revenues source: the sales tax.

Debt Capacity

261-263

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

Demographic and Economic Information

264-267

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

Operating Information

268-271

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

State of New Mexico
Farmington Municipal School District No. 5
Net Position by Component
Last Ten Fiscal Years (Accrual basis of accounting)

	2014	2015	2016
Governmental Activities			
Net investment in capital assets	$ 97,274,871	$ 105,039,068	$ 89,528,046
Restricted	18,167,016	24,781,118	51,226,513
Unrestricted	22,634,154	(102,994,068)	(90,715,061)
Total governmental activities net position	$ 138,076,041	$ 26,826,118	$ 50,039,498

	2019	2020	2021
Governmental Activities			
Net investment in capital assets	$ 143,915,447	$ 148,924,471	$ 149,684,300
Restricted	19,479,173	18,993,480	23,033,641
Unrestricted	(237,074,262)	(177,543,253)	(272,742,559)
Total governmental activities net position	$ (73,679,642)	$ (9,625,302)	$ (100,024,618)

Note: GASB 68 Pension liability recorded beginning in 2015
Note: GASB 75 OPEB liability recorded beginning in 2018

2017	2018
$ 139,517,254	$ 138,081,745
19,496,768	26,459,741
(117,826,116)	(159,994,947)
$ 41,187,906	$ 4,546,539

2022	2023
$ 150,894,965	**$ 152,725,664**
21,522,194	**23,434,676**
(272,467,170)	**(267,384,058)**
$ (100,050,011)	**$ (91,223,718)**

State of New Mexico
Farmington Municipals School District No. 5
Expenses, Program Revenues, and Net (Expense)/Revenue
Last Ten Fiscal Years (Accrual basis of accounting)

	2014	2015	2016	2017	2018
Expenses					
Governmental Activities					
Instruction	$ 56,300,845	$ 63,425,766	$ 44,969,217	$ 67,974,302	$ 85,009,241
Support services					
Students	10,934,607	12,557,987	11,530,356	12,021,053	12,067,974
Instruction - support	1,782,540	1,916,013	1,753,666	1,083,434	1,101,248
General Administrative	1,474,637	1,460,323	1,454,979	1,736,695	1,746,195
School Administrative	5,117,842	5,326,590	5,699,925	5,290,922	5,889,246
Central Services	859,423	1,484,713	1,287,846	1,198,927	1,194,223
Operations & Maintenance of Plant	4,194,480	15,893,619	24,372,188	15,185,927	18,364,623
Student Transportation	3,082,206	4,317,667	3,418,076	2,732,618	2,996,842
Other support services	91,023	93,603	25,774	7,678	4,456
Non-instructional services					
Food services	4,018,871	4,402,077	4,802,086	4,862,251	4,922,690
Community services	7,408	8,332	56,904	11,345	8,922
Bond Interest Payable					
Facilities, supplies and materials	3,046,988	-	-	-	-
Depreciation - unallocated	4,025,893	-	-	-	-
Operation of non-instructional services					
Athletics					
Interest on long-term obligations	1,106,616	1,534,093	2,162,706	2,235,099	2,207,630
Refunds	-	-	-	211,546	-
Total governmental activities expenses	96,043,379	112,420,783	101,533,723	114,551,797	135,513,290
Program Revenues					
Governmental Activities					
Charges for services					
General government	1,061,757	829,598	1,045,498	812,746	822,994
Food Services	884,881	811,223	921,586	815,159	522,852
Operating grants and contributions	13,334,879	19,138,864	17,181,976	16,352,428	17,066,457
Capital grants and contributions	1,255,020	11,982,223	15,336,594	19,082,712	6,966,441
Total governmental activities program revenues	16,536,537	32,761,908	34,485,654	37,063,045	25,378,744
Net (expense)/revenue					
Governmental activities	$ 79,506,842	$ 79,658,875	$ 67,048,069	$ 77,488,752	$110,134,546

Note [1]: New Mexico adopted the UCOA for school districts and combined governmental activity functions into Instruction, Support services,

Note - The District began reporting expenditures according to the breakdown by function in 2012.

(Continued)

State of New Mexico
Farmington Municipals School District No. 5
Expenses, Program Revenues, and Net (Expense)/Revenue
Last Ten Fiscal Years (Accrual basis of accounting)

	2019	2020	2021	2022	2023
Expenses					
Governmental Activities					
Instruction	$ 87,053,866	$ 57,443,955	$130,342,836	$ 81,836,408	**$ 83,205,025**
Support services					
Students	14,139,258	16,420,880	27,796,924	16,089,269	**19,483,885**
Instruction - support	1,845,725	2,444,776	2,378,230	1,557,353	**1,886,031**
General Administrative	2,115,811	2,502,023	3,860,190	2,514,303	**2,105,807**
School Administrative	6,414,784	7,233,324	13,894,309	7,721,719	**7,552,954**
Central Services	1,243,222	1,744,314	2,959,884	1,723,755	**1,985,551**
Operations & Maintenance of Plant	19,383,839	17,889,638	24,950,025	20,483,503	**24,410,286**
Student Transportation	3,207,815	3,672,821	5,886,526	4,260,450	**4,186,986**
Other support services	-	395	-	-	**16,298**
Non-instructional services	-	-	-	-	**-**
Food services	4,914,113	5,330,218	5,321,867	6,875,044	**7,480,958**
Community services	13,602	7,708	9,927	50	**209**
Bond Interest Payable					
Facilities, supplies and materials	-	-	-	-	**-**
Depreciation - unallocated	-	-	-	-	**-**
Operation of non-instructional services					
Athletics					
Interest on long-term obligations	2,251,692	2,499,341	1,754,409	1,981,512	**1,954,237**
Refunds	-	-	-	-	**-**
Total governmental activities expenses	142,583,727	117,189,393	219,155,127	145,043,366	**154,268,227**
Program Revenues					
Governmental Activities					
Charges for services					
General government	1,853,297	1,263,718	437,564	1,503,979	**2,612,335**
Food Services	819,162	706,661	13,669	176,264	**609,527**
Operating grants and contributions	18,258,821	21,116,913	23,911,918	30,205,967	**30,674,079**
Capital grants and contributions	1,297,914	3,954,708	1,892,802	4,414,702	**5,553,242**
Total governmental activities program revenues	22,229,194	27,042,000	26,255,953	36,300,912	**39,449,183**
Net (expense)/revenue					
Governmental activities	$120,354,533	$ 90,147,393	$192,899,174	$108,742,454	**$114,819,044**

State of New Mexico
Farmington Municipals School District No. 5
General Revenues and Total Change in Net Position
Last Ten Fiscal Years (Accrual basis of accounting)

	2014	2015	2016	2017	2018
Net (expense)/revenue					
Governmental activities	$ 79,506,842	$ 79,658,875	$ 67,048,069	$ 77,488,752	$ 110,134,546
General Revenues and Other Changes in Net Position					
Governmental activities					
Taxes					
Property taxes, general purpose	590,888	528,737	540,502	551,471	558,562
Property taxes, debt service	11,034,174	9,794,142	9,950,029	2,814,485	10,794,816
Property taxes, capital projects	2,942,681	3,524,200	3,173,781	10,607,097	2,858,482
Oil & Gas	-	1,439,430	613,830	594,547	510,604
Unrestricted grants and contributions	73,575,299	75,837,173	75,897,873	72,116,655	75,622,445
Miscellaneous Income	17,879	256,983	85,434	305,034	251,914
Gain/(Loss) on sale of capital assets	-	(240,758)	-	-	-
Total government activities	88,160,921	91,139,907	90,261,449	86,989,289	90,596,823
Change in Net Position					
Governmental activities	$ 8,654,079	$ 11,481,032	$ 23,213,380	$ 9,500,537	$ (19,537,723)

	2019	2020	2021	2022	2023
Net (expense)/revenue					
Governmental activities	$ 120,354,533	$ 90,147,393	$ 193,524,864	$ 108,742,394	$ 114,819,044
General Revenues and Other Changes in Net Position					
Governmental activities					
Taxes					
Property taxes, general purpose	571,340	578,442	592,179	576,803	604,686
Property taxes, debt service	10,803,256	10,261,944	9,237,045	5,100,952	6,451,373
Property taxes, capital projects	2,934,916	3,651,706	4,715,657	8,693,935	7,958,328
Oil & Gas	536,257	331,265	343,056	635,230	1,106,581
Unrestricted grants and contributions	79,112,920	89,779,949	89,432,759	93,515,835	106,887,419
Pension income	-	46,310,711	-	-	-
OPEB income	-	3,201,887	-	-	-
Investment and miscellaneous income	200,182	85,829	69,568	78,864	168,532
Gain/(Loss) on sale of capital assets	-	-	89,708	115,382	468,418
Total government activities	94,158,871	154,201,733	104,479,972	108,717,001	123,645,337
Change in Net Position					
Governmental activities	$ (26,195,662)	$ 64,054,340	$ (89,044,892)	$ (25,393)	$ 8,826,293

State of New Mexico
Farmington Municipals School District No. 5
Fund Balances of Governmental Funds
Last Ten Fiscal Years (Accrual basis of accounting)

	2014	2015	2016	2017	2018
General Fund					
Unassigned	$ 9,665,269	$ 8,135,166	$ 6,671,858	$ 4,743,157	$ 6,915,798
Nonspendable	-	138,041	134,821	120,499	104,400
Total general fund	9,665,269	8,273,207	6,806,679	4,863,656	7,020,198
All other governmental funds					
Unassigned	-	-	-	(5,586)	-
Nonspendable	-	-	-	81,619	122,358
Restricted:					
Special revenue funds	1,787,908	1,803,991	1,622,470	1,426,681	1,786,378
Capital projects funds	28,055,811	8,720,466	32,703,331	11,406,417	110,040,526
Debt service funds	14,208,070	14,118,620	16,765,891	13,627,652	13,478,972
Total all other governmental funds	44,051,789	24,643,077	51,091,692	26,536,783	125,428,234
Total fund balance	$ 53,717,058	$ 32,916,284	$ 57,898,371	$ 31,400,439	$ 132,448,432

	2019	2020	2021	2022	2023
General Fund					
Unassigned	$ 7,962,176	$ 8,084,463	$ -	$ 193,147	**$ 1,199,200**
Committed	-	-	5,717,368	5,635,964	**3,700,000**
Nonspendable	174,568	209,444	210,908	292,758	**299,143**
Restricted	-	-	404,452	-	**193,550**
Total general fund	8,136,744	8,293,907	6,332,728	6,121,869	**5,391,893**
All other governmental funds					
Unassigned	-	(700,298)	(571,723)	(403,097)	**(931,147)**
Nonspendable	76,754	229,355	152,917	160,318	**200,491**
Restricted:					
Special revenue funds	2,846,647	3,250,322	4,791,466	6,564,290	**5,715,353**
Capital projects funds	9,873,768	9,027,546	9,171,007	9,564,809	**9,551,204**
Debt service funds	13,136,488	11,968,460	10,728,395	10,687,564	**10,493,183**
Total all other governmental funds	25,933,657	23,775,385	24,272,062	26,573,884	**25,029,084**
Total fund balance	$ 34,070,401	$ 32,069,292	$ 30,604,790	$ 32,695,753	**$ 30,420,977**

State of New Mexico
Farmington Municipals School District No. 5
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years (Accrual basis of accounting)

	2014	2015	2016	2017	2018
Revenues					
Federal Sources					
Federal grants	$ 11,505,683	$ 12,899,475	$ 12,016,822	$ 11,484,316	$ 11,917,824
Total federal sources	11,505,683	12,899,475	12,016,822	11,484,316	11,917,824
State Sources					
State equalization guarantee	69,945,424	74,607,143	75,496,685	72,051,469	75,622,445
Transportation	2,877,620	3,178,562	2,830,628	2,532,756	2,856,023
State instructional materials	752,255	778,480	778,264	768,191	345,047
State grants	2,440,227	14,435,313	16,861,994	20,527,767	8,750,972
Total state sources	76,015,526	92,999,498	95,967,571	95,880,183	87,574,487
Local Sources					
District school tax levy	14,400,614	14,771,824	14,189,088	14,497,486	14,693,025
Oil and Gas taxes	-	-	-	-	-
Fees and activities	1,946,638	1,640,821	1,967,084	1,627,905	1,345,846
Earnings from investments	17,879	8,257	30,862	121,838	59,985
Other revenue	643,989	1,308,013	486,622	370,492	354,961
Total local sources	17,009,120	17,728,915	16,673,656	16,617,721	16,453,817
Total revenues	104,530,329	123,627,888	124,658,049	123,982,220	115,946,128
Expenditures					
Instruction	56,171,307	59,071,009	58,657,865	56,969,232	54,463,988
Support services					
Students	10,923,048	11,995,208	11,519,452	11,415,346	11,598,818
Instruction - support	1,782,540	1,884,372	1,729,713	1,130,118	1,054,104
General Administrative	1,679,249	1,394,879	1,428,319	1,649,188	1,678,310
School Administrative	5,103,738	5,087,882	5,687,386	5,024,327	5,660,295
Central Services	853,221	1,418,176	1,281,644	1,138,516	1,147,796
Operations & Maintenance of Plant	8,256,411	15,181,355	18,079,740	14,420,751	16,984,637
Student Transportation	4,122,683	4,124,173	2,924,893	2,594,929	2,880,336
Other support services	91,023	89,408	25,774	7,291	4,283
Non-instructional services					
Food services	4,025,369	4,204,800	4,656,749	4,617,256	4,731,315
Community services	7,408	7,959	8,402	10,773	8,575
Operation of non-instructional services	-				
Capital outlay	14,939,280	29,135,384	27,254,511	37,369,387	18,513,249
Debt service					
Principal	7,985,000	9,400,000	8,375,000	11,200,000	10,830,000
Interest	1,224,129	1,434,057	2,105,108	2,721,492	2,509,851
Capital lease issuance costs	33,265	-	388,470	-	302,578
Total expenditures	117,197,671	144,428,662	144,123,026	150,268,606	132,368,135

State of New Mexico
Farmington Municipals School District No. 5
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years (Accrual basis of accounting)

	2014	2015	2016	2017	2018
Revenues over (under) expenditures	$ (12,667,342)	$ (20,800,774)	$ (19,464,977)	$ (26,286,386)	$ (16,422,007)
Other Financing Sources (Uses)					
Sale of capital assets	-	-	-	-	-
Leases, SBITAs, or Bonds issued	33,530,000	-	41,700,000	-	18,470,000
Premium on bonds issued	486,113	-	2,747,064	-	-
Capital lease	-	-	-	-	-
Payments to refunded debt escrow	(3,530,000)	-		(211,546)	-
Total other financing sources (uses)	30,486,113	-	44,447,064	(211,546)	18,470,000
Net Change in Fund Balances	$ 17,818,771	$ (20,800,774)	$ 24,982,087	$ (26,497,932)	$ 2,047,993
Debt Service as a Percentage of Noncapital Expenditures	9.2%	9.4%	9.0%	12.3%	11.7%

Note [1]: New Mexico adopted the UCOA for school districts and combined governmental activity categories into Instruction, Support services,Operation of non-instructional services, Food services, Athletics, Pupil Transportation and Interest on long-term debt. Prior years have been adjusted accordingly.

Note - The District recomputed the percentage using the capitalized expenditures (capital asset additions) and not the capital outlay amount.

Note - The District began reporting expenditures according to the breakdown by function in 2012.

State of New Mexico
Farmington Municipals School District No. 5
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years (Accrual basis of accounting)

	2019	2020	2021	2022	2023
Revenues					
Federal Sources					
Federal grants	$ 12,922,565	$ 13,353,833	$ 20,243,139	$ 26,985,078	$ 26,216,088
Total federal sources	12,922,565	13,353,833	20,243,139	26,985,078	26,216,088
State Sources					
State equalization guarantee	79,112,920	89,710,293	90,418,909	93,515,835	106,887,419
Transportation	3,262,948	3,527,118	3,448,939	3,016,861	3,643,506
State instructional materials	370,113	29,739	-	-	-
State grants	2,732,048	8,072,805	748,129	4,437,264	6,367,727
Total state sources	85,478,029	101,339,955	94,615,977	100,969,960	116,898,652
Local Sources					
District school tax levy	15,008,679	14,634,402	14,894,033	14,383,538	14,941,304
Oil and Gas taxes	-	-	-	635,230	1,106,581
Fees and activities	2,672,459	1,970,379	451,232	1,680,303	3,221,862
Earnings from investments	157,624	88,126	18,935	15,268	79,666
Other revenue	311,619	155,485	221,437	245,062	88,866
Total local sources	18,150,381	16,848,392	15,585,637	16,959,401	19,438,279
Total revenues	116,550,975	131,542,180	130,444,753	144,914,439	162,553,019
Expenditures					
Instruction	57,006,184	64,465,719	70,777,183	76,321,879	85,078,084
Support services					
Students	13,522,150	15,420,976	13,720,021	15,034,340	20,067,970
Instruction - support	1,640,248	2,178,821	1,295,444	1,438,451	1,874,153
General Administrative	2,023,466	2,349,669	2,264,915	2,352,707	2,151,650
School Administrative	6,134,811	6,792,871	6,812,405	7,146,050	7,897,571
Central Services	1,188,962	1,638,099	1,768,677	1,593,100	2,016,901
Operations & Maintenance of Plant	18,397,889	16,686,355	13,883,635	19,375,356	23,758,138
Student Transportation	3,067,810	3,449,175	3,193,157	3,260,824	3,628,261
Other support services	1,443	371	404	-	15,604
Non-instructional services:					
Food services	4,699,637	5,005,649	4,945,118	6,507,171	7,076,547
Community services	13,008	7,239	4,217	288	971
Operation of non-instructional services					
Capital outlay	7,580,380	7,995,292	2,995,066	2,810,412	5,928,456
Debt service					
Principal	8,925,000	16,055,000	8,275,000	7,195,034	6,765,625
Interest	2,589,519	2,794,110	2,318,460	2,199,161	2,099,855
Capital lease issuance costs	138,500	113,943	-	-	-
Total expenditures	126,929,007	144,953,289	132,253,702	145,234,773	168,359,786

(Continued)

State of New Mexico
Farmington Municipals School District No. 5
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years (Accrual basis of accounting)

	2019	2020	2021	2022	2023
Revenues over (under) expenditures	$ (10,378,032)	$ (13,411,109)	$ (1,808,949)	$ (320,334)	$ (5,806,767)
Other Financing Sources (Uses)					
Sale of capital assets	-	-	231,990	371,297	548,623
Leases, SBITAs, or Bonds issued	11,000,000	11,410,000	-	2,000,000	2,983,368
Premium on bonds issued	-	-	-	-	-
Capital lease	-	-	-	-	-
Payments to refunded debt escrow	-	-	-	-	-
Total other financing sources (uses)	11,000,000	11,410,000	231,990	2,371,297	3,531,991
Net Change in Fund Balances	$ 621,968	$ (2,001,109)	$ (1,576,959)	$ 2,050,963	$ (2,274,776)
Debt Service as a Percentage of Noncapital Expenditures	9.7%	13.8%	8.2%	6.6%	5.5%

State of New Mexico
Farmington Municipals School District No. 5
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Local Assessed	Central Assessed	Oil & Gas Assessed	Total Assessed Value	Exemptions
2023	**$ 1,579,398,396**	**$ 57,780,270**	**$ 113,993,461**	**$ 1,751,172,127**	**$ 388,045,002**
2022	1,499,766,524	51,608,436	65,957,472	1,617,332,432	318,582,097
2021	1,464,961,331	68,220,544	29,873,358	1,563,055,233	318,582,097
2020	1,472,226,086	70,273,349	40,299,238	1,582,798,673	312,602,039
2019	1,682,524,039	75,861,603	28,403,859	1,786,789,501	294,022,486
2018	1,682,524,039	77,992,122	61,512,537	1,822,028,698	294,022,486
2017	1,660,751,578	71,832,801	49,660,581	1,782,244,960	293,098,717
2016	1,628,353,760	78,630,781	61,125,886	1,768,110,427	283,132,549
2015	1,600,883,002	74,064,669	125,310,176	1,800,257,847	283,214,249
2014	1,568,435,510	74,491,847	110,402,844	1,753,330,201	281,616,474

[1] The assessed values are 33 1/3% of actual taxable value, as set by New Mexico statute.

Source: State of New Mexico, Taxation and Revenue Department Property Tax Division, and Office of San Juan County Assessor.

Total Taxable Assessed Value[1]	Estimated Actual Taxable Value	Total Direct Tax Rate
$ 1,363,127,125	**$ 4,089,790,354**	**9.970**
1,298,750,335	3,896,640,669	9.970
1,244,473,136	3,733,792,787	9.965
1,270,196,634	3,810,970,999	9.969
1,492,767,015	4,478,748,920	9.946
1,528,006,212	4,584,477,084	9.946
1,489,146,243	4,467,885,518	9.947
1,484,977,878	4,455,379,172	9.921
1,517,043,598	4,551,585,953	9.939
1,471,713,727	4,415,582,739	9.931

State of New Mexico
Farmington Municipals School District No. 5
Computation of Direct and Overlapping General Obligation Mileage Rates
Last Ten Fiscal Years

Fiscal Year		Farmington Municipal Schools Millage Rates				
		Operational	Debt Service	Capital Improvement	Ed Tech Debt Service	Total Direct Rate
2023	**City of Farmington Residential**	**0.348**	**5.220**	**2.000**	**0.000**	**9.818**
	City of Farmington Commercial/Oil & Ga	**0.494**	**5.220**	**1.975**	**0.000**	**9.911**
	San Juan County Residential	**0.348**	**5.220**	**2.000**	**0.000**	**9.818**
	San Juan County Commercial/Oil & Gas	**0.494**	**5.220**	**1.975**	**0.000**	**9.970**
2022	City of Farmington Residential	0.347	5.220	2.000	0.000	9.817
	City of Farmington Commercial/Oil & Gas	0.500	5.220	2.000	0.000	9.970
	San Juan County Residential	0.343	5.220	2.000	0.800	9.817
	San Juan County Commercial/Oil & Gas	0.500	5.220	2.000	0.800	9.970
2021	City of Farmington Residential	0.343	5.340	2.000	0.800	9.808
	City of Farmington Commercial/Oil & Gas	0.500	5.340	2.000	0.800	9.965
	San Juan County Residential	0.343	5.340	2.000	0.800	9.808
	San Juan County Commercial/Oil & Gas	0.500	5.340	2.000	0.800	9.965
2020	City of Farmington Residential	0.342	5.340	2.000	0.929	9.811
	City of Farmington Commercial/Oil & Gas	0.500	5.340	2.000	0.929	9.969
	San Juan County Residential	0.342	5.340	2.000	0.929	9.811
	San Juan County Commercial/Oil & Gas	0.500	5.340	2.000	0.929	9.969
2019	City of Farmington Residential	0.327	5.390	2.000	2.056	9.773
	City of Farmington Commercial/Oil & Gas	0.500	5.390	2.000	2.056	9.946
	San Juan County Residential	0.327	5.390	2.000	2.056	9.773
	San Juan County Commercial/Oil & Gas	0.500	5.390	2.000	2.056	9.946
2018	City of Farmington Residential	0.327	5.390	2.000	2.056	9.773
	City of Farmington Commercial/Oil & Gas	0.500	5.390	2.000	2.056	9.946
	San Juan County Residential	0.327	5.390	2.000	2.056	9.773
	San Juan County Commercial/Oil & Gas	0.500	5.390	2.000	2.056	9.946
2017	City of Farmington Residential	0.320	5.258	1.956	2.189	9.723
	City of Farmington Commercial/Oil & Gas	0.500	5.258	2.000	2.189	9.947
	San Juan County Residential	0.320	5.258	1.956	2.189	9.723
	San Juan County Commercial/Oil & Gas	0.500	5.258	2.000	2.189	9.947
2016	City of Farmington Residential	0.319	5.167	1.951	2.254	9.691
	City of Farmington Commercial/Oil & Gas	0.500	5.167	2.000	2.254	9.921
	San Juan County Residential	0.319	5.167	1.951	2.254	9.691
	San Juan County Commercial/Oil & Gas	0.500	5.167	2.000	2.254	9.921
2015	City of Farmington Residential	0.323	4.656	1.974	2.783	9.736
	City of Farmington Commercial/Oil & Gas	0.500	4.656	2.000	2.783	9.939
	San Juan County Residential	0.323	4.656	1.974	2.783	9.736
	San Juan County Commercial/Oil & Gas	0.500	4.656	2.000	2.783	9.939
2014	City of Farmington Residential	0.322	3.937	1.968	3.494	9.721
	City of Farmington Commercial/Oil & Gas	0.500	3.937	2.000	3.494	9.931
	San Juan County Residential	0.322	3.937	1.968	3.494	9.721
	San Juan County Commercial/Oil & Gas	0.500	3.937	2.000	3.494	9.931

Source: County Tax Collector

Overlapping Millage Rates				
State Debt Service	San Juan County	City of Farmington	San Juan College	Total Direct & Overlapping
1.360	**7.176**	**1.510**	**4.234**	**24.098**
1.360	**8.500**	**2.175**	**5.100**	**27.046**
1.360	**7.176**	**0.000**	**4.234**	**22.588**
1.360	**8.500**	**0.000**	**5.100**	**24.930**
1.360	7.141	1.506	4.216	24.040
1.360	8.500	2.225	5.100	27.155
1.360	7.141	0.000	4.216	22.534
1.360	8.500	0.000	5.100	24.930
1.360	7.033	1.487	4.161	23.849
1.360	8.500	2.225	5.100	27.150
1.360	7.033	0.000	4.161	22.362
1.360	8.500	0.000	5.100	24.925
1.360	6.990	1.484	4.139	23.784
1.360	8.500	2.225	5.100	27.154
1.360	6.700	0.000	4.139	22.300
1.360	8.500	0.000	5.100	24.929
1.360	6.700	1.425	3.992	23.250
1.360	8.500	2.225	5.100	27.131
1.360	6.700	0.000	3.992	21.825
1.360	8.500	0.000	5.100	24.906
1.360	6.700	1.425	3.992	23.250
1.360	8.500	2.225	5.100	27.131
1.360	6.700	0.000	3.992	21.825
1.360	8.500	0.000	5.100	24.906
1.360	6.545	1.394	3.914	22.936
1.360	8.500	2.225	5.100	27.132
1.360	6.545	0.000	3.914	21.542
1.360	8.500	0.000	5.100	24.907
1.360	6.529	1.392	3.863	22.835
1.360	8.500	2.209	5.100	27.090
1.360	6.529	0.000	3.863	21.443
1.360	8.500	0.000	5.100	24.881
1.360	6.231	1.410	3.714	22.451
1.360	8.500	2.225	5.100	27.124
1.360	6.231	0.000	3.714	21.041
1.360	8.500	0.000	5.100	24.899
1.360	6.231	1.407	3.714	22.433
1.360	8.500	2.225	5.100	27.116
1.360	6.231	0.000	3.714	21.026
1.360	8.500	0.000	5.100	24.891

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State of New Mexico
Farmington Municipals School District No. 5
Computation of Direct and Overlapping
General Obligation Debt

	2023 Assessed Valuation	G/O Debt Outstanding	Percent Applicable	Amount
Overlapping Debt				
State of New Mexico	$ 70,390,642,337	$ 141,365,000	2.24%	$ 9,297,364
San Juan County	3,891,791,947	-	40.58%	-
San Juan College	3,891,791,947	7,720,000	40.58%	3,132,993
City of Farmington	1,246,960,403	-	100.00%	-
Total Overlapping Debt				12,430,357
Direct Debt				
Farmington Schools	1,579,398,395	67,490,000	100.00%	67,490,000
Total Direct and Overlapping Debt				$ 79,920,357

Percent Applicable is calculated based on Assessed Valuation (i.e. Farmington Municipal Schools AV / State of NM AV = 2.51%

State of New Mexico
Farmington Municipals School District No. 5
Principal Property Taxpayers
Current Year and Ten Years Ago

Taxpayer	Type of Business	2023 Assessed Valuation	Rank	Percentage of Assessed Valuation
San Juan Regional Medical Center	Hospital	$ 10,967,419	1	0.69%
Animas Valley Mall	Retail	9,589,498	2	0.61%
Gas Company of New Mexico	Gas Utility	8,204,742	3	0.52%
HILCORP San Juan LP	Pipeline	7,425,257	4	0.47%
Enterprise Field Services LLC	Oil Field Services	5,026,281	5	0.32%
Transwestern Pipeline	Pipeline	3,853,673	6	0.24%
Harvest Midstream	Pipeline	3,818,529	7	0.24%
Wal-Mart Stores East	Retail	3,794,693	8	0.24%
El Paso Natural Gas	Pipeline	3,605,195	9	0.23%
Dugan Production Corp	Pipeline	3,523,736	10	0.22%
XTO Energy Inc	Utility			
Compressor Systems	Oil Field Services			
Qwest	Communications			
BP America Production	Oil & Gas			
Total		$ 59,809,023		3.79%
District's Assessed Valuation		$ 1,579,398,395		100.00%

Source: San Juan County's Assessor's Office
State of New Mexico Taxation & Revenue, Property Tax Division

	2014		
	Assessed Valuation	Rank	Percentage of Assessed Valuation
$	11,305,155	8	0.77%
	19,522,010	3	1.33%
	19,082,726	4	1.30%
	20,098,897	2	1.37%
	14,051,402	6	0.95%
	10,508,224	10	0.71%
	29,375,875	1	2.00%
	16,114,597	5	1.09%
	11,820,451	7	0.80%
	11,297,435	9	0.77%
$	163,176,772		11.09%
$	1,471,713,727		100.00%

State of New Mexico
Farmington Municipals School District No. 5
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collection in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2023	**$ 16,026,660**	**$ 15,222,931**	**94.99%**	**$ 14,230**	**$ 15,237,161**	**95.07%**
2022	14,932,710	14,466,754	96.88%	232,983	14,699,737	98.44%
2021	14,541,495	14,024,824	96.45%	1,403	14,026,226	96.46%
2020	14,386,629	13,768,647	95.70%	1,377	13,770,024	95.71%
2019	14,432,659	13,976,218	96.84%	(134,986)	13,841,232	95.90%
2018	14,210,750	13,658,912	96.12%	243,130	13,902,042	97.83%
2017	13,934,874	13,382,726	96.04%	325,333	13,708,059	98.37%
2016	13,695,728	13,118,514	95.79%	357,750	13,476,264	98.40%
2015	13,395,584	12,901,875	96.31%	416,509	13,318,384	99.42%
2014	13,112,805	12,608,715	96.16%	474,904	13,083,619	99.78%

Source: San Juan County Treasurer.

State of New Mexico
Farmington Municipals School District No. 5
Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities			
	General Obligation Bonds	Total Primary Government	Percentage of Personal Income[1]	Per Capita[2]
2023	**$ 69,231,277**	**$ 69,231,277**	**3.589%**	**1,773**
2022	73,522,185	73,522,185	3.754%	1,808
2021	78,577,093	78,577,093	4.150%	1,752
2020	87,472,913	87,472,913	4.981%	1,656
2019	92,383,320	92,383,320	5.376%	1,856
2018	90,609,181	90,609,181	5.986%	1,766
2017	83,373,177	83,373,177	6.353%	1,588
2016	94,880,483	94,880,483	8.102%	1,789
2015	58,885,194	58,885,194	5.566%	1,099
2014	68,835,981	68,835,981	5.878%	1,230

Notes:

1.) NA = Not Available

2.) New Mexico state statute authorizes school districts to issue debt and impose a property tax for the purpose of financing technology leases.

[2] **Source:** United States Department of Commerce, Bureau of Economic Analysis

State of New Mexico
Farmington Municipals School District No. 5
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service fund	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2023	**$ 69,232,277**	**$ 11,234,752**	**57,997,525**	**5.21%**	**1,238**
2022	73,522,185	10,775,312	62,746,873	6.05%	1,393
2021	78,577,093	10,728,395	67,848,698	-8.68%	1,574
2020	87,472,913	11,968,460	75,504,453	-9.67%	1,629
2019	92,383,320	12,884,607	79,498,713	-10.18%	1,715
2018	90,609,181	13,270,624	77,338,557	5.19%	1,508
2017	83,373,177	13,377,216	69,995,961	-8.96%	1,624
2016	94,880,483	16,516,851	78,363,632	-10.03%	1,740
2015	58,885,194	13,858,533	45,026,661	4.34%	961
2014	68,835,981	13,861,821	54,974,160	4.94%	1,145

State of New Mexico
Farmington Municipals School District No. 5
Computation of Legal Debt Margin
Last Ten Years

	2014	2015	2016	2017	2018
Debt Limit	$ 88,302,824	$ 90,429,785	$ 91,022,616	$ 89,348,775	$ 89,666,646
Total net debt applicable to limit	66,975,000	57,575,000	90,900,000	79,700,000	87,340,000
Legal debt margin	21,327,824	32,854,785	122,616	9,648,775	2,326,646
Total net debt applicable to the limit as a percentage of debt limit	76%	64%	100%	89%	97%

	2019	2020	2021	2022	2023
Debt Limit	$ 91,498,627	$ 90,759,291	$ 90,752,119	$ 89,985,991	**$ 94,763,904**
Total net debt applicable to limit	89,415,000	84,770,000	76,495,000	71,610,000	**67,490,000**
Legal debt margin	2,083,627	5,989,291	14,257,119	18,375,991	**27,273,904**
Total net debt applicable to the limit as a percentage of debt limit	98%	93%	84%	80%	**71%**

Legal Debt Limit Calculation for Fiscal Year 2023

Assessed Value	**1,579,398,395**
Debt limit (6% of total assessed value)	**94,763,904**
Debt applicable to limit: General Obligation Bonds	**67,490,000**
Legal debt margin	**$ 27,273,904**

Note: The debt limit for school districts in New Mexico is 6% of the district's assessed value.

State of New Mexico
Farmington Municipals School District No. 5
Demographic and Economic Statistics
Last Ten Years

Calendar Year	Population	Personal Income	Per Capita Income [1]	Unemployment Rate [2]
2023	**46,076**	**N/A**	**N/A**	**4.80%**
2022	46,774	2,034,154,486	43,489	5.10%
2021	45,370	1,952,316,470	43,031	9.40%
2020	44,372	1,732,726,600	39,050	13.10%
2019	49,788	1,819,502,460	36,545	6.90%
2018	51,300	1,836,078,300	35,791	7.40%
2017	52,506	1,800,339,190	34,288	8.00%
2016	53,037	1,775,193,401	33,471	9.10%
2015	53,572	1,847,929,300	34,494	7.70%
2014	55,980	1,908,848,660	34,099	7.40%

Notes: NA=Not available

Source: [1] United States Department of Commerce, Bureau of Economic Analysis
[2] United States Bureau of Labor Statistics

State of New Mexico
Farmington Municipals School District No. 5
Principal Employers
Current Year and Ten Years Ago

	2023			2014		
Employer	**Employees**	**Rank**	**Percentage of Total Employment**	**Employees**	**Rank**	**Percentage of Total Employment**
San Juan Regional Medical Center	**1,705**	**1**	**3.51%**	1,786	1	3.37%
Farmington Municipal School District No.5	**1,457**	**2**	**3.00%**	1,550	2	2.92%
Navajo Agricultural Products Industry	**1,200**	**3**	**2.47%**			
San Juan College	**1,148**	**4**	**2.36%**	1,100	4	2.08%
City of Farmington	**1,100**	**5**	**2.27%**	900	6	1.70%
Central Consolidated Schools	**950**	**6**	**1.96%**	1,162	3	2.19%
Wal-Mart	**824**	**7**	**1.70%**	756	7	1.43%
Basin Home Health/Basin Coord.	**668**	**8**	**1.38%**			
San Juan County	**615**	**9**	**1.27%**			
Westmoreland Coal	**575**	**10**	**1.18%**			
Bloomfield Schools				462	10	0.87%
BHP Billiton				1,034	5	1.95%
Conoco Phillips				610	8	1.15%
Arizona Public Service Company				573	9	1.08%
	10,242		**21.10%**	9,933		18.74%

State of New Mexico
Farmington Municipals School District No. 5
Full-Time-Equivalent District Employees by Function
Last Ten Fiscal Years

	Full-time Equivalent Employees as of June 30				
	2023	**2022**	**2021**	**2020**	**2019**
Instruction					
Teachers	**647.5**	646	642	652	628
Instructional Aides	**154**	148	185	188	170
Support services					
Students	**148.9**	151.5	187.5	197	187
Instruction - support	**25.1**	21.3	20.3	19.3	17.3
General Administrative	**11**	12.5	14.3	17.5	16
School Administrative	**50.8**	50.4	59	56.5	61
Central Services	**12.8**	17.8	16.8	14	13
Operations & Maintenance of Pla	**105**	94	95	105	105
Student Transportation	**62.5**	61.4	56	59	57
Food Services Operations	**4**	4	4	4	3
Total	**1,222**	1,207	1,280	1,312	1,257

Notes: Full-time instructional employees of the district are employed for all 185 scheduled school days, at 7.5 hours per day or 1,387.5 hours per year.

Source: Actuals Expenditure Rollup Report

Full-time Equivalent Employees as of June 30				
2018	**2017**	**2016**	**2015**	**2014**
623	663	708	710	696
157	179	183	185	178
169	163	165	123	157
18	19	21	23	21
10	9	9	9	7
59	50	54	65	50
13	14	14	17	14
104	92	90	97	92
63	61	59	58	60
3	3	4	4	4
1,219	1,253	1,307	1,291	1,279

State of New Mexico
Farmington Municipals School District No. 5
Operating Statistics
Last Ten Fiscal Years

Fiscal Year	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Expenses	Cost Per Pupil
2023	**10,969**	**$ 113,147,833**	**$ 10,315**	**12.82%**	**$ 159,494,306**	**$ 14,540**
2022	10,936	98,548,599	9,011	10.46%	135,964,569	12,433
2021	10,500	96,004,446	9,143	26.41%	119,459,919	11,377
2020	11,051	90,154,669	8,158	20.33%	129,271,040	11,698
2019	10,964	79,299,830	7,233	6.69%	113,080,356	10,314
2018	10,958	74,291,727	6,780	-1.34%	112,685,658	10,283
2017	10,919	75,030,807	6,872	-3.90%	117,795,535	10,788
2016	10,928	78,137,653	7,150	1.73%	119,123,975	10,901
2015	11,069	77,800,382	7,029	5.36%	123,498,205	11,157
2014	10,923	72,871,616	6,671	6.29%	104,025,142	9,523

Notes: Enrollment figures from average student counts on 80th and 120th day of school.

Expenses include expenditures for all governmental funds less debt service

Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
27.80%	**648**	**16.94**	**53.30%**
6.28%	646	16.93	40.54%
10.31%	642	16.36	43.19%
13.75%	652	16.95	46.40%
0.30%	628	17.46	44.40%
-4.68%	623	17.59	68.65%
-1.03%	663	16.47	62.04%
-2.30%	708	15.44	57.43%
17.15%	710	15.59	55.20%
0.27%	696	15.69	56.08%

State of New Mexico
Farmington Municipals School District No. 5
School Building Information
Last Five Years

School	2018	2019	2020	2021	2022	2023
Elementary						
Animas (1963)						
Square Feet	56,678	56,678	56,678	56,678	56,678	**56,678**
Capacity	528	528	528	528	528	**528**
Enrollment	471	453.5	409.5	374	383.5	**383.5**
Apache (1956)						
Square Feet	59,712	59,712	59,712	59,712	59,712	**59,712**
Capacity	594	594	594	594	594	**594**
Enrollment	459	467.5	463.5	457	450.5	**450.5**
Bluffview (1961)						
Square Feet	61,197	61,197	61,197	61,197	61,197	**61,197**
Capacity	578	578	578	578	578	**578**
Enrollment	410	406	383	386.5	365	**365**
Country Club (1959)						
Square Feet	59,164	59,164	59,164	59,164	59,164	**59,164**
Capacity	578	578	578	578	578	**578**
Enrollment	570	597	559.5	474.5	485.5	**485.5**
Esperanza (1995)						
Square Feet	79,284	79,284	79,284	79,284	79,284	**79,284**
Capacity	660	660	660	660	660	**660**
Enrollment	566	519	524.5	448	470.5	**470.5**
Ladera (1963)						
Square Feet	59,159	59,159	59,159	59,159	59,159	**59,159**
Capacity	561	561	561	561	561	**561**
Enrollment	572	554	554.5	492.5	516.5	**516.5**
McCormick (1954)						
Square Feet	66,267	66,267	66,267	66,267	66,267	**66,267**
Capacity	578	578	578	578	578	**578**
Enrollment	429	442	408	407.5	418.5	**418.5**
McKinley (1954)						
Square Feet	73,192	73,192	73,192	73,192	73,192	**73,192**
Capacity	644	644	644	644	644	**644**
Enrollment	572	577	526.5	468	482	**482**
Mesa Verde (1963)						
Square Feet	54,131	54,131	54,131	54,131	54,131	**54,131**
Capacity	578	578	578	578	578	**578**
Enrollment	470	445	478.5	411.5	437	**437**
Northeast (1963)						
Square Feet	76,928	76,928	76,928	76,928	76,928	**76,928**
Capacity	580	580	580	580	580	**580**
Enrollment	631	599.5	569.5	498	498	**498**

Notes:

Data prior to the Master Facility Survey and Plan of 2006 is not available

Source: School District's Master Facility Survey

State of New Mexico
Farmington Municipals School District No. 5
School Building Information
Last Five Years

School	2018	2019	2020	2021	2022	2023
Middle School						
Heights (1971)						
Square Feet	88,229	88,229	88,229	88,229	88,229	**88,229**
Capacity	1100	1100	1100	1100	1100	**1100**
Enrollment	704	701	762	694	735.5	**735.5**
Hermosa (1960)						
Square Feet	94,466	94,466	94,466	94,466	94,466	**94,466**
Capacity	1025	1025	1025	1025	1025	**1025**
Enrollment	644	635.5	703.5	655.5	657.5	**657.5**
Mesa View (1994)						
Square Feet	100,987	100,987	100,987	100,987	100,987	**100,987**
Capacity	1080	1080	1080	1080	1080	**1080**
Enrollment	503	517	543	555.5	581	**581**
Tibbetts (2014)						
Square Feet	113,217	113,217	113,217	113,217	113,217	**113,217**
Capacity	1160	1160	1160	1160	1160	**1160**
Enrollment	656	666.5	715.5	727.5	731	**731**
High School						
Farmington (1955)						
Square Feet	317,044	317,044	317,044	317,044	317,044	**317,044**
Capacity	2334	2334	2334	2334	2334	**2334**
Enrollment	1325	1373	1414.5	1510	1718	**1718**
Piedra Vista (1998)						
Square Feet	253,238	253,238	253,238	253,238	253,238	**253,238**
Capacity	1821	1821	1821	1821	1821	**1821**
Enrollment	1401	1433.5	1401.5	1391.5	1474.5	**1474.5**
Rocinante (1996)						
Square Feet	24,187	24,187	24,187	24,187	24,187	**24,187**
Capacity	333	333	333	333	333	**333**
Enrollment	228	227.5	248	202.5	206	**206**
San Juan College HS (2016)						
Square Feet	8,322	8,322	8,322	8,322	8,322	**8,322**
Capacity	88	88	88	88	88	**88**
Enrollment	148	231	286.5	278.5	275	**275**
Preschool						
FS Preschool (1991)						
Square Feet	13,505	13,505	13,505	13,505	13,505	**13,505**
Capacity	92	92	92	92	92	**92**
Enrollment	168	168	169	151	150	**150**
Cate Center (1949)						
Square Feet	52,191	52,191	52,191	52,191	52,191	**52,191**
Capacity	719	719	719	719	719	**719**
Enrollment	200	200	200	165	155	**155**

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Compliance Section

Farmington Municipal School District No. 5

CRI CARR RIGGS & INGRAM
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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Joseph M. Maestas, P.E., New Mexico State Auditor
The Office of Management and Budget and
The Board of Education
Farmington Municipal School District No. 5
Farmington, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue fund that has a legally adopted annual budget of the Farmington Municipal School District No. 5 (the "District"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 7, 2023.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2023-002.

We noted matters that are required to be reported per section 12-6-5 NMSA 1978 that we have described in the accompanying schedule of findings and questioned costs as items 2023-003, 2023-004, 2023-005, 2023-006, and 2023-007.

District's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's responses to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of This Report

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

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

Carr, Riggs & Ingram, LLC
Albuquerque, NM
December 7, 2023

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR THE MAJOR FEDERAL PROGRAMS AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Joseph M. Maestas, P.E., New Mexico State Auditor
The Office of Management and Budget and
The Board of Education
Farmington Municipal School District No. 5
Farmington, New Mexico

Report on Compliance for the Major Federal Programs

Qualified and Unmodified Opinions

We have audited the Farmington Municipal School District No. 5's (the "District") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the District's major federal programs for the year ended June 30, 2023. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Qualified Opinion on the Title I Grants to Local Educational Agencies

In our opinion, except for the noncompliance described in the Basis for Qualified section of our report, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2023.

Basis for Qualified and Unmodified Opinions

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified and unmodified opinions on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Matters Giving Rise to Qualified Opinion on the Title I Grants to Local Educational Agencies

As described in the accompanying schedule of findings and questioned costs, the District did not comply with requirements regarding the *Title I Grants to Local Educational Agencies* as described in finding number 2023-002 for annual report card, high school graduation rate.

Compliance with such requirements is necessary, in our opinion, for the District to comply with the requirements applicable to that program.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

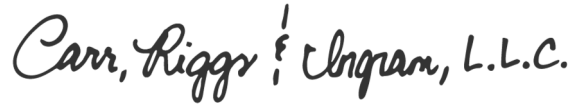
A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-002 to be a material weakness.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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



Carr, Riggs & Ingram, LLC
Albuquerque, New Mexico
December 7, 2023

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

Federal Grantor or Pass-Through Grantor / Program Title	Grant/Pass-Through Number
U.S. Department of Education	
Passed through New Mexico Public Education Department	
Title I Grants to Local Educational Agencies	24101
Special Education Grants to States - Special Education Cluster (IDEA)	24106
COVID-19 - Special Education Grants to States - Special Education Cluster (IDEA)	24346
Special Education Preschool Grants - Special Education Cluster (IDEA)	24109
Subtotal - Special Education Cluster	
Education for Homeless Children and Youth	24113
Twenty-First Century Community Learning Centers	24119
English Language Acquisition State Grants	24153
Supporting Effective Instruction State Grants	24154
Career and Technical Education Basic Grants to States	24174
Student Support Academic Enrichment Program	24189
COVID-19 - Education Stabilization Fund, ESSER II	24308
COVID-19 - Education Stabilization Fund, ARP ESSER	24330
COVID-19 - Education Stabilization Fund, ARP ESSER III	24344
COVID-19 - Education Stabilization Fund, ESSER III Homeless Children and Youth	24350
COVID-19 - Education Stabilization Fund, ARP Homeless Children and Youth II	24355
Direct Funding	
Impact Aid - General Fund	11000
Impact Aid - Special Education	25145
Impact Aid - Indian Education	25147
Title VI Indian Ed Formula Grant	25184
Total U.S. Department of Education	
Federal Communications Commision	
Direct Funding	
COVID-19 - Emergency Connectivity Fund Program	26222
Total U.S. Department of Health and Human Services	
U.S. Department of Health and Human Services	
Direct Funding	
Substance Abuse and Mental Health Services Projects of Regional and National Signficance	24195
Total U.S. Department of Health and Human Services	

See accompanying notes to schedule of expenditures of federal awards.

Assistance Listing Number	Federal Expenditures	Cluster/ Program Subtotals	Funds Provided to Subrecipients	Noncash Assistance
84.010	$ 4,574,522		$ -	$ -
84.027	2,620,462		-	-
84.027X	137,236		-	-
84.173	65,028		-	-
		2,822,726		
84.196	15,000		-	-
84.287C	313,272		-	-
84.365	82,787		-	-
84.367	333,798		-	-
84.048	138,605		-	-
84.424	214,127		-	-
84.425D	501,959		-	-
84.425U	5,817,617		-	-
84.425U	122,796		-	-
84.425W	32,218		-	-
84.425W	34,099	6,508,689	-	-
84.041	99,885		-	-
84.041	3,626		-	-
84.041	52,386	155,897	-	-
84.060A	796,347		-	-
	15,955,770		-	-
32.009	1,053,148		-	-
	1,053,148		-	-
93.243	163,787		-	-
	163,787		-	-

(Continued)

See accompanying notes to schedule of expenditures of federal awards.

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

Federal Grantor or Pass-Through Grantor / Program Title	Grant/Pass-Through Number
U.S. Department of Interior	
Passed through the Office of the Navajo Nation	
Indian Education - Assistance to Schools	25131
Total U.S. Department of Interior	
U.S. Department of Agriculture	
Passed through New Mexico Public Education Department	
Fresh Fruit and Vegetable Program	24118
School Breakfast Program - Child Nutrition Cluster	21000
National School Lunch Program - Child Nutrition Cluster	21000
Supply Chain Assistance - Child Nutrition Cluster	21000
Subtotal - Child Nutrition Cluster	
Total U.S. Department of Agriculture	
Total Federal Financial Assistance	

See accompanying notes to schedule of expenditures of federal awards.

Assistance Listing Number	Federal Expenditures	Cluster/ Program Subtotals	Funds Provided to Subrecipients	Noncash Assistance
15.130	322,732		-	-
	322,732		-	-
10.582	184,179	-	-	-
10.553	1,142,049		-	94,028
10.555	4,027,719			374,591
10.555	337,840		-	
		5,691,787		468,619
	5,691,787		-	468,619
	$ 23,187,224		$ -	$ 468,619

See accompanying notes to schedule of expenditures of federal awards.

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State of New Mexico
Farmington Municipal School District No. 5
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

1. **Basis of Presentation**

   The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of the Farmington Municipal School District No. 5 and is presented on the modified accrual basis of accounting, which is the same basis as was used to prepare the fund financial statements. The information in this Schedule is presented in accordance with the requirements of Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

2. **Loans**

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

3. **10% de minimus Indirect Cost Rate**

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

4. **Federally Funded Insurance**

   The District has no federally funded insurance.

5. **Noncash Assistance**

   The District expended noncash assistance in the form of commodities provided by USDA.

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

Total federal awards expended per Schedule of Expenditures of Federal Awards	$	23,187,224
Total expenditures funded by other sources		145,172,562
Total expenditures	$	168,359,786

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Findings and Questioned Costs
June 30, 2023

SECTION I: SUMMARY OF AUDITORS' RESULTS

Financial Statements:

1. Type of auditors' report issued — Unmodified

2. Internal control over financial reporting:

   a. Material weaknesses identified? — Yes

   b. Significant deficiencies identified not considered to be material weaknesses? — None noted

   c. Noncompliance material to the financial statements? — Yes

Federal Awards:

1. Type of auditors' report issued on compliance for major programs — Unmodified/Qualified

2. Internal control over major programs:

   a. Material weaknesses identified? — Yes

   b. Significant deficiencies identified not considered to be material weaknesses? — None noted

3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516 (a) — Yes

4. Identification of major programs:

Assistance Listing Number	Federal Program
84.010	Title I Grants to Local Educational Agencies
84.425	COVID-19 - Education Stabilization Fund
32.009	COVID-19 – Emergency Connectivity Fund Program

5. Dollar threshold used to distinguish between type A and type B programs: $750,000

6. Auditee qualified as low-risk auditee? — No

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Findings and Questioned Costs
June 30, 2023

SECTION II: FINANCIAL STATEMENT FINDINGS

2023-001 – Incorrect Accruals and Fund Balance – Material Weakness

Condition: The District had $5,122,184 in accounts payable not included in the original listing given to the auditor and a $1.6 million negative expenditure that was created during journal entries and not reversed out. The District had $824,217 in accounts receivable not included in the original listing given to the auditor. In addition, $489,094 had to be restated to correct fund balance incorrectly recorded in prior year.

Criteria: Per NMAC 6.20.2.11 (A) Internal Control Structure Standards, "every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP."

Effect: The absence of a proper review and approval of year end processes could allow for incorrect balances at year end.

Cause: The District created entries to the trial balance as of June 30, 2023 and subsequent receipts and disbursements after the final trial balance and general ledger were given to the auditors.

Auditor's Recommendation: We recommend the District implement procedures to assist in identifying all accruals as of year-end to ensure the listing given to auditors is complete. In addition we recommend the District enhance the design of the review and approval process for journal entries.

Views of Responsible Officials of Auditee: The District will run reports for expenditures and receipts from the beginning of the fiscal year for each request instead of pulling for the date range requested by the auditor in an effort to include any expenses or receipts that were entered into the GL after the report was given to the auditor. Journal entries will be reviewed monthly to ensure corrections are made in a timely manner. This will be implemented as part pf the monthly bank reconciliation process.

Responsible Party: CFO

Anticipated Completion Date: 01/01/24

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Findings and Questioned Costs
June 30, 2023

SECTION III: FEDERAL AWARD FINDINGS

2023-002 – Special Test and Provision – Annual Report Card, High School Graduation Rate – Material Weakness in Internal Control over Compliance/Material Noncompliance

ALN and Title: 84.010 Title I Grants to Local Educational Agencies
Pass-Through Entity: NM Public Education Department
Identifying Number: 24101
Award Year: 2022-23 School Year

Condition: The District was not obtaining proper written documentation to substantiate the correct student withdrawal codes for 33 of 40 students tested. The withdrawal form did not have the signature of the school official and contained a different withdrawal code on the withdrawal form than the sample listed in 6 of 40 students tested.

Criteria: Per Title 2 US Code of Federal Regulations Part 200.303a, the non-federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Per the May 2023 Compliance Supplement, to remove a student from the cohort, a school or LEA must confirm, in writing, that the student transferred out, emigrated to another country, transferred to a prison or juvenile facility, or is deceased. To confirm that a student transferred out, the school or LEA must have official written documentation that the student enrolled in another school or in an educational program that culminates in the award of a regular high school diploma. A student who is retained in grade, enrolls in a GED program, or leaves school for any other reason may not be counted as having transferred out for the purpose of calculating graduation rate and must remain in the adjusted cohort (ESEA sections 1111(h)(1)(C)(iii)(II) and 8101(23), (25) (20 USC 6311(h)(1)(C)(iii)(II) and 7801(23), (25))).

Per Farmington Municipal School District Board Policy, Section J Students, J-1300 Student Withdrawal from School, a withdrawal form shall be presented to the parent or legal guardian of a student who may or must withdraw from school. The withdrawal form shall include space for the reason for withdrawal and the signature of an official of the school from which the student has withdrawn.

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Findings and Questioned Costs
June 30, 2023

SECTION III: FEDERAL AWARD FINDINGS (Continued)

2023-002 – Special Test and Provision – Annual Report Card, High School Graduation Rate – Material Weakness in Internal Control over Compliance/Material Noncompliance (Continued)

Questioned Costs: None noted.

Effect: District's reported High School Graduation Rate for the 2022-2023 school year cannot be verified due to lack of written documentation for students removed from cohort.

Cause: A deficiency in the internal control system to properly train and monitor the personnel who are assigned to maintain the accuracy of student records and ensure the District obtain all the necessary written documentation for student's files.

Auditor's Recommendation: The auditor recommends the District implement controls to ensure student files are complete and accurate and conduct training to for Title I personnel and school sites over the appropriate level of written documentation required for different situations.

Views of Responsible Officials of Auditee: The district will continue to strengthen current controls and implementnew controls to ensure student files are complete and accurate. This will include training registrars to enhance documentation that is obtained to support the student records for all situations in which a student may be removed from designated cohort.

Responsible Party: Student Information System Coordinator

Anticipated Completion Date: 08/31/24

State of New Mexico
Farmington Municipal School District No. 5
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SECTION IV: SECTION 12-6-5 NMSA 1978 FINDINGS

2023-003 (2022-003) – Budgetary Compliance – Other noncompliance

Condition: The District carries a budget deficit in the following fund functions:

Major Funds	
Fund 11000 Operational - instruction	$ 1,577,429
Fund 11000 Operational - Services	971
Fund 41000 Debt Service - support services	6,889
Total governmental funds	$ 1,585,289
Nonmajor Funds	
Fund 24189 Student Supp Academic Title IV - instruction	$ 58,439
Fund 27183 NM Grown Fresh Fruits and Veg - services	37,000
Fund 28217 NM Food Security Appropriation - services	32,100
Total governmental funds	$ 127,539

Progress on resolution of prior year finding: No progress made on prior year corrective action plan.

Criteria: Section 2.2.2.10. (P) (1), NMAC, requires all School District funds, with the exception of agency funds, to be budgeted by the local governing body and submitted to the Public Education Department for approval. Cash balances re-budgeted to make up for deficit budgeted revenues that do not cover the budgeted expenditures, cannot exceed the actual cash balance available at the end of the prior year.

Effect: The District will have to supplement the budget deficits with other funds, which may lead to financial difficulties and deplete the budget in other funds.

Cause: The District has internal controls in place to monitor budget versus available cash; however, these fund were missed in the process. The District did not budget revenue for this fund.

Auditors' Recommendations: Budget deficits for future years should be reviewed to insure all funds have adequate budget authority and sufficient cash balances for budgeted deficits. Greater attention should be given to the budget monitoring process end-of-the-year cash balance estimates.

Views of Responsible Officials of Auditee: The District will implement a system to review budget balances on a quarterly basis to ensure that all Budget Adjustment Requests required are completed in a timely manner so that actual expenditures do not exceed budgeted expenditures.

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Findings and Questioned Costs
June 30, 2023

SECTION IV: SECTION 12-6-5 NMSA 1978 FINDINGS (Continued)

2023-003 (2022-003) – Budgetary Compliance – Other noncompliance (Continued)

Additional reviews of budgeted functions will be put in place to ensure that deficits do not occur at the end of the year.

Responsible Party: CFO and Comptroller

Anticipated Completion Date: 01/31/24

2023-004 (2022-004) – Stale Dated Checks – Other matter

Condition: The District had 3 outstanding checks written from their bank accounts that were over one year old on their bank reconciliation at June 30, 2023, totaling $404. The District has not cancelled these items.

Progress on resolution of prior year finding: The District went from 25 stale dated checks in prior year to 3 this current year.

Criteria: New Mexico Statutes, Section 6-10-57 A, NMSA, 1978 compilation, requires local public bodies to cancel or void any checks that are unpaid for one year after it is written. 6-10-57 C NMSA, 1978 states that the face amount of warrants cancelled shall revert and be credited to the fund against which it was drawn.

Effect: The District's cash balance may be misstated by the amount of the stale checks, and is not in compliance with Section 6-10-57 A, NMSA, 1978.

Cause: The District kept the stale-dated checks in order to provide training to new staff in fiscal year 2024.

Auditors' Recommendation: We recommend that the outstanding checks be voided as soon as possible and that a procedure to track and void stale dated checks be implemented.

Views of Responsible Officials of Auditee: The district will put into place a procedure to void stale dated checks as part of the bank reconciliation process each month to ensure all stale dated checks are voided on a monthly basis.

Responsible Party: CFO and Comptroller

Anticipated Completion Date: 01/31/24

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Findings and Questioned Costs
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SECTION IV: SECTION 12-6-5 NMSA 1978 FINDINGS (Continued)

2023-005 – Controls over Budgetary process as it relates to payroll – Other matter

Condition: During our review of policies and procedures, CRI noted the District did not have an adequate process in place to track the budgetary process as it relates to payroll and vacant positions.

Criteria: Per NMAC 6.20.2.11 (A) Internal Control Structure Standards, "every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP.

Effect: There is an increased risk that the District will fall short on budget if vacant positions are not properly maintained and tracked to account for budget needed.

Cause: The District does not have a process in place for budget related to payroll and vacant positions.

Auditor's Recommendation: We recommend the District design a process to keep track of vacancies and properly budget throughout the year to ensure no budget shortfalls.

Views of Responsible Officials of Auditee: The District is currently implementing a position control module within its finance software. This will allow reports to be run from the Business Plus accounting system to show the number of vacant positions within the district. This vacant position report will be used to budget for 24/25 school year.

Responsible Party: CFO and Executive Director of Human Resources

Anticipated Completion Date: 03/31/24

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Findings and Questioned Costs
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SECTION IV: SECTION 12-6-5 NMSA 1978 FINDINGS (Continued)

2023-006 (Previously reported as 2022-008) - Pledged Collateral – Other noncompliance

Condition: Deposits at Wells Fargo Bank were not collateralized in accordance with State of New Mexico Statutes. The required collateral was $15,428,408 and pledged collateral of $15,041,640. There was a shortfall of $386,768.

Progress on resolution of prior year finding: No progress on finding

Criteria: Any bank designated a deposit of public money shall deliver pledged collateral with a value equal to one half the amount of the public money in excess of insurance, to a custodial bank and a joint safekeeping receipt issued by the custodial bank to the District (Section 6-10-17 NMSA 1978). Monitoring collateralization of the District's funds is essential in ensuring compliance with State of New Mexico Statutes.

Effect: Lack of proper monitoring of pledged collateral could result in excessive loss of District's funds if the financial institutions encounter financial difficulties.

Cause: The District did not include one bank account in the worksheet used to monitor pledged collateral requirements.

Auditors' Recommendation: An individual should be assigned the responsibilities of reviewing the monthly collateral reports, investigating differences, and resolving discrepancies.

Views of Responsible Officials of Auditee: The District will implement a system to review and monitor pledged collateral each month to ensure the district has sufficient pledged collateral at all banks where money is deposited by the district. If pledged collateral is not sufficient at any given bank the district will look at moving accounts to different local banks to minimize the amount needed by the banking institution to be pledged.

Responsible Party: CFO and Comptroller

Anticipated Completion Date: 01/01/24

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Findings and Questioned Costs
June 30, 2023

SECTION IV: SECTION 12-6-5 NMSA 1978 FINDINGS (Continued)

2023-007 – Late Audit Report Submittal – (Other noncompliance)

Condition: The audited financial statements of the District were not submitted to the New Mexico State Auditor's Office by November 15, 2023.

Criteria: Per Section 2.2.2.9 A(1)(f) NMAC, the audited financial statements of the District for the year ended June 30, 2023 were due to the New Mexico State Auditor's Office by November 15, 2023.

Effect: The District is not in compliance with the Report Due Dates prescribed in the New Mexico Administrative Code.

Cause: Emergency Connectivity Fund Program listed under Fund 26222 as a local grant turned out to be federal under ARP funds and the need to test as an additional federal program.

Auditors' Recommendation: The District should work with its auditors to ensure that the audit is completed and submitted the financial statements prior to the due date.

Views of Responsible Officials of Auditee: The District will review the Trial balance at the end of the third quarter and again at the end of the year and notify the auditor of any grants or programs that might have expenditures approaching or are over $750,000.00 for the year.

Responsible Party: CFO

Anticipated Completion Date: 11/15/24

State of New Mexico
Farmington Municipal School District No. 5
Schedule of Findings and Questioned Costs
June 30, 2023

SECTION V: PRIOR YEAR FINDINGS

2022-001 Outstanding Reconciling Items (Material Weakness) – Resolved

2022-002 (Previously reported as 2021-003) Cash Appropriations in Excess of Available Cash Balances (Other Noncompliance) – Resolved

2022-003 Budgetary Compliance (Other Noncompliance) – Repeated and Modified as 2023-003

2022-004 Stale Dated Checks and Bank Reconciliation Review (Other Matter) – Repeated and Modified as 2023-004

2022-005 (Previously 2021-005) Controls Over Cash Receipting and Segregation of Duties at Schools (Other Noncompliance) – Resolved

2022-006 (Previously reported as 2021-004) ACH Vendor Process and Time Sheets (Other Matter) – Resolved

2022-007 Travel and Per Diem (Other Noncompliance) – Resolved

2022-008 Pledged Collateral (Other Noncompliance) – Repeated and Modified as 2023-006

State of New Mexico
Farmington Municipal School District No. 5
Other Disclosures
June 30, 2023

EXIT CONFERENCE

An exit conference was held on November 20, 2023. In attendance were the following:

Representing Farmington Municipal School District No. 5

Joan Vallee	School Board Deputy Secretary
Andrea Stradling	School Board Member
Cody Diehl	Superintendent
Bobbie Newland	Chief Financial Officer
Phyllis Timme	Comptroller

Representing Carr, Riggs & Ingram, LLC

Alan D. "A.J." Bowers, Jr., CPA, CITP	Partner
Angelica Trujillo, CPA	Supervising Senior

AUDITOR PREPARED FINANCIAL STATEMENTS

Carr, Riggs & Ingram, LLC prepared the GAAP-basis financial statements and footnotes of Farmington Municipal School District No. 5 from the original books and records provided to them by the management of the District. The responsibility for the financial statements remains with the District.