

LOS LUNAS SCHOOLS

ANNUAL FINANCIAL  
STATEMENTS

June 30, 2016



**AXIOM**

*Certified Public Accountants  
and Business Advisors LLC*

**ANNUAL FINANCIAL REPORT  
YEAR ENDED JUNE 30, 2016  
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**STATE OF NEW MEXICO**

**LOS LUNAS SCHOOLS**

**Official Roster**

**June 30, 2016**

**Board of Education**

<i>Name</i>	<i>Title</i>
Frank A. Otero	Board President
Bryan C. Smith	Board Vice President
Georgia Otero-Kirkham	Board Secretary
Sonya C'Moya	Board Member
Robert Archuleta	Board Member

**School Officials**

<i>Name</i>	<i>Title</i>
Dana Sanders	Superintendent
Claire Cieremans	Chief Financial Officer
Sandra Traczyk	Director of Finance

## **BASIC FINANCIAL STATEMENTS**

## INDEPENDENT AUDITOR'S REPORT

To Timothy Keller  
New Mexico State Auditor  
The Office of Management and Budget  
New Mexico Public Education Department  
The District Board Los Lunas School District  
Los Lunas, New Mexico

### Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund of Los Lunas School District (the "District") as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental funds, fiduciary funds, and the budgetary comparisons for the major capital project fund, debt service fund, and all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2016, as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinions**

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

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 8-25, Schedule of the District's Proportionate Share of the Net Pension Liability on page 73, and the Schedule of District Contributions on page 74, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the District's financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The Schedule of Expenditures of federal awards as required by Office of Management and Budget *Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations*, and the other schedules required by Section 2.2.2 NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of federal awards and other schedules required by Section 2.2.2 NMAC are the responsibility of management and were derived from and relate directly to the underlying



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

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

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2016 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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.



Albuquerque, New Mexico  
November 11, 2016

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
MANAGEMENT DISCUSSION AND ANALYSIS  
June 30, 2016**

**LOS LUNAS SCHOOLS  
Management Discussion and Analysis  
For the Fiscal Year Ended June 30, 2016**

The Management Discussion and Analysis is a required part of the School District's financial reporting and is an objective and easily readable discussion of the School District's financial activities. The reader will see two statements, a Statement of Net Position and a Statement of Activities. These statements provide the overall view of the financial activities of the School District. This discussion and analysis will provide a review of the School District's *overall* financial activities, using the accrual basis of accounting, for the year ending June 30, 2016. Fund financial statements are reported on a modified accrual basis of accounting. Rather than looking at specific areas of performance, this discussion and analysis focuses on the financial performance of the School District, as a whole. Whenever possible this discussion and analysis will provide the reader multi-year pictures of financial performance and other pertinent information through the use of tables and other graphics information.

This annual report consists of a series of detailed, audited financial statements and the notes to those statements. Also included is the Independent Auditor's Report; 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; Report on Compliance with Requirements Applicable to each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133; and the Schedule of Findings and Questioned Costs.

**LOS LUNAS SCHOOLS ACCOUNTING AND FINANCE**

We believe this written analysis and the accompanying financial report will indicate to the reader that the Los Lunas Schools is in good financial health. Even though the economy has not fully recovered from the past few years, we were able to maintain and experience an incline in fund balances, and cash on hand. This means our efforts have held strong with annual adjustments to our revenues and expenditures accordingly and we continue to take every precaution to stay ahead of the down turn in the economy. We are making a conscious effort to continue to increase fund balance and cash on hand in the operational fund. We are also still dealing with factors of continual budget declines due to loss of enrollment. Regardless of the difficult economic hard times, the School District maintains a financial and accounting staff with strong levels of technical experience and education.

In order to define and support internal controls, the School Business Office utilizes a comptrollership model organizational structure. A written Business Office Policies and Procedures Manual is in place to guide School District staff through the daily fiscal and business routines.

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
MANAGEMENT DISCUSSION AND ANALYSIS  
June 30, 2016**

As an integral part of the School District accountability process, the Los Lunas Schools Board of Education monitors School District expenditures and budgets through a formal monthly reporting process to a Finance Committee and the full Board of Education. This reportage is provided at public meetings and becomes a part of the Los Lunas Schools Board of Education's permanent public record. These reports are public documents and through this public process, the financial reporting information is provided to the community and open to public inspection.

**SIGNIFICANT FINANCIAL HIGHLIGHTS FOR THE YEAR ENDING JUNE 30, 2016**

- The voters approved a \$25,000,000 bond election in February 2016. The voter approval was over 80%. The money will be used for funding the next wave of bond projects, which includes various site improvement projects. The Community continues to be supportive of all our bond and mil levy elections.
- Capital Outlay expenses decreased from \$26,875,323 in the year ending June 30, 2015 to \$10,185,756 for the year ending June 30, 2016. This decrease represents a decrease in major construction projects. We have prioritized several smaller site improvement projects district wide. Despite lowered bond sales, the district is still going to apply for money from the Public School Capital Outlay funds to match our local dollars to maximize the construction dollars available to the school district. Our current match from the Public School Facility Authority (PSFA) is 77%. The means we only pay 23% of the dollars allocated to capital projects approved by the PSFA. Projects we have participated in include a Classroom Addition at Katherine Gallegos Elementary, Sundance Elementary, renovation for Bosque Farms Elementary, and renovation for Los Lunas High School. Expenditures in capital outlay are expected to rise, as new projects are identified.
- As shown in the three-year comparison of the Statement of Net Position, total net position increased from \$61,527,158 in the year ending June 30, 2015 to \$65,718,836 in the year ending June 30, 2016. The overall increase in net position of \$4,191,678 is due to pension related adjustments.
- The overall adjusted fund balance shown in the Statement of Revenues and Expenditures and Changes in Fund Balances (GAAP), increased from \$30,882,871 for the year ending June 30, 2015 to \$37,620,323 for the period ending June 30, 2016. This increase is due another year of effort to increase our fund balances by adding to our reserves. The Fund Balance of the General (Operations) Fund increased from \$8,844,190 to \$12,330,569 during the same period.
- The State Equalization Guarantee Formula Unit Value increased overall by \$10.00 for the fiscal year ending June 30, 2016. Revenues from the State Equalization Guarantee Formula (SEG) for the fiscal year ending June 30, 2015 were \$59,100,395; revenues for the fiscal year ending June 30, 2016 were \$59,042,860. The reason revenue did not increase in

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
MANAGEMENT DISCUSSION AND ANALYSIS  
June 30, 2016**

proportion to the unit value increase is due to the decrease in other factors that go into that formula. For example, Training and Experience index were down in 2015/2016.

- Total expenditures, *inclusive of all capital expenditures from general obligation bond proceeds*, decreased from \$109,013,080 for the year ending June 30, 2015 to \$88,100,708 for the year ending June 30, 2016, representing a 19.2% decrease.
- The School District's overall cash assets increased from \$30,503,852 on June 30, 2015 to \$37,719,996 on June 30, 2016. The largest cash balances were reflected in Debt Service (41000), Operational (11000), Bond Building (31100), and HB-33 (31600).
- The Operations Emergency Reserve was \$1,785,000 during the 2014/2015 fiscal year. This reserve account was increased to \$2,000,000 for the 2015/2016 fiscal year. An effort has been made to increase the reserve, the District will try to continue to work to maintain a healthy level of emergency reserves, and cash balance in the operational account.
- This was the seventh year in a row that the Operational budget had to supplement the transportation budget to avoid a negative balance. The District Transportation budget continues to not able to sustain itself without the support of operational funding. The District has taken several measures to reduce the expenditures in Transportation including operating a New Eastside Transportation Dept., reducing bus routes, and reducing bus driver contracts.

## **GOVERNMENT WIDE FINANCIAL STATEMENTS**

### **STATEMENT OF NET POSITION**

This statement shows that as of June 30, 2016, the School District has total net position of \$65,718,836 as compared to net position of \$61,527,158 as of June 30, 2015, and \$132,429,064 as of June 30, 2014. The School District had \$44,141,750 in cash and current assets on hand as of June 30, 2016 compared to \$35,881,848 as of June 30, 2015, and accounts payable/current liabilities and current long-term debt of \$11,227,961 compared to \$9,238,630 as of June 30, 2015. Cash Assets increased by \$7,216,144 while Other Current Assets increased by \$1,043,758. Long-term liabilities have increased from \$123,861,445 as of June 30, 2015 to \$136,197,426 as of June 30, 2016.

The School District retains maximum allowable levels of debt related to its assessed valuation; therefore, the increase in long-term liabilities is due to a relatively stagnant valuation. Net Assets totaling \$21,905,281 are "restricted" for debt service and capital projects.

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
MANAGEMENT DISCUSSION AND ANALYSIS  
June 30, 2016**

	<b>June 30, 2014</b>	<b>June 30, 2015</b>	<b>June 30, 2016</b>
<b>Assets</b>			
Cash Assets	\$26,539,983	\$30,503,852	\$37,719,996
Other Current Assets	\$5,646,183	\$5,377,996	\$6,421,754
Bond Issuance Costs	\$	\$	\$
Capital Assets	\$219,198,239	\$222,643,688	\$228,278,084
Depreciation	(\$68,508,746)	(\$61,052,736)	(\$66,354,048)
<b>Total Assets</b>	<b>\$182,875,659</b>	<b>\$197,472,800</b>	<b>\$206,065,786</b>
<b>Deferred Outflows</b>			
Pension Related		\$5,758,615	\$9,217,232
<b>Total deferred Outflows</b>		<b>\$5,758,615</b>	<b>\$9,217,232</b>
<b>Liabilities</b>			
Accounts Payable	\$1,318,858	\$1,110,075	\$844,852
Other Current Liabilities	\$2,811,997	\$3,033,555	\$5,015,237
Current Portion/Long Term	\$4,945,000	\$5,095,000	\$5,367,872
Long Term Liabilities	\$41,370,740	\$123,861,445	\$136,197,426
<b>Total Liabilities</b>	<b>\$50,446,595</b>	<b>\$133,100,075</b>	<b>\$147,425,387</b>
<b>Deferred Inflows</b>			
Pension Related		\$8,604,182	\$2,138,795
<b>Total deferred Inflows</b>		<b>\$8,604,182</b>	<b>\$2,138,795</b>
<b>Net Position</b>			
Invested in Capital Assets	\$104,569,493	\$114,111,591	\$113,339,586
Restricted	\$20,415,683	\$22,115,176	\$24,543,036
Unrestricted	\$7,443,888	(\$74,699,609)	(\$72,163,786)
<b>Total Net Position</b>	<b>\$132,429,064</b>	<b>\$61,527,158</b>	<b>\$65,718,836</b>

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
MANAGEMENT DISCUSSION AND ANALYSIS  
June 30, 2016**

**Statement of Activities**

The Statement of (Governmental) Activities is also a statement required by GASB 34, and is prepared using the accrual method of accounting. This report compliments the Statement of Net Assets by showing the overall change in the School District's net assets for the fiscal year ending June 30, 2016. As of June 30, 2016, the School District had net assets of \$65,718,836 as compared to net assets of \$61,527,158 as of June 30, 2015 and \$132,429,064 as of June 30, 2014.

	June 30, 2014	June 30, 2015	June 30, 2016
<b>Governmental Activities</b>			
Total Governmental Activities	\$76,338,794	\$89,678,186	\$84,218,952
Less Charges for Services	(\$788,874)	(\$756,864)	(\$776,955)
Less Operating Grants and Contributions	(\$15,496,324)	(\$15,504,219)	(\$14,989,464)
Less Capital Grants and Contributions	(\$8,585,118)	(\$17,101,864)	(\$3,004,504)
<b>Net (expenses) Revenues</b>	<b>(\$51,468,478)</b>	<b>(\$56,315,239)</b>	<b>(\$65,448,029)</b>
<b>General Revenues</b>			
Taxes-General, Debt Service, Capital Projects	\$9,748,778	\$10,364,113	\$10,497,245
State Aid not Restricted to Specific Purposes (State Equalization Guarantee - SEG)	\$56,544,701	\$59,100,395	\$59,042,860
Interest and Earnings in Investments	\$0	\$0	\$0
Miscellaneous	\$82,327	\$112,904	\$99,602
<b>Subtotal, General Revenues</b>	<b>\$66,375,806</b>	<b>\$69,577,412</b>	<b>\$69,639,707</b>
<b>Changes in Net Position</b>	<b>\$14,907,328</b>	<b>\$13,262,173</b>	<b>\$4,191,678</b>
Restatement	\$0	(\$84,164,079)	
Net Position Beginning	\$117,521,736	\$132,429,064	\$61,527,158
<b>Net Position Ending</b>	<b>\$132,429,064</b>	<b>\$61,527,158</b>	<b>\$65,718,836</b>

**FUND FINANCIAL STATEMENTS**

**STATEMENT OF REVENUES AND EXPENDITURES AND CHANGES IN FUND BALANCES**

Fund financial statements are based on a *modified accrual* basis of accounting. The Statement of Revenues and Expenditures and Changes in Fund Balances is *not a* new statement to the School District's annual financial reports. This report guides the reader to a meaningful, overall, view of

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
MANAGEMENT DISCUSSION AND ANALYSIS  
June 30, 2016**

the District’s revenues, expenditures and fund balance and changes to the fund balance. This report also shows the revenue and expenditure activities of each major fund and the total of all “other” Governmental Funds. Total revenues from State, Local and Federal sources were \$88,605,199. Total expenditures for the School District was \$88,100,708. The total ending Fund Balance was \$37,620,232; an increase of \$6,737,452 from the prior year.

**MULTI-YEAR DISTRICT REVENUES AND EXPENDITURES**

During the 2015/2016 fiscal year, revenues as shown in the chart below decreased from prior year balances, revenue, decreased by \$14,214,169 and expenditures decreased by \$20,912,372. This revenue decrease is mainly due to a increase in reduction in proceeds from bond issues. The decrease in expenditures is a direct relation to a decrease in capital outlay projects.

<b>Year</b>	<b>Total Revenues *</b>	<b>Increase %</b>	<b>Total Expenditures*</b>	<b>Increase %</b>
1998/1999	\$50,954,992	29%	\$53,870,029	9%
1999/2000	\$60,492,174	19%	\$56,085,681	4%
2000/2001	\$66,373,486	10%	\$65,727,785	17%
2001/2002	\$70,314,391	6%	\$72,028,003	10%
2002/2003	\$76,605,597	9%	\$76,347,148	6%
2003/2004	\$75,436,662	-1.50%	\$74,842,654	-2.00%
2004/2005 **	\$87,325,182	15.70%	\$86,718,047	15.90%
2005/2006	\$84,438,528	-3.31%	\$84,541,105	-2.00%
2006/2007***	\$99,216,680	17.50%	\$93,995,800	11.18%
2007/2008	\$101,792,107	2.60%	\$103,883,263	10.52%
2008/2009	\$105,507,566	4.00%	\$103,874,640	-0.01%
2009/2010	\$93,006,003	-11.80%	\$93,872,062	-11%
2010/2011	\$94,237,137	1.30%	\$89,898,017	-4.35%
2011/2012	\$100,074,994	6.20%	\$91,700,954	2.00%
2012/2013	\$96,377,306	-3.70%	\$96,279,388	5.00%
2013/2014	\$97,827,228	1.50%	\$95,456,914	-0.85%
2014/2015	\$102,819,368	5.10%	\$109,013,080	14.20%
2015/2016	\$88,605,199	-13.82%	\$88,100,708	-19.18%

\* **Note:** Revenues include proceeds from general obligation bonds and exclude cash carryovers; Expenditures include capital outlays.

\*\* **Note:** includes revenues and expenditures from November 2004 –Series 1995, 1996, 1997 G.O. Bond refunding; November 2004 G.O. Bond Sale; March 2005.

\*\*\* **Note:** includes an October 2006 BAN sale and a savings of \$122,327 in interest payments due the prior year’s refinancing of debt.

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
MANAGEMENT DISCUSSION AND ANALYSIS  
June 30, 2016**

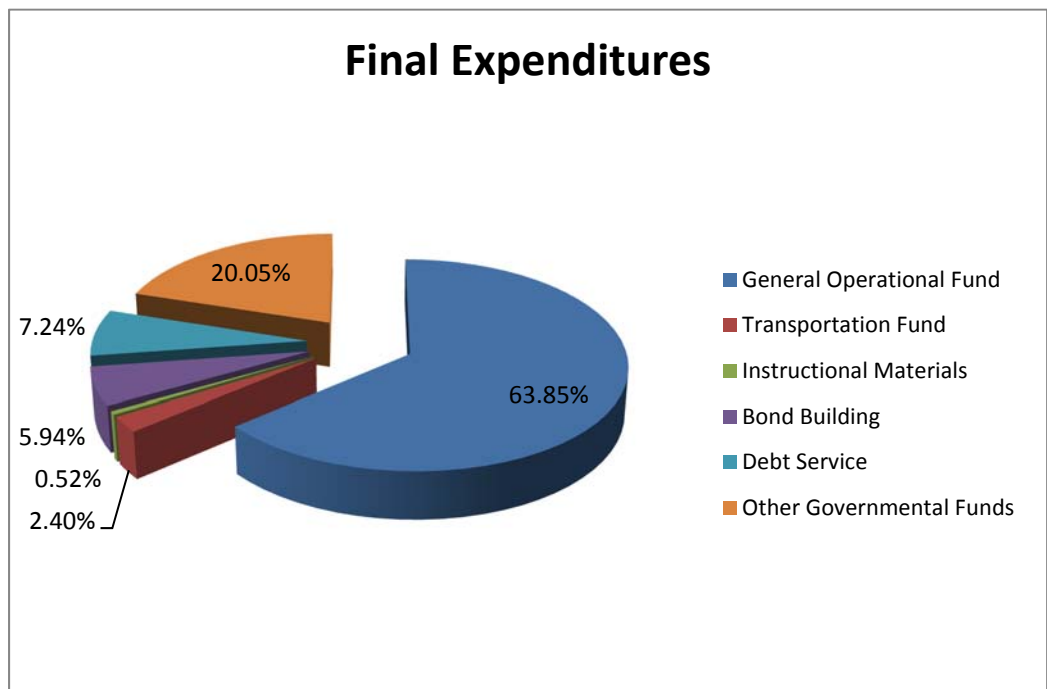
**THE BUDGET**

The State of New Mexico school budget process is defined under New Mexico State Statutes (Section 22-8, Public School Finance) and the New Mexico Administrative Code (Section 6). To enhance the process of developing a budget at the school district level, the Los Lunas School District utilizes goals and objectives defined by the Los Lunas School Board, community/parent input meetings, the district’s five-year facility master plan, long term planning and input from various staff groups to develop the School District budget. School District priorities are well defined through this process.

GASB 34 does not require a statement presenting the overall result of the budget for each year. However, all major budgetary funds are required to be reported as separate statements.

Major budgetary funds in these reports are; The Operational Fund that includes the General, Transportation, and Instructional Materials funds (Operational Funds), Debt Service, Bond Building, and Other Governmental Funds.

Non-major Capital Project funds include HB33 (3 Mill levy), and SB-9 (2 Mill Levy). The following graphics and tables show the fiscal relationship of the major funds and the combined non-major funds.



The reader will note that the Operations Fund Final Expenditures represents 63.85% of the total fund dollar amount compared to 52.31% in FY 2014/2015. This fund provides the salary and benefits for the significant majority of the Instructional, Instructional Support and School Support, Maintenance and Administrative staff as well as classroom materials, special education consulting staff and fixed utility costs. Revenue from this fund is substantially derived from the State



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Equalization Guarantee, which is the funding formula appropriated for education by the State Legislature. The Operations Fund is explored later in the Management Discussion and Analysis.

The following table examines the summary budget performance of the major funds for the fiscal year ending June 30, 2016. Detail budget performance is examined through the Statement of Revenues and Expenditures, Budget and Actual for each major and non-major fund.

**MAJOR FUNDS EXPENDITURE BUDGET PERFORMANCE  
(NON-GAAP)**

<b>FUND TYPE</b>	<b>FINAL BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE</b>
Operations (11000)	\$68,375,807	\$54,167,316	\$14,208,491
Transportation (13000)	\$2,124,918	\$2,124,918	\$0
Instructional Materials (14000)	\$1,109,115	\$455,843	\$653,272
Bond Building (31100)	\$14,575,735	\$5,878,950	\$8,696,785
Debt Service Fund (41000)	\$12,105,970	\$6,377,884	\$5,728,086

All major and non-major funds fell within the strict regulatory criteria set by the Public Education Department and New Mexico Statute that no funds may be over-expended at either the fund, or function level. Both the Manual of Procedures for Public School Accounting and NMSA 8-22-5, 1978, Annotated, require that budget expenditures be within the authorization of the approved budget.

Non-major funds, while important to the success of school operations, do not represent a significant fiscal impact to warrant specific discussion.

**The General (Operations) Fund**

The Operations Fund serves as the School District General (Operations) Fund and is the largest Fund. Because the Operations Fund revenues represent \$59,714,161 of the total \$88,605,199 of School District revenues (inclusive of bond proceeds), the significant impact of this fund on School District Operations must be kept in context.

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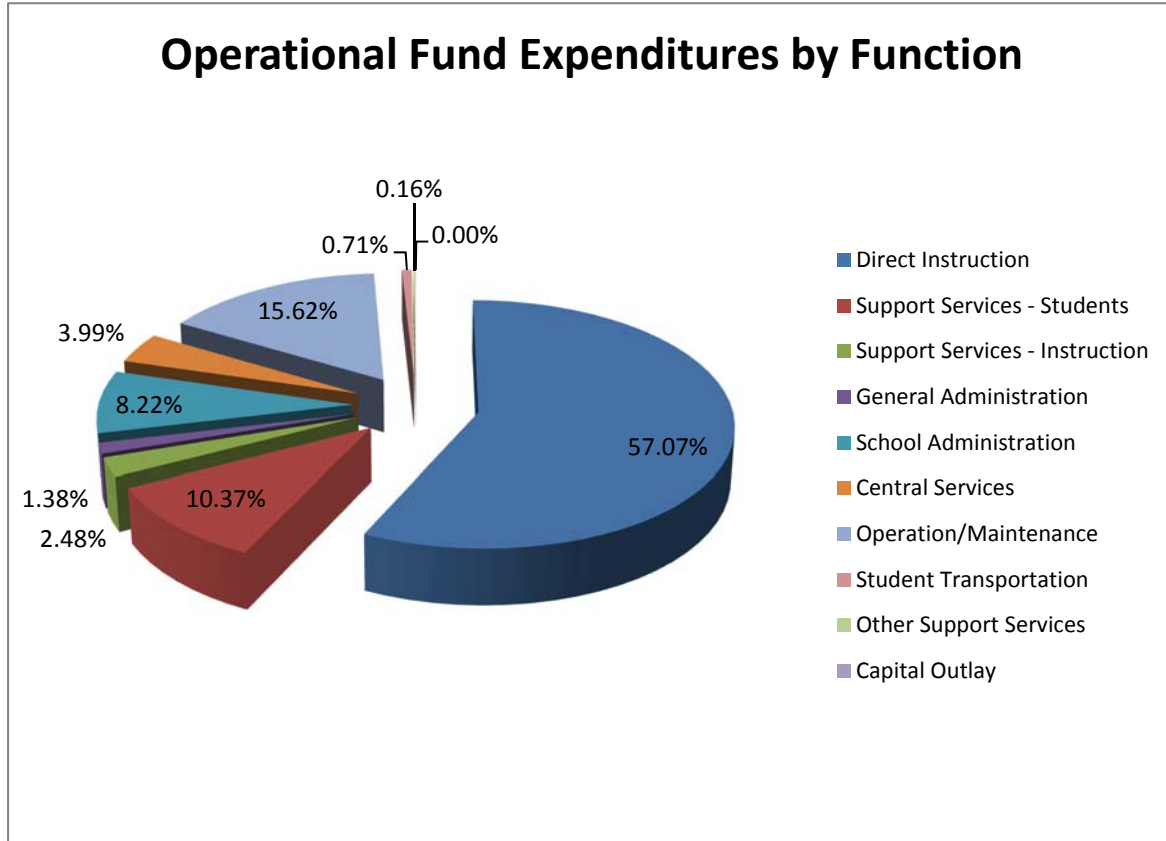
The General (Operations) Fund is predominately funded by revenues from the State of New Mexico Equalization Guarantee Formula. This fund pays for teaching staff, teaching support staff, special education support staff, maintenance staff and administrative staff. The General (Operations) Fund provides the predominant funding for athletics and student activities.

**GENERAL (OPERATIONS) FUND REVENUES**

<b>YEAR</b>	<b>REVENUES</b>	<b>INCREASE %</b>
1999/2000	\$38,648,467	5.05%
2000/2001	\$42,095,896	8.92%
2001/2002	\$46,826,574	11.24%
2002/2003	\$46,398,919	-0.91%
2003/2004	\$48,454,893	4.43%
2004/2005	\$50,430,536	4.08%
2005/2006	\$54,254,563	7.58%
2006/2007	\$58,216,044	7.30%
2007/2008	\$62,026,642	6.55%
2008/2009	\$62,138,555	0.18%
2009/2010	\$54,295,485	-12.62%
2010/2011	\$54,991,153	1.28%
2011/2012	\$55,887,434	1.63%
2012/2013	\$55,340,239	-0.98%
2013/2014	\$57,142,252	3.26%
2014/2015	\$59,757,469	4.58%
2015/2016	\$59,714,161	-0.07%

Because the General (Operations) Fund is the main fund in which expenditures are significantly related to the educational process, \$56,253,808 was expended in the year ending June 30, 2016. The most significant inter-fund expense was for the function noted as “Instruction” (Direct Instruction). This expenditure was \$32,102,162 or 57.07% of all General (Operations) Fund expenditures, compared with fiscal year 2014/2015 of \$32,478,789 (56.96%). Expenditures included in this function are Regular Education, Special Education and Early Childhood Education teachers and educational assistants, benefits, payroll taxes, school supplies, training and miscellaneous instructional related contract services. Approximately 83% of all General (Operations) Fund expenditures are for employee salaries, payroll taxes and benefits.

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The following discussion on the General (Operations) Fund budget will relate functional expenditures for the year ending June 30, 2016, exclusive of Capital Outlay expenditures, for the Operations Fund. Direct Instruction represents 57.07% of all General (Operations) Fund expenditures. This represents a .11% increase compared to the year fiscal ending June 30, 2015. Direct Instruction expenditures account for regular education, vocational education, bilingual education, special education and kindergarten teachers and educational assistants' salaries, payroll taxes and benefits.

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**PERCENTAGE OF DIRECT INSTRUCTION TO TOTAL EXPENDITURES  
OPERATIONS FUND  
(GAAP)**

<b>Year</b>	<b>Direct Instruction Cost</b>	<b>Actual Expenditures</b>	<b>%</b>
2004/2005	\$ 30,404,078	\$ 51,081,357	59.4%
2005/2006	\$ 31,909,199	\$ 53,742,851	59.4%
2006/2007	\$ 34,342,180	\$ 58,308,781	58.9%
2007/2008	\$ 36,685,109	\$ 62,703,997	58.8%
2008/2009	\$ 36,735,064	\$ 63,474,138	57.9%
2009/2010	\$ 32,264,185	\$ 54,618,319	59.1%
2010/2011	\$ 29,949,683	\$ 52,901,522	56.6%
2011/2012	\$ 31,014,174	\$ 54,367,566	57.0%
2012/2013	\$ 30,300,881	\$ 53,694,034	56.4%
2013/2014	\$ 31,015,237	\$ 54,572,031	56.8%
2014/2015	\$ 32,478,789	\$ 57,025,181	56.9%
2015/2016	\$ 32,102,162	\$ 56,253,808	57.07%

The table above has been included to convey to the reader the School District's budgetary commitment to maximize expenditures in the "classroom". The table shows that expenditures in the area of Direct Instruction average 57.87% since the 2004/2005 year.

**GENERAL (OPERATIONS) FUND EXPENDITURES BY FUNCTION  
(NON-GAAP)**

<b>Function</b>	<b>Final Budget</b>	<b>Expenditure</b>	<b>Variance</b>	<b>Percentage (Expenditure) Note 1</b>
Instruction (Direct)	\$35,735,284	\$30,015,670	\$5,719,614	55.41%
Support Services:				
Students	\$6,603,195	\$5,835,958	\$767,237	10.77%
Instruction	\$1,668,825	\$1,392,748	\$276,077	2.57%
General Administration	\$1,369,034	\$775,898	\$593,136	1.43%
School Administration	\$5,018,101	\$4,623,437	\$394,664	8.54%
Central Services	\$2,577,237	\$2,246,704	\$330,533	4.15%
Operations and Maintenance	\$11,407,610	\$8,788,921	\$2,618,689	16.23%
Other Support Services	\$2,314,437	\$90,804	\$2,223,633	0.17%
Transportation	\$1,682,084	\$397,176	\$1,284,908	0.73%
Capital Outlay	\$0	\$0	\$0	0.00%
<b>Total</b>	<b>\$68,375,807</b>	<b>\$54,167,316</b>	<b>\$14,208,491</b>	<b>100.00%</b>

**Note 1:** Percentage of expenditure to total expenditures. Statement of Revenues, Expenditures, and Changes in fund Balance

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Instructional Support represents 21.88% (compared to 23.04% last fiscal year 2014/2015) of General (Operations) Fund expenditures, and accounts for expenditures for school principals, program coordinators, counselors, school nursing staff, librarians, special education ancillary staff and significant support to special education programs through contract ancillary support staff and contract programs. The Office of the Superintendent and the Business Office represent the overhead support for the entire operations of the School District; these programs combined represent 5.58% of the total General (Operations) Fund. Maintenance and Operations account for 16.23% of the General (Operations) Fund expenditures. Included in the Maintenance and Operations expenditures are salaries and benefits for maintenance staff, school custodians, fixed utility costs, maintenance and repairs, maintenance supplies/equipment, school custodial supplies/equipment, and safety and security staff and equipment. Because of the expansion/addition of school facilities and increases to the utility costs, this functional expenditure will need to be increased to meet school needs. Additional support for maintenance supplies and projects comes from the voter approved Two-Mill Levy Fund, which is also given a state matching grant. The General (Operations) Fund also supports expenditures for school athletics and student activities and Transportation.

**OPERATIONS BUDGET RESERVE FUNDS**

The School District maintains a Non-Operating function within the General (Operations) Fund as a reserve against unexpected emergency expenses or unexpected and unpredicted reductions in revenues. Most unexpected emergency expenses are those related to legal settlements or facility repairs. Facility issues can be addressed through the School District Two-Mill Levy Fund or insurance coverage that lessens the need for the School District to maintain a high Operations Fund reserve. The budget for the 2015/2016 fiscal year reflects a reserve fund of \$2,000,000. The budget for the 2014/2015 school year reflected a reserve amount of \$1,785,000. This is a budget increase of \$215,000.

**CAPITAL ASSETS**

GASB 34 requires public entities to depreciate capital assets. As of June 30, 2016, the School District capital assets were valued at \$161,894,037 after depreciation. This statement includes total accumulated depreciation of the School District's capital assets in the amount of \$66,384,049. The School District utilizes a "straight line" depreciation method in all cases and standardized lifetime tables in calculating this depreciation. Utilization of depreciation concepts by public entities allows the reader to know if the entity is replacing its assets at a rate in which they are being used. In accordance with State Statute, State Regulations and School Board Policy, all assets with a value in excess of \$5,000 are capitalized.

Because of past student growth and certain aging facilities, the School District has taken a planned and focused approach towards investing in equipment, and building new facilities as well as adding to and maintaining existing facilities. This effort is evidenced by the substantial and continuous

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investment in the “Capital Outlay” account. This planning includes applications for additional capital funding support from the Public School Capital Outlay Council (PSCOC).

In addition to construction, the School District continued planned efforts to replace old vehicles, enhance technology, and replace outdated school furnishings and equipment. In order to assure that aged equipment and vehicles are replaced on a routine basis, the Board of Education enacted a policy mandating that the replacement of equipment be funded, yearly, as a matter of routine. Schedules for equipment replacement will be included in future G.O. Bond elections and/or the Two Mill Levy.

The following table illustrates the three-year history of year-end balances for the School District’s investment in all capital assets:

**CAPITAL ASSETS**

<b>Asset Type</b>	<b>Balance June 30, 2014</b>	<b>Balance June 30, 2015</b>	<b>Balance June 30, 2016</b>
Land and Land Improvements	\$12,011,169	10,345,710	\$10,538,932
Buildings and Building Improvements	\$158,897,586	\$143,526,842	\$203,597,156
Furniture, Fixtures and Equipment	\$4,888,531	\$4,791,511	\$5,013,203
Vehicles	\$7,406,785	\$8,134,068	\$8,576,451
Construction in Progress	\$35,994,168	\$55,845,557	\$552,344
<b>Total Assets</b>	<b>\$219,198,239</b>	<b>\$222,643,688</b>	<b>\$228,278,086</b>
Less Accumulated Depreciation	(\$68,508,746)	(\$61,052,736)	(\$66,384,049)
Capital Assets - Net	\$150,689,493	\$161,590,952	\$161,894,037
<b>Net Change in Assets</b>	<b>\$13,728,942</b>	<b>\$10,901,459</b>	<b>\$303,085</b>

This table shows that the School District is, despite operational decreases and loss of students, still diligently replacing assets and building facilities to accommodate the student needs. As indicated with an increase in the net change in Capital Assets in the amount of \$303,085 as of June 30, 2016.

**GENERAL LONG-TERM DEBT**

Article IX, Section 11 of the New Mexico Constitution limits the powers of a school district to incur general obligation debt beyond a school year. The School District can incur such debt for “the purpose of erecting, remodeling, making additions, and furnishing buildings or purchasing or improving school grounds or purchasing computer software or hardware for student use in public

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classrooms or any combination of these purposes”. The approval of the debt is subject to a vote of the local electors and may not exceed 6% of the assessed valuation of the taxable property within the School District. Currently, long-term debt may not exceed \$48,997,247. Total Long-Term Debt, on June 30, 2016 was \$47,714,440.

The School District has maintained a level of indebtedness to the maximum extent allowed. The policy to maintain this amount of debt is largely due to the need to add additional facilities in order to meet student population requirements upgrade and expand existing facilities, and to leverage additional funds available from Public School Capital Outlay. Public School Capital Outlay Fund awards give higher funding priorities to school districts with lower assessed valuations and higher levels of indebtedness. The most recent general obligation bond election was held on February 2, 2016 in which the School District’s voters approved a \$25.0 million, four-year, General Obligation Bond initiative by a margin exceeding 80%.

During the fiscal year ending June 30, 2016, the School District made one sale of General Obligation Bonds in the amount of \$6,000,000 in September 2015. The sale included \$6,000,000 for new debt. This bond sale was the fourth and final issuance of the 2012 General Obligation Bond election. As a result, of action taken by the 2002 legislature, a statute was enacted to allow school districts to complete sales of Bond Anticipation Notes (BANs). This legislation allows school districts to enter into short-term borrowing agreements and make repayments with the proceeds of future general obligation bond sales. Borrowing may not be longer than a one-year term and limited to the amount of the principal retirement for that year. The district did not enter into any BAN agreements for the fiscal year 2015-2016.

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The School District maintained an A1 underlying rating for the September 2015 bond sale. Effective July 1, 2003 School District bonds also carry the *enhanced* State of New Mexico bond rating of Aa1. This action was authorized in Senate Bill 847. The effect of this bill will be to reduce the risk to bond holders and, as a consequence, reduce the interest costs to the taxpayer. The School District has never defaulted on any of its debt or other obligations. Listed below is the School District’s total general obligation debt as of June 30, 2016.

<b>YEAR ENDED JUNE 30</b>	<b>PRINCIPAL</b>	<b>INTEREST</b>	<b>TOTAL</b>
2016	\$ 5,335,000	\$ 1,321,209	\$ 6,656,209
2017	\$ 5,305,000	\$ 1,260,125	\$ 6,565,125
2018	\$ 5,210,000	\$ 1,121,775	\$ 6,331,775
2019	\$ 4,535,000	\$ 987,825	\$ 5,522,825
2020	\$ 4,740,000	\$ 862,975	\$ 5,602,975
2021-2025	\$19,095,000	\$ 2,285,388	\$21,380,388
2026-2028	\$ 4,000,000	\$ 258,100	\$ 4,258,100
<b>Total</b>	<b>\$48,220,000</b>	<b>\$ 8,097,397</b>	<b>\$ 56,317,397</b>

The School District recommends the Official Statement, dated September 14, 2015 to a reader desiring to know more about the School District’s long-term debt and community demographics. This Official Statement may be obtained by visiting our web site at [www.llschools.net](http://www.llschools.net) under the Business Office tab, or by contacting:

RBC Capital Markets.  
 6301 Uptown Blvd. NE, Suite 110  
 Albuquerque, NM 87110

In addition to the sale of General Obligation Bonds, the School District is eligible to receive awards from the Public Schools Capital Outlay Council (PSCOC) in accordance with Senate Bill 513, Chapter 147 Section 10(b) NMSA. The impact of these various awards is discussed throughout this Management Discussion and Analysis.

**AGENCY FUNDS**

The School District, as a custodian, maintains and monitors special funds on behalf of the schools and school activity groups. Agency funds maintained by the School District are to benefit a specific activity or interest and are generally raised by students for student use.



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While each school site is responsible for the administration of the agency funds, the custody and use of these funds are in accordance with Public Education Department Regulations and School District Policy. The management of these funds is in accordance with Business Office procedures and all banking is performed through School District accounts. The funds are also subject to annual review by the School District’s Independent Auditor. The year ending June 30, 2016 states the accumulated balance of all agency funds was \$804,180.

**FUTURE TRENDS**

The district continues to closely monitor positions and other expenditures in order to survive the fluctuations of enrollment and still try to increase our level of reserves in our Operational fund. The District was hopeful that we would enter the new fiscal year with additional students enrolled, however within the first weeks of school the opposite trend has occurred. The district will continue to look for saving opportunity and work to maintain within our budget constraints.

**Local Assessments General and Obligation Bonds:** Local property taxes serve as the revenue source for the repayment of general obligation bonds. Because of the slowed growth of both residential and commercial assessed valuation for properties in the Los Lunas School District, the School District has been able to concentrate on renovating older buildings, security upgrades for existing buildings, and HVAC upgrades to existing facilities as supposed to needing more new classroom space. The following table illustrates the slowed growth of the assessed valuation for both the Los Lunas Schools and Valencia County.

**VALUATION TABLE**

TAX YEAR	LOS LUNAS SCHOOLS	VALENCIA COUNTY
2015*	\$ 816,620,789	\$ 1,347,645,043
2014	\$ 794,414,792	\$ 1,172,408,288
2013	\$ 767,238,934	\$ 1,272,248,861
2012	\$ 753,216,929	\$ 1,259,299,759
2011	\$ 739,871,906	\$ 1,241,920,127
2010	\$ 720,675,864	\$ 1,203,236,710
2009	\$ 701,862,203	\$ 1,166,647,954
2008	\$ 653,498,879	\$ 1,055,871,740
2007	\$ 601,593,453	\$ 978,386,196
2006	\$ 524,498,886	\$ 875,594,467
2005	\$ 479,881,276	\$ 820,258,813
2004	\$ 447,871,070	\$ 771,579,462
2003	\$ 457,628,275	\$ 778,317,018
2002	\$ 412,948,320	\$ 687,197,444
2001	\$ 400,435,727	\$ 678,216,414
2000	\$ 378,025,851	\$ 601,120,398

\*Note: Preliminary Assessment

\* Source: Official Statement Dated September 14, 2015

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Because of slow moving development in both the residential and commercial properties in the School District, it is expected that future assessed valuations will continue a flat or very small growth pattern. It is also expected that voter support for the Los Lunas Schools will continue to be strong and revenues from General Obligation Bond proceeds will continue to be an integral part of the School District Master Plan.

**Community Growth:** In the past year, the community has seen a minimal number of residential growth in our district. Most of the growth and homebuilding is focused on the West side of the District. We expect this trend to continue for the upcoming 2016/2017 fiscal year due to the current economic conditions in NM and the nation in general. All near future projections are expected to include, lower projected gas and oil revenues, a flat growth pattern in assessed valuation of taxable property within the School District, slight growth in student population and a cautious eye toward future bond and Mill Levy initiatives for the next two-five years.

**District Master Planning:** The District has contracted with Greer Stafford/SJCF Inc. to provide master planning for the Los Lunas School District. Because of the potential for student population growth, the School is undertaking a master planning process to look at future student population projections and existing school utilization for a five-year period. This project will help the District plan new school locations and provide analytical data for use by the District and the Public Schools Capital Outlay Council that will affect future capital funding needs. The District's current Master Plan is currently being updated and once approved will be good through 2016-2021. The School district will seek School Board approval for the updated FMP in January 2017.

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**Contacting the Los Lunas Schools**

This financial report is designed to provide our community, taxpayers, investors and creditors with an overview of the Los Lunas School District's financial condition and to provide accountability for the funds the School District receives. If you have questions about our report or about the operations of the Los Lunas School District, please visit our web site at [www.llschools.net](http://www.llschools.net) , or contact:

**Dana Sanders**  
Superintendent  
Los Lunas Schools  
PO Drawer 1300  
Los Lunas, NM 87031  
[dsanders@llschools.net](mailto:dsanders@llschools.net)

**or**

**Claire Cieremans**  
Chief Financial Officer  
Los Lunas Schools  
PO Drawer 1300  
Los Lunas, NM 87031  
[ccieremans@llschools.net](mailto:ccieremans@llschools.net)

**STATE OF NEW MEXICO  
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STATEMENT OF NET POSITION  
June 30, 2016**

Exhibit A-1  
(Page 1 of 2)

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current assets	
Cash and cash equivalents	\$ 37,719,996
Receivables (net of allowance for uncollectibles)	6,092,136
Inventory and other assets	329,618
Total current assets	<u>44,141,750</u>
Noncurrent assets	
Capital assets, non-depreciable	
Land	2,476,610
Construction in progress	552,344
Total capital assets, non-depreciable	<u>3,028,954</u>
Capital assets, net of accumulated depreciation	
Land improvements	8,062,320
Buildings and building improvements	203,597,156
Furniture, fixtures and equipment	5,013,203
Vehicles	8,576,451
Less: accumulated depreciation	<u>(66,354,048)</u>
Total capital assets, net of accumulated depreciation	<u>158,895,082</u>
Total noncurrent assets	<u>161,924,036</u>
<b>Total Assets</b>	<u>206,065,786</u>
<b>DEFERRED OUTFLOWS</b>	
Pension related	<u>9,217,232</u>
<b>Total deferred outflows</b>	<u>\$ 9,217,232</u>

*See Notes to Financial Statements.*

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STATEMENT OF NET POSITION  
June 30, 2016**

Exhibit A-1  
(Page 2 of 2)

	<u>Governmental Activities</u>
<b>LIABILITIES</b>	
Current liabilities	
Accounts payable	\$ 844,852
Accrued payroll expenses	3,981,942
Accrued compensated absences	457,663
Accrued interest	575,632
Current portion of long-term debt	5,367,872
Total current liabilities	<u>11,227,961</u>
Noncurrent liabilities	
Bonds due in more than one year	43,216,578
Compensated absences	152,554
Net pension liability	92,828,294
Total noncurrent liabilities	<u>136,197,426</u>
<b>Total liabilities</b>	<u>147,425,387</u>
<b>DEFERRED INFLOWS</b>	
Pension related	<u>2,138,795</u>
<b>Total deferred inflows</b>	<u>2,138,795</u>
<b>NET POSITION</b>	
Net investment in capital assets	113,339,586
Restricted for:	
Debt service	6,651,462
Capital projects	15,253,819
Special revenue funds	2,637,755
Unrestricted	<u>(72,163,786)</u>
<b>Total net position</b>	<u>\$ 65,718,836</u>

*See Notes to Financial Statements.*

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
STATEMENT OF ACTIVITIES  
For The Year Ended June 30, 2016**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Charges for Service</b>
<b>Primary government</b>		
Governmental activities		
Instruction	\$ 42,401,803	327,499
Support Services		
Students	6,731,674	82,112
Instruction	1,602,392	-
General Administration	1,229,170	-
School Administration	5,607,998	-
Other Support Services	140,718	-
Central Services	2,303,697	-
Operation & Maintenance of Plant	15,578,717	-
Student Transportation	3,429,206	-
Food Services Operation	4,037,220	367,344
Loss on disposition of assets	(28,618)	
Interest on long-term debt	1,184,975	-
<b>Total Primary Government</b>	<b>\$ 84,218,952</b>	<b>776,955</b>

*See Notes to Financial Statements.*

<b>Program Revenues</b>		<b>Net (Expenses) Revenues and Changes in Net Assets</b>
<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	
9,203,204	-	(32,871,100)
-	-	(6,649,562)
-	-	(1,602,392)
-	-	(1,229,170)
-	-	(5,607,998)
-	-	(140,718)
-	-	(2,303,697)
-	3,004,504	(12,574,213)
2,124,168	-	(1,305,038)
3,662,092	-	(7,784)
-	-	28,618
-	-	(1,184,975)
<b>14,989,464</b>	<b>3,004,504</b>	<b>(65,448,029)</b>

**General Revenues:**

## Property taxes:

Levied for general purposes	205,803
Levied for debt service	6,484,308
Levied for capital projects	3,807,134
State Equalization Guarantee	59,042,860
Miscellaneous	99,602

**Total general revenues** 69,639,707

**Change in net position** 4,191,678

**Net position - beginning** 61,527,158

**Net position - ending** \$ 65,718,836

*See Notes to Financial Statements.*

**STATE OF NEW MEXICO  
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BALANCE SHEET - GOVERNMENTAL FUNDS  
June 30, 2016**

	<b>Operational Fund</b>		
	General	Transportation	Instructional
	11000	13000	Materials 14000
<b>ASSETS</b>			
<i>Current Assets</i>			
Cash and cash equivalents	\$ 13,277,511	-	654,227
Accounts receivable			
Taxes	49,384	-	-
Due from other governments	-	-	-
Interfund receivables	3,286,303	-	-
Other	-	-	-
Prepaid expenditures	6,881	-	-
Inventory	-	38,364	-
<i>Total assets</i>	<u>\$ 16,620,079</u>	<u>38,364</u>	<u>654,227</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<i>Current Liabilities</i>			
Accounts payable	\$ 283,696	-	-
Accrued payroll liabilities	3,963,680	-	-
Interfund payables	-	-	-
<i>Total liabilities</i>	<u>\$ 4,247,376</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS - PROPERTY TAXES</b>			
Unearned revenue - property taxes	\$ 42,134	-	-
Unearned revenue - other	-	-	-
<i>Total Deferred Inflows</i>	<u>42,134</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities and Deferred Outflows</i>	<u>4,289,510</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>			
Fund Balance			
Nonspendable	6,881	38,364	-
Restricted	-	-	654,227
Committed	-	-	-
Assigned	-	-	-
Unassigned	12,323,688	-	-
<i>Total fund balance</i>	<u>12,330,569</u>	<u>38,364</u>	<u>654,227</u>
<i>Total liabilities and fund balance</i>	<u>\$ 16,620,079</u>	<u>38,364</u>	<u>654,227</u>

See Notes to Financial Statements.



Bond Building 31100	Debt Service 41000	Other Governmental Funds	Total Governmental Funds
10,822,243	6,300,251	6,665,764	37,719,996
-	1,344,976	814,619	2,208,979
-	-	3,883,157	3,883,157
-	-	-	3,286,303
-	-	-	-
-	-	49,453	56,334
-	-	234,920	273,284
<u>10,822,243</u>	<u>7,645,227</u>	<u>11,647,913</u>	<u>47,428,053</u>
86,455	-	474,701	844,852
-	-	18,262	3,981,942
-	-	3,286,303	3,286,303
<u>86,455</u>	<u>-</u>	<u>3,779,266</u>	<u>8,113,097</u>
-	993,765	658,734	1,694,633
-	-	-	-
<u>-</u>	<u>993,765</u>	<u>658,734</u>	<u>1,694,633</u>
<u>86,455</u>	<u>993,765</u>	<u>4,438,000</u>	<u>9,807,730</u>
-	-	284,373	329,618
10,735,788	6,651,462	7,194,867	25,236,344
-	-	-	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>(269,327)</u>	<u>12,054,361</u>
<u>10,735,788</u>	<u>6,651,462</u>	<u>7,209,913</u>	<u>37,620,323</u>
<u>10,822,243</u>	<u>7,645,227</u>	<u>11,647,913</u>	<u>47,428,053</u>

**STATE OF NEW MEXICO  
 LOS LUNAS SCHOOLS  
 GOVERNMENTAL FUNDS  
 RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION  
 For the Year Ended June 30, 2016**

Exhibit B-1  
 (Page 2 of 2)

	<u>Governmental Funds</u>
Amounts reported for governmental activities in the statement of net position are different because:	
Fund balances - total governmental funds	\$ 37,620,323
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	161,924,036
Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.	9,217,232
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:	
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities	1,694,633
Accrued Interest	(575,632)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	
Accrued compensated absences	(610,217)
General obligation bonds	(48,584,450)
Net pension liability	(92,828,294)
Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(2,138,795)</u>
<b>Net Position-total Governmental Activities</b>	<b>\$ <u>65,718,836</u></b>

*See Notes to Financial Statements.*

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2016**

	Operational Fund		
	General 11000	Transportation 13000	Instructional Materials 14000
<i>Revenues</i>			
Property taxes	\$ 205,803	-	-
State grants	59,042,860	2,124,168	594,024
Federal grants	391,172	-	-
Charges for service	8,781	-	-
Miscellaneous	65,545	750	-
Interest	-	-	-
	<u>59,714,161</u>	<u>2,124,918</u>	<u>594,024</u>
<i>Expenditures</i>			
<i>Current</i>			
Instruction	32,102,162	-	455,843
Support Services			
Students	5,835,958	-	-
Instruction	1,392,748	-	-
General Administration	775,898	-	-
School Administration	4,623,437	-	-
Central Services	2,246,704	-	-
Operation & Maintenance of Plant	8,788,921	-	-
Student Transportation	397,176	2,115,250	-
Other Support Services	90,804	-	-
Food Services Operations	-	-	-
Community Service	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
	<u>56,253,808</u>	<u>2,115,250</u>	<u>455,843</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>3,460,353</u>	<u>9,668</u>	<u>138,181</u>
<i>Other financing sources (uses)</i>			
Operating transfers	26,026	-	-
Proceeds from bond issues	-	-	-
<i>Total other financing sources (uses)</i>	<u>26,026</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>3,486,379</u>	<u>9,668</u>	<u>138,181</u>
<i>Fund balances, beginning of year</i>	<u>8,844,190</u>	<u>28,696</u>	<u>516,046</u>
<i>Fund balances (deficit), end of year</i>	<u>\$ 12,330,569</u>	<u>38,364</u>	<u>654,227</u>

See Notes to Financial Statements.

Bond Building 31100	Debt Service 41000	Other Governmental Funds	Total Governmental Funds
-	6,678,877	3,807,134	10,691,814
1,893,785	-	3,026,743	66,681,580
-	-	9,964,076	10,355,248
-	-	768,174	776,955
8,035	4	25,268	99,602
-	-	-	-
<u>1,901,820</u>	<u>6,678,881</u>	<u>17,591,395</u>	<u>88,605,199</u>
-	-	5,985,079	38,543,084
-	-	788,978	6,624,936
-	-	174,252	1,567,000
-	65,037	370,736	1,211,671
-	-	843,791	5,467,228
-	-	-	2,246,704
-	-	-	8,788,921
-	-	582,772	3,095,198
-	-	-	90,804
-	-	3,966,559	3,966,559
-	-	-	-
5,231,638	-	4,954,118	10,185,756
-	5,095,000	-	5,095,000
-	1,217,847	-	1,217,847
<u>5,231,638</u>	<u>6,377,884</u>	<u>17,666,285</u>	<u>88,100,708</u>
<u>(3,329,818)</u>	<u>300,997</u>	<u>(74,890)</u>	<u>504,491</u>
-	-	(26,026)	-
<u>6,232,961</u>	<u>-</u>	<u>-</u>	<u>6,232,961</u>
<u>6,232,961</u>	<u>-</u>	<u>(26,026)</u>	<u>6,232,961</u>
<u>2,903,143</u>	<u>300,997</u>	<u>(100,916)</u>	<u>6,737,452</u>
<u>7,832,645</u>	<u>6,350,465</u>	<u>7,310,829</u>	<u>30,882,871</u>
<u>10,735,788</u>	<u>6,651,462</u>	<u>7,209,913</u>	<u>37,620,323</u>

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2016**

Exhibit B-2  
(Page 2 of 2)

	<u>Governmental Funds</u>
Amounts reported for governmental activities in the statement of activities are different because:	
Net Change in fund balances - total governmental funds	\$ 6,737,452
Change in net pension liability	(1,579,947)
Capital Outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeds capital outlays for the period.	
Depreciation expense	(5,924,937)
Capital Outlays	6,229,403
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(194,569)
The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:	
Change in accrued interest payable	32,872
Change in accrued compensated absences	747
Bond proceeds	(6,232,961)
Principal payments on bonds	5,095,000
Loss on disposition of fixed assets	<u>28,618</u>
Change in Net Position-total Governmental Activities	<u>\$ 4,191,678</u>

*See Notes to Financial Statements.*

STATE OF NEW MEXICO  
 LOS LUNAS SCHOOLS  
 GENERAL FUND - 11000

Exhibit C-1

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
 BUDGET (NON-GAAP BASIS) AND ACTUAL  
 For the Year Ended June 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues</i>				
Property taxes	\$ 204,049	204,049	205,803	1,754
State grants	58,510,765	58,517,955	59,042,860	524,905
Federal grants	228,224	228,224	389,609	161,385
Charges for service	7,500	7,500	8,781	1,281
Miscellaneous	12,500	12,500	65,545	53,045
Interest	1,500	1,500	-	(1,500)
<i>Total revenues</i>	<u>58,964,538</u>	<u>58,971,728</u>	<u>59,712,598</u>	<u>740,870</u>
<i>Expenditures</i>				
<i>Current:</i>				
Instruction	33,354,605	35,735,284	30,015,670	5,719,614
Support Services				
Students	6,424,155	6,603,195	5,835,958	767,237
Instruction	1,520,825	1,668,825	1,392,748	276,077
General Administration	976,034	1,369,034	775,898	593,136
School Administration	4,925,851	5,018,101	4,623,437	394,664
Central Services	2,510,987	2,577,237	2,246,704	330,533
Operation & Maintenance of Plant	9,746,110	11,407,610	8,788,921	2,618,689
Student Transportation	667,084	1,682,084	397,176	1,284,908
Other Support Services	793,876	2,314,437	90,804	2,223,633
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total Expenditures</i>	<u>60,919,527</u>	<u>68,375,807</u>	<u>54,167,316</u>	<u>14,208,491</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,954,989)</u>	<u>(9,404,079)</u>	<u>5,545,282</u>	<u>14,949,361</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	26,026	26,026
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>26,026</u>	<u>26,026</u>
<i>Net changes in fund balances</i>	<u>(1,954,989)</u>	<u>(9,404,079)</u>	<u>5,571,308</u>	<u>14,975,387</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ (1,954,989)</u>	<u>(9,404,079)</u>	<u>5,571,308</u>	<u>14,975,387</u>
<i>Reconciliation to GAAP Basis</i>				
Adjustments to revenues			\$ 1,563	
Adjustments to expenditures			(2,086,492)	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 3,486,379</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
TRANSPORTATION FUND - 13000  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET (NON-GAAP BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Exhibit C-2

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	2,130,534	2,124,918	2,124,168	(750)
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	750	750
Interest	-	-	-	-
<i>Total revenues</i>	<u>2,130,534</u>	<u>2,124,918</u>	<u>2,124,918</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	2,130,534	2,124,918	2,124,918	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total Expenditures</i>	<u>2,130,534</u>	<u>2,124,918</u>	<u>2,124,918</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Reconciliation to GAAP Basis</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			<u>9,668</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 9,668</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
INSTRUCTIONAL MATERIALS FUND - 14000  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET (NON-GAAP BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Exhibit C-3

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	453,238	593,902	594,857	955
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>453,238</u>	<u>593,902</u>	<u>594,857</u>	<u>955</u>
<i>Expenditures</i>				
<i>Current:</i>				
Instruction	453,238	1,109,115	455,843	653,272
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total Expenditures</i>	<u>453,238</u>	<u>1,109,115</u>	<u>455,843</u>	<u>653,272</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(515,213)</u>	<u>139,014</u>	<u>654,227</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>(515,213)</u>	<u>139,014</u>	<u>654,227</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>(515,213)</u>	<u>139,014</u>	<u>654,227</u>
<i>Reconciliation to GAAP Basis</i>				
Adjustments to revenues			\$ (833)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 138,181</u>	

See Notes to Financial Statements.



STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
BOND BUILDING CAPITAL PROJECT FUND - 31100  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Exhibit C-4

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	-	-	-	-
State grants	5,725,000	5,725,000	1,893,785	(3,831,215)
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	8,035	8,035
Interest	9,323	9,323	-	(9,323)
<i>Total revenues</i>	<u>5,734,323</u>	<u>5,734,323</u>	<u>1,901,820</u>	<u>(3,832,503)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	13,253,384	14,575,735	5,878,950	8,696,785
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total Expenditures</i>	<u>13,253,384</u>	<u>14,575,735</u>	<u>5,878,950</u>	<u>8,696,785</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(7,519,061)</u>	<u>(8,841,412)</u>	<u>(3,977,130)</u>	<u>4,864,282</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	6,232,961	6,232,961
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>6,232,961</u>	<u>6,232,961</u>
<i>Net change in fund balances</i>	<u>(7,519,061)</u>	<u>(8,841,412)</u>	<u>2,255,831</u>	<u>11,097,243</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>(7,519,061)</u>	<u>(8,841,412)</u>	<u>2,255,831</u>	<u>11,097,243</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to revenues-PSFA portion of capital outlay			-	
Adjustments to expenditures			647,312	
Adjustments to expenditures-PSFA portion of capital outlay			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 2,903,143</u>	

See Notes to Financial Statements.



**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2016**

**NOTE 1. NATURE OF ORGANIZATION**

The Los Lunas School Board was created under the provision of Chapter 22 Article 5, Paragraph 4, New Mexico Statutes 1978 to provide public education for the children within the District. 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 State Board of Education and the Legislative Finance Committee. The School Board is comprised of five members who are elected for terms of four years.

The School Board operates sixteen schools within the School District with a total enrollment of approximately 8,500 pupils. 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.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Financial Reporting Entity**

GASB Statement No. 14 established criteria for determining the government reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the District is considered a *primary government*, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the District may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The District also has no *component units*, as defined by GASB Statement No. 14 and/or GASB Statement No. 39, as there are no other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the School Board Members are financially accountable. There are no other primary governments with which the District has a significant relationship.

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**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities and changes in net assets) 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 statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes 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.

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

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

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

Ad valorem taxes (property taxes), 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. Sales and use taxes are classified as derived tax revenues

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**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement focus, basis of accounting, and financial statement presentation  
(continued)**

and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Proprietary fund operating revenue, such as charges for service, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenue, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

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

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

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

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

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

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

Under the requirements of GASB 34, the District is required to present certain of its governmental funds as major funds based upon certain criteria. The major funds presented in the fund financial statements include the following, which include funds that were not required to be presented as major but were at the discretion of management:

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**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement focus, basis of accounting, and financial statement presentation  
(continued)**

***General Funds:***

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

The *Transportation Fund* is used to account for the State Equalization received from the State Department of Education which is used to pay for the costs associated with transporting school age children.

The *Instructional Materials Fund* is used to account for the monies received from the State Department of Education for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students.

***Other Funds Presented as Major Funds:***

The *Bond Building Capital Projects Fund* is used to account for bond proceeds and any income earned thereon. The proceeds are restricted for the purpose of making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof, as approved by the voters of the District.

The *Debt Service Fund* is used to account for the accumulation of resources for the payment of Long- Term Debt principal and interest.

Additionally, the District reports the following agency fund:

The *Fiduciary Funds* account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, or student organizations.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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

Program revenues are categorized as (a) charges for services, which include revenues collected for cafeteria fees and lost books, etc., (b) program-specific operating grants, which includes revenues received from state and federal sources such as Title I, IDEA-B, and Magnet school funding to be used as specified within each program grant agreement, and (c) program-specific capital grants and contributions, which include revenues from state sources such as SB-9 and HB-33 funding to be used for capital projects. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement focus, basis of accounting, and financial statement presentation  
(continued)**

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

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

**D. Assets, Liabilities, and Net Position**

**Cash and Temporary 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 Investment Pool.

Investments for the District are reported at fair value. The State Treasurer's Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

**Receivables and Payables:** Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "internal balances."

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

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

The District receives monthly income from a tax levy in Valencia County. The funds are collected by the County Treasurer and are remitted to the School District the following month. Under the modified accrual method of accounting, the amount remitted by the Valencia County Treasurer in July and August 2016 is considered 'measurable and available' and, accordingly, is recorded as revenue during the year ended June 30, 2016.

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**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, and Net Position (Continued)**

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

**Prepaid Items:** Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

**Instructional Materials:** The New Mexico State Department of Education receives federal material leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, fifty percent is restricted to the requisition of material listed in the State Board of Education 'State Adopted Instructional Material' list, while the other fifty percent of each allocation is available for purchases directly from vendors, for which the school district receives cash draw-downs, or transfer for requisition of material from the adopted list.

**Inventory:** Inventory is valued at lower of cost (first-in, first-out) or market. Inventory in the General Fund consists of expendable supplies held for consumption. Inventory in the Special Revenue Funds consists of U.S.D.A. 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. The U.S.D.A. commodities are recorded at year-end by audit adjusting entries. Commodities consumed during the year are reported as revenues and expenditures; unused commodities are reported as inventories and deferred revenue. Non-commodity inventories are equally offset by a fund balance reserve, which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets. No deferred revenue was recorded for unused commodity inventory as of June 30, 2016. Inventories in the Transportation Fund consisted of related supplies.

**Capital Assets:** Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 per Section 12-6-10 NMSA 1978, and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets, (retroactive to 1979) are to be included as part of the governmental capital assets reported in the government wide statements. However, infrastructure assets have not been included in the June 30, 2016 financial statements of Los Lunas School District, since the District did not own any infrastructure assets as of June 30, 2016. Information technology equipment, including software, is being capitalized and included in furniture and equipment as the District did not maintain internally developed software. The District expenses the cost of library books when purchased. Donated capital assets are recorded at estimated fair value at the date of donation.



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**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, and Net Position (Continued)**

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

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

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

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

Buildings/building improvements	20-40 years
Furniture and equipment	3-7 years

**Deferred Outflows/Inflows of Resources:** In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. Also, in addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. Deferred inflows are reported in the governmental funds regarding property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**Compensated Absences:** Qualified employees are entitled to accumulate annual leave according to a graduated leave schedule of 12 days to 20 days per year, depending on length of service, the employee's hire date, and the employee's employment status (administrator or classified). All earned vacation must be taken within one year after it is earned. Upon termination, employees will be paid for up to twenty days of accrued annual leave.

Qualified employees are entitled to accumulate sick leave according to a graduated leave schedule of 10 days to 14 days per year, depending on the employee's annual contract length. There is no limit to the amount of sick leave an employee may accumulate. Employees with a minimum of twelve years of service with the Los Lunas School District are eligible for the following compensation upon official retirement from the District through the New Mexico Educational Retirement Board:

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**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, and Net Position (Continued)**

1. Eligible employees will receive 10% of the average daily rate stated in the final employment contract for all unused sick leave earned on June 30 of the year prior to the last year of service up to a maximum of 700 hours; and
2. Eligible employees will receive 100% of the average daily rate stated in the final employment contract for all unused sick leave earned in the final school year of employment up to a maximum of 49 hours.

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental 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 district-wide statement of net position.

**Long-term Obligations:** In the government-wide fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method.

For fund financial reporting, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as another financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

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

**Net Position or Fund Equity:** Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The detail of which is presented in Note 19.

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

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**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, and Net Position (Continued)**

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

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

*Unrestricted Net Position:* All other net assets that do not meet the definition of “restricted” or “net investment in capital assets.”

The Government-wide Statement of Net Position reports \$24,543,036 of restricted net position of which \$15,253,819 is restricted by enabling legislation.

The District’s policy is to apply restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**Interfund Transactions:** Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund from 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.

**Estimates:** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates affecting the District’s financial statements include management’s estimate of the useful lives of capital assets.

**E. Revenues**

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

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**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, and Net Position (Continued)**

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$59,042,860 in state equalization guarantee distributions during the year ended June 30, 2016.

**Tax Revenues:** The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Tax revenues are recognized when they are in the hands of the collecting agency.

The District records only the portion of the taxes considered to be 'measurable' and 'available'. The District recognized \$10,691,814 in tax revenues during the year ended June 30, 2016. Descriptions of the individual debt service and capital outlay funds contained in these financial statements include information regarding the authority for the collection and use of these taxes.

Property taxes attach an enforceable lien on property as of January 1. Tax notices are sent to property owners by November 1<sup>st</sup> of each year to be paid in whole or in two installments by November 10<sup>th</sup> and April 10<sup>th</sup> of each year. Valencia County collects County, City, and School taxes, and distributes them to each fund once per month, except in June when taxes are distributed twice to close out the fiscal year.

**Transportation Distribution:** School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$2,124,168 in transportation distributions during the year ended June 30, 2016.

**Instructional Materials:** The New Mexico Public Education Department (PED) receives federal material leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, fifty percent is restricted to the requisition of materials listed in the State Board of Education "State Adopted Instructional Material" list, while the other fifty percent of each allocation is available for purchases directly from vendors. Allocations received from the State for the year ended June 30, 2016 totaled \$594,024.

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

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**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Revenues (Continued)**

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

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

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

Money in the fund shall be disbursed by warrant of the Department of Finance and Administration on vouchers signed by the Secretary of Finance and Administration following certification by the council that the application has been approved. During the year ended June 30, 2016, the District received \$1,893,785 in capital outlay funds.

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

During the year ended June 30, 2016 the District received \$807,219 in funds for state SB-9 matching.

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

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**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Revenues (Continued)**

Department of Education). The various budgets are approved by the Local School Board and the New Mexico Public Education Department.

The District also receives reimbursement under the National School Lunch and Breakfast Programs for its food services operations, and the distributions of commodities through the New Mexico Human Services Department.

**NOTE 3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

*Budgetary Information*

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

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

Actual expenditures may not exceed the budget on a function basis, i.e., each budgeted function must be within budgeted amounts. Budgets may be amended in two ways. If a budget transfer is necessary within a major category called a 'series,' this may be accomplished with only local Board of Education approval. If a transfer between 'series' or a budget increase is required, approval must also be obtained from Public School Finance Division.

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

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

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

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**NOTE 3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

which fixes the estimated budget for the school district for the ensuing fiscal year.

3. The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called.
4. The “operating” budget will be used by the District until they have been notified that the budget has been approved by the DBPU and the local 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. 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.
5. 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.
6. 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 SBPU.
7. Legal budget control for expenditures is by fund.
8. Appropriations lapse at fiscal yearend. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year’s budget. The budget of Los Lunas Schools has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.
9. 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.
10. Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Encumbrances are treated the same way for GAAP purposes and for budget purposes.

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

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**NOTE 3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (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.

**NOTE 4. CASH AND CASH EQUIVALENTS**

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

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

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

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

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

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



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**NOTE 4. CASH AND CASH EQUIVALENTS (CONTINUED)**

**Deposits**

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

	US Bank	Wells Fargo	Total
Total amount of deposits	\$ 38,537,549	1,019,905	39,557,454
FDIC coverage	(500,000)	(250,000)	(750,000)
Total uninsured public funds	<u>\$ 38,037,549</u>	<u>769,905</u>	<u>38,807,454</u>
Pledged collateral held by pledging bank's trust department or agent in agency's name	<u>\$ 41,750,000</u>	<u>862,876</u>	<u>42,612,876</u>
Collateral requirement (50% of uninsured public funds)	\$ 19,018,775	384,953	19,403,728
Pledged Security	<u>41,750,000</u>	<u>862,876</u>	<u>42,612,876</u>
Total over (under) collateralized	<u>\$ 22,731,225</u>	<u>477,923</u>	<u>23,209,148</u>

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government 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, 2016, none of the District's bank balance of \$39,557,454 was exposed to custodial credit risk as the amount uninsured was collateralized and the collateral was held by the pledging bank's trust department in the District's name. None of the District's bank balance was uninsured and uncollateralized. At June 30, 2016, the carrying amount of these deposits was \$38,523,502.

**Reconciliation of Cash and Cash Equivalents**

Governmental Funds-Balance Sheet

Cash and cash equivalents per Exhibit A-1	\$ 37,719,996
Statement of Fiduciary Net Assets – cash per Exhibit D-1	804,180
Add: outstanding checks and other reconciling items	1,034,483
Less: petty cash	<u>(1,205)</u>
Bank balance of deposits	<u>\$ 39,557,454</u>

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**NOTE 5. RECEIVABLES**

Receivables as of June 30, 2016 are as follows:

	General	Debt Service	Other Governmental Funds	Total
Property taxes	\$ 49,384	1,344,976	814,619	2,208,979
Intergovernmental grants	-	-	3,883,157	3,883,157
Totals	<u>\$ 49,384</u>	<u>1,344,976</u>	<u>4,697,776</u>	<u>6,092,136</u>

The above receivables are deemed 100% collectible. In accordance with GASB 33, property tax receivables are presented net of unearned revenues in the amount of \$1,694,633 on the governmental fund financial statements.

**NOTE 6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

“Interfund balances” have primarily been recorded when funds overdraw their share of pooled cash when the District is waiting for grant reimbursements. The composition of interfund balances as of June 30, 2016 is as follows:

<b>GOVERNMENTAL ACTIVITIES</b>	Interfund Receivables	Interfund Payables
<b>Major Funds:</b>		
General	\$ 3,286,303	
<b>Nonmajor Funds:</b>		889,108
Title I - IASA		825,176
IDEA-B Entitlement		52,168
Non-instructional Support		7,539
IDEA-B Competitive		13,502
Education of Homeless		9,959
IDEA-B “Risk Pool”		1,631
English Language Acquisition		121,922
Teacher/Principal Training & Recruiting		124,794
Title I School Improvement		6,595
Immigrant Funding Title III		26,026
Carl D. Perkins Secondary - Current		36,847
Carl D. Perkins Redistribution		15,567
Teen Dating Violence		8,525
Indian Education Formula Grant		12,345
Gear Up FY13 Plus		212,781
Dual Credit Instructional Materials		2,352
2012 GO Bond Library Fund		46,225
Pre K Initiative		276,172
Indian Education Art		16,774

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**NOTE 6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)**

<b>GOVERNMENTAL ACTIVITIES</b>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
<b>Nonmajor Funds:</b>		
Breakfast for Elementary Students		1
Kindergarten – Three Plus		274,846
GRADS – Instructional		576
Special Capital Outlay		304,872
<b>Total Governmental Activities</b>	\$ <u>3,286,303</u>	<u>3,286,303</u>

Net operating transfers made to close out funds, to supplement other funding sources, and to repay previous transfers were as follows:

<u>Governmental Funds</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund (11000)	\$ -	26,026
Immigrant Funding Title III (24163)	26,026	-
Total	\$ <u>26,026</u>	<u>26,026</u>

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**NOTE 7. CAPITAL ASSETS**

A summary of capital assets and changes occurring during the year ended June 30, 2016, including those changes pursuant to the implementation of GASB Statement No. 34, follows:

	Balance June 30, 2015	Additions	Deletions	Transfers	Balance June 30, 2016
<b>Capital Assets used in Governmental Activities</b>					
<i>Assets not depreciated:</i>					
Land	\$ 2,476,610	-	-	-	2,476,610
Construction in progress	55,845,557	494,473	-	(55,787,686)	552,344
Subtotal, assets not depreciated	<u>58,322,167</u>	<u>494,473</u>	<u>-</u>	<u>(55,787,686)</u>	<u>3,028,954</u>
<i>Assets depreciated:</i>					
Land improvements	7,869,100	193,220	-	-	8,062,320
Building & building improvements	143,526,842	4,385,828	(103,200)	55,787,686	203,597,156
Furniture, fixtures, and equipment	4,791,511	405,474	(183,782)	-	5,013,203
Vehicles	8,134,068	750,408	(308,025)	-	8,576,451
Subtotal, assets depreciated	<u>164,321,521</u>	<u>5,734,930</u>	<u>(595,007)</u>	<u>55,787,686</u>	<u>225,249,130</u>
<i>Less accumulated depreciation:</i>					
Land improvements	(3,953,654)	(363,842)	34,528	-	(4,282,968)
Buildings & building improvements	(47,161,915)	(4,847,564)	103,200	-	(51,906,279)
Furniture, fixtures, and equipment	(3,855,829)	(239,262)	182,382	-	(3,912,709)
Vehicles	(6,081,338)	(474,269)	303,515	-	(6,252,092)
Subtotal, accumulated depreciation	<u>(61,052,736)</u>	<u>(5,924,937)</u>	<u>623,625</u>	<u>-</u>	<u>(66,354,048)</u>
Net assets being depreciated	<u>103,268,785</u>	<u>(190,007)</u>	<u>28,618</u>	<u>55,787,686</u>	<u>158,895,082</u>
Total net capital assets	<u>\$ 161,590,952</u>	<u>304,466</u>	<u>28,618</u>	<u>-</u>	<u>161,924,036</u>

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**NOTE 7. CAPITAL ASSETS (CONTINUED)**

Depreciation expense for the year ended June 30, 2016 was charged to governmental activities as follows:

Instruction	\$	2,865,095
Support Services – Students		5,176
Fiscal Services		235
Operations and Management of Plant		2,699,190
Student Transportation		334,007
Food Services Operation		21,233
Total	\$	<u>5,924,936</u>

**NOTE 8. LONG-TERM DEBT**

During the year ended June 30, 2016, the following changes occurred in the liabilities reported in the government-wide statement of net position:

	Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016	Due Within One Year
General Obligation Bonds	\$ 47,315,000	6,000,000	(5,095,000)	48,220,000	5,335,000
Bond Premium	164,361	232,961	(32,872)	364,450	52,285
Compensated Absences	610,964	290,349	(291,096)	610,217	457,663
Total	\$ <u>48,090,325</u>	<u>6,523,310</u>	<u>(5,418,968)</u>	<u>49,194,667</u>	<u>5,844,948</u>

Interest expense paid on long-term debt totaled \$1,184,975 on the Statement of Activities for the year ended June 30, 2016.

The District’s general obligation bonds were issued for the purposes of creating, remodeling, making additions to and furnishing school buildings, and purchasing and improving school grounds and are payable solely from general property taxes. The bonds are payable from the Debt Service Fund (Fund 41000). Interest payments are due semi-annually on July 15 and January 15. Interest rates on the bonds range from 0.582% to 4.000%. Principal payments in varying amounts are due annually on August 1 or August 15 through 2028.

*General Obligation Bonds Series 2015:* On October 28, 2015, the District issued GO Bond Series 2015 at a par amount of \$6,000,000, a premium of \$232,961, variable interest rate of 2.00% to 4.00%, and a maturity date of July 15, 2028. The net bond proceeds, after paying issuance costs of \$5,095,000, were used to fund the District’s on-going school and building and renovation program for the purposes of erecting, remodeling, making additions to and furnishing school buildings, purchasing and improving school grounds and purchasing computer software and hardware for student use in public school classrooms, providing matching funds for capital outlay projects funded pursuant to the Public School Capital Outlay Act and for paying costs of issuance.

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**NOTE 8. LONG-TERM DEBT (CONTINUED)**

The annual requirements to amortize the General Obligation Bonds as of June 30, 2015, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2017	\$ 5,335,000	1,220,667	6,555,667
2018	5,305,000	1,170,775	6,475,775
2019	5,210,000	1,048,225	6,258,225
2020	4,535,000	920,875	5,455,875
2021	4,740,000	787,725	5,527,725
2022-2026	19,095,000	1,938,639	21,033,639
2027-2028	4,000,000	165,100	4,165,000
Totals	\$ <u>48,220,000</u>	<u>7,252,006</u>	<u>55,472,006</u>

In prior years, the general fund was typically used to liquidate long-term liabilities other than debt.

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, 2016, compensated absences decreased \$747 over the prior year accrual. See Note 2 for more details.

Operating Leases – The District leases office equipment and storage units under short-term cancelable operating leases. Rental cost for the year ended June 30, 2016 was \$281,328.

**NOTE 9. RISK MANAGEMENT**

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

The NMPSIA provides coverage for up to a maximum of \$500,000,000 for each property damage claim with a \$750 deductible to each building. General liability coverage is afforded to all employees, volunteers and school board members and the limit is subject to the NMSA Tort Claims Act on a per occurrence basis. The automobile and property liability limit is subject to the provisions of the Tort

Claims Act. The crime limit is \$250,000 per occurrence for Faithful Performance. A limit of \$250,000 applies to Depositor's Forgery, Credit Card Forgery and Money Orders. A limit of \$100,000 applies to Money and Security, which includes a \$750 deductible.

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**NOTE 9. RISK MANAGEMENT (CONTINUED)**

In case the NMPSIA's assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. As of June 30, 2015, there have been no claims that have exceeded insurance coverage.

**NOTE 10. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES**

Generally accepted accounting principles require disclosures as part of the Combined Statements of certain information concerning individual funds including:

**A. Deficit fund balance of individual funds:** The following funds reported a deficit fund balance at June 30, 2015:

<b>Nonmajor Funds:</b>	
Non-Instructional Support	(53,182)
Title I	(10,259)
IDEA-B Entitlement	(1,543)
IDEA-B Competitive	(1,790)
English Language Acquisition	(54,183)
Teacher/Principal Training & Recruiting	(24,629)
Immigrant Funding Title III	(26,026)
Title I School Improvement	(398)
Indian Ed Formula Grant	(12,345)
GRADS Child Care	(576)
Total	<u>\$ (184,931)</u>

**B. Excess expenditures over appropriations:** Budgetary authority is at the function level. There were no funds with expenditures in excess of budgetary authority for the year ended June 30, 2016.

**C. Designated cash appropriation in excess of available balances:** There were no funds with designated cash in appropriations in excess of available balances for the year ended June 30, 2016.

**NOTE 11. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD**

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

ERB issues a publicly available financial report and a comprehensive annual financial report that can be obtained at [www.nmerb.org](http://www.nmerb.org).

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**NOTE 11. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)**

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

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

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

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

Retired members and surviving beneficiaries receiving benefits receive an automatic cost of living adjustment (COLA) to their benefit each July 1, beginning in the year the member attains or would have attained age 65 or on July 1 of the year following the member's retirement date, whichever is later. Prior to June 30, 2013 the COLA adjustment was equal to one-half the change in the Consumer Price Index (CPI), except that the COLA shall not exceed 4% nor be less than 2%, unless the change in CPI is less than 2%, in which case, the COLA would equal the change in the CPI, but never less than zero. As of July 1, 2013, for current and future retirees the COLA was immediately reduced until the plan is 100% funded. The COLA reduction was based on the median retirement benefit of all retirees excluding disability retirements. Retirees with benefits at or below the median and with 25 or more years of service credit will have a 10% COLA reduction; their average COLA will be 1.8%. All other retirees will have a 20% COLA reduction; their average COLA will be 1.6%. Once the funding is greater than 90%, the COLA reductions will decrease. The retirees with benefits at or below the median and with 25 or more years of service credit will have a 5% COLA reduction; their average COLA will be 1.9%. All other retirees will have a 10% COLA reduction; their average will be 1.8%. Members on disability retirement are entitled to a COLA commencing on July 1 of the third full year following disability retirement. 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.



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**NOTE 11. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)**

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. A member with five or more years of earned service credit on deferred status may retire on disability retirement when eligible under the Rule of 75 or when the member attains age 65.

**Contributions.** The contribution requirements of defined benefit plan members 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, 2015 employers contributed 13.15% if employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2016 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Los Lunas Schools were \$5,623,402 for the year ended June 30, 2016.

**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, 2014. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, Los Lunas Schools reported a liability of \$92,828,294 for its proportionate share of the net pension liability. Los Lunas Schools' proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Los Lunas Schools' proportion was 1.43314% percent, which was a increase of 0.00783% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, Los Lunas Schools recognized pension expense of \$1,579,947. At the June 30, 2016, Los Lunas Schools reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

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**NOTE 11. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)**

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	1,720,951
Changes in assumptions	3,192,860	-
Net difference between projected and actual earnings on pension plan investments	-	417,844
Changes in proportion and differences between Los Lunas Schools' contributions and proportionate share of contributions	400,970	-
Los Lunas Schools' contributions subsequent to the measurement date	<u>5,623,402</u>	<u>-</u>
Total	<u>\$ 9,217,232</u>	<u>2,138,795</u>

\$9,217,232 reported as deferred outflows of resources related to pensions resulting from Los Lunas Schools' contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2017	\$	(65,962)
2018		(19,362)
2019		251,060
2020		1,289,297
2021		-
Thereafter	\$	-

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

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**NOTE 11. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)**

1. All members with an annual salary of more than \$20,000 will contribute 10.10% during the fiscal year ending June 30, 2015 and 10.7% thereafter.
2. Members hired after June 30, 2014 will have an actuarially reduced retirement benefit if they retire before age 55 and their COLA will be deferred until age 67.
3. COLAs for most retirees are reduced until ERB attains a 100% funded status.
4. For purposes of projecting future benefits, it is assumed that the full COLA is paid in all future years.

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

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll
Remaining Period	Amortized – closed 30 years from June 30, 2012 to June 30, 2042
Asset Valuation Method	5 year smoothed market for funding valuation (fair value for financial valuation)
Inflation	3.00%
Salary Increases	Composition: 3% inflation, plus 1.25% productivity increase rate, plus step rate promotional increases for members with less than 10 years of service
Investment Rate of Return	7.75%
Retirement Age	Experience based table of age and service rates
Mortality	90% of RP-2000 Combined Mortality Table with White Collar Adjustment projected to 2014 using Scale AA (one year setback for females)

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**NOTE 11. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)**

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.).

**Sensitivity of Los Lunas Schools 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 fiscal year end 2015. In particular, the table presents Los Lunas Schools’ net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Los Lunas Schools’ proportionate share of the net pension liability	\$ <u>124,906,671</u>	<u>92,828,294</u>	<u>65,879,118</u>

**Pension plan fiduciary net position.** Detailed information about the ERB’s fiduciary net position is available in the separately issued audited financial statements as of and for June 30, 2015 which are publicly available at [www.nmerb.org](http://www.nmerb.org).

**Payables to the pension plan.** Los Lunas Schools did not accrue any payables for the pension plan at June 30, 2016. All 10-month teacher contracts for the school year are paid by fiscal year end.

**NOTE 12. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN**

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

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**NOTE 12. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN  
(CONTINUED)**

Eligible retirees are: (1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which 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 RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque NM 87107.

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

The employer, employee and retiree contributions are required to be remitted to the RHCA 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 RHCA fund in the amount determined to be appropriate by the board.

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2015, the statutes required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2015, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2016**

**NOTE 12. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN  
(CONTINUED)**

1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, 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 Retiree Health Care Act. Los Lunas School's contributions to the RHCA for the years ended June 30, 2015, 2014 and 2013 were \$811,446, \$756,551 and \$736,256, respectively, which equal the required contributions for each year.

**NOTE 13. CONTINGENT LIABILITIES**

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

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

**NOTE 14. BUDGETED ACTIVITY FUNDS**

The Student Activity Funds, while budgeted under Non-Instructional Support in the financial statements, are considered for reporting purposes as agency funds and the related activity has been reported as such in the Statement of Changes in Assets and Liabilities – All Agency Funds section of the financial statements.

**NOTE 15. JOINT POWERS AGREEMENTS**

The New Mexico Public School Capital Outlay Council (PSCOC) through its Public School Facilities Authority (PSFA) and Los Lunas Schools are in agreement to cooperate to complete the public school capital outlay projects and to correct existing health and safety deficiencies that have been identified, verified, prioritized. The responsible party is the PSCOC. This agreement was extended as of October 2010 and will continue indefinitely.

**NOTE 16. COMMITMENTS**

Los Lunas Schools contracts with outside vendors for construction and renovation of various facilities. At June 30, 2016, contracts outstanding for capital projects totaled \$7,788,658.

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2016**

**NOTE 17. RELATED PARTY TRANSACTIONS**

During the year ended June 30, 2016, Los Lunas Schools contracted services from related parties. Expenditures related to the vendors totaled \$16,984.

**NOTE 18. RECENT AND NEW ACCOUNTING PRONOUNCEMENTS**

**Recent Accounting Pronouncements**

In February 2015, the GASB issued statement No. 72, *Fair Value Measurement and Application*. This Statement provides guidance for determining the fair value and applying the fair value to certain investments and note disclosures. GASB Statement No. 72 was effective for periods ending after June 15, 2016. The adoption of GASB Statement No. 72 did not have any effect on the District's Financial Statements.

In June 2015, the GASB issued statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements No. 67 and 68*. This Statement establishes requirements for defined benefit pension plans and other pension plans not addressed under GASB Statement No. 68. This Statement also amends some requirements of GASB Statement No. 67 and GASB Statement No. 68. GASB Statement No. 73 clarifies requirements of GASB Statements No. 67 and 68 regarding the information that must be presented as notes to the required supplemental 10 year schedules, accounting and financial reporting for certain liabilities for individual employers and non-employer contributing entities, and the revenue recognition for non-employer contributing entities that are not in a special funding situation. This statement requires that all pensions under GASB Statement No. 68 that are not administered through trusts and meet the requirements of GASB Statement No. 68 not be classified as pension plan assets. The implementation of GASB No. 73 did not have an impact on the District's Financial Statements.

In June 2015, the GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. Statement No. 76, which supersedes Statement No. 55, aims to identify, in the context of the current governmental financial reporting environment, the hierarchy of

U.S. GAAP, which consists of the sources of accounting principles used to prepare the financial statements of state and local governments entities in conformity with U.S. GAAP, as well as the framework for selecting those principles. The District adopted GASB Statement No. 76 during fiscal year 2016, with no significant impact to the District's financial statements.

In December 2015, the GASB issued Statement No. 79, *Certain External Investment Pools and Pool Participants*. This Statement establishes criteria that must be met for an external investment pool to be permitted to measure its investments at the amortized cost for financial reporting purposes. This Statement also requires that the pool participants of external investment pools that meet the criteria also report their investments at the amortized cost for financial reporting purposes. External Investment Pools that not meet the requirement are required to follow paragraph 16 of GASB Statement No. 31. GASB Statement No. 79 requires additional note disclosures to be made in qualifying external

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2016**

**NOTE 18. RECENT AND NEW ACCOUNTING PRONOUNCEMENTS (CONTINUED)**

**Recent Accounting Pronouncements (Continued)**

investment pools financial statements. The additional note disclosures are also required to be made in the pool participants financial statements. The adoption of GASB Statement No. 79 did not have a significant impact on the District's financial statements.

**New Accounting Pronouncements**

The following GASB pronouncements have been issued, but are not yet effective at June 30, 2016.

GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*

GASB Statement No. 77, *Tax Abatement Disclosures*

GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*

GASB Statement No. 80, *Blending Requirements for Certain Units – an amendment to GASB Statement No. 14*

GASB Statement No. 81, *Irrevocable Split-Interest Agreements*

GASB Statement No. 82, *Pension Issues (an Amendment of GASB Statements No. 67, No. 68, and No. 73)*

The District will implement the new GASB pronouncements in the fiscal year no later than the required effective date. The District believes that the above listed new GASB pronouncements will not have a significant financial impact to the District or in issuing its financial statements.

**NOTE 19. GOVERNMENTAL FUND BALANCE**

**Fund Balance:** In the fund financial statements, governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Some governments may not have policies or procedures that are comparable to those policies that underlie the classifications and therefore would not report amounts in all possible fund balance classifications.

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



**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2016**

**NOTE 19. GOVERNMENTAL FUND BALANCE (CONTINUED)**

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

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

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

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

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

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2016**

**NOTE 19. GOVERNMENTAL FUND BALANCE**

Detail relating to the fund balance classifications is displayed below:

	Operational Fund	Transportation Fund	Instructional Materials Fund	Bond Building
<b>Fund Balances:</b>				
<b>Nonspendable:</b>				
Inventory	\$ -	38,364	-	-
Prepaid expenditures	6,881	-	-	-
<b>Restricted for:</b>				
Student instruction	-	-	654,227	-
Capital projects	-	-	-	10,735,788
Food service	-	-	-	-
Debt service	-	-	-	-
<b>Committed to:</b>	-	-	-	-
<b>Assigned to:</b>	-	-	-	-
<b>Unassigned:</b>	12,323,688	-	-	-
Total fund balances	\$ 12,330,569	38,364	654,227	10,735,788

	Debt Service Fund	Other Governmental Funds	Total
<b>Fund Balances:</b>			
<b>Nonspendable:</b>			
Inventory	\$ -	234,920	273,284
Prepaid expenditures	-	49,453	56,334
<b>Restricted for:</b>			
Student instruction	-	-	654,227
Capital projects	-	4,557,112	10,735,788
Food service	-	1,149,468	1,149,468
Special revenue	-	1,488,287	6,045,399
Debt service	6,651,462	-	6,651,462
<b>Committed to:</b>	-	-	-
<b>Assigned to:</b>	-	-	-
<b>Unassigned:</b>	-	(269,327)	12,054,361
Total fund balances	\$ 6,651,462	7,209,913	37,620,323

**REQUIRED SUPPLEMENTARY INFORMATION**

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
SCHEDULE OF THE SCHOOL'S PROPORATIONATE SHARE OF THE NET PENSION LIABILITY  
June 30, 2016**

**New Mexico Educational Retirement Board Pension Plan  
Schedule of Ten Year Tracking Data\*  
(Dollars in Thousands)**

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
School's Proportion of the Net Pension Liability (Asset)	1.43%	1.43%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 81,324	92,828	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 39,287	39,129	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.00%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

\*The amounts presented for each fiscal year were determined as of June 30, 2015

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
SCHEDULE OF SCHOOL CONTRIBUTIONS  
June 30, 2016**

**New Mexico Educational Retirement Board Pension Plan  
Schedule of Ten Year Tracking Data  
(Dollars in Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 5,166	6,463	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	5,166	5,663	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	800	-	-	-	-	-	-	-	-

**Increase (Decrease) in Pension Expense over Recognition Periods**

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 8,504	5		\$ 2,234	2,234	2,188	1,848	-						
2015	\$ 1,455	5			(66)	(19)	251	1,289	-					
2016	-	5				-	-	-	-	-				
2017	-	5				-	-	-	-	-	-			
2018	-	5				-	-	-	-	-	-	-		
2019	-	5				-	-	-	-	-	-	-	-	
2020	-	5				-	-	-	-	-	-	-	-	-
2021	-	5				-	-	-	-	-	-	-	-	-
2022	-	5				-	-	-	-	-	-	-	-	-
2023	-	5				-	-	-	-	-	-	-	-	-
	<u>\$ 9,959</u>			<u>\$ 2,234</u>	<u>2,168</u>	<u>2,169</u>	<u>2,099</u>	<u>1,289</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
REQUIRED SUPPLEMENTARY INFORMATION  
June 30, 2016**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**1. 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 *General Information on the Pension Plan*.

**2. Changes of Assumptions**

ERB conducts an actuarial experience study for the Plan on a biennial basis. Based on the six-year actuarial experience study presented to the Board of Trustees on April 26, 2014, ERB implemented the following changes in assumptions for fiscal years 2015 and 2016.

1. Fiscal year 2015 and 2014 valuation assumptions that changed based on this study:
  - a. Lower wage inflation from 4.75% to 4.25%
  - b. Lower payroll growth from 3.75% to 3.50%
  - c. Minor changes to demographic assumptions
  - d. Population growth per year from 0.75% to 0.50%
2. Assumptions that were not changed:
  - a. Investment return will remain at 7.75%
  - b. Inflation will remain at 3.00%

See also the *Actuarial Assumptions* subsection of the financial statement note disclosure *General Information on the Pension Plan*.

**SUPPLEMENTARY INFORMATION**

**NONMAJOR GOVERNMENTAL FUNDS**



**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS**  
**June 30, 2016**

Statement A-1

	SPECIAL REVENUE	CAPITAL PROJECTS	TOTAL
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>ASSETS</b>			
<i>Current Assets</i>			
Cash and cash equivalents	\$ 2,662,954	4,002,810	6,665,764
Accounts receivable			
Taxes	-	814,619	814,619
Due from other governments	2,827,438	1,055,719	3,883,157
Interfund receivables	-	-	-
Other	-	-	-
Prepaid expenditures	32,162	17,291	49,453
Inventory	234,920	-	234,920
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total assets</i>	\$ <u>5,757,474</u>	<u>5,890,439</u>	<u>11,647,913</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<i>Current Liabilities</i>			
Accounts payable	\$ 65,899	408,802	474,701
Accrued payroll liabilities	18,262	-	18,262
Interfund payables	2,981,431	304,872	3,286,303
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total liabilities</i>	<u>3,065,592</u>	<u>713,674</u>	<u>3,779,266</u>
<b>DEFERRED INFLOWS - PROPERTY TAXES</b>			
Unearned revenue - property taxes	-	658,734	658,734
Unearned revenue - other	-	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total Deferred Inflows</i>	<u>-</u>	<u>658,734</u>	<u>658,734</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total Liabilities and Deferred Outflows</i>	<u>3,065,592</u>	<u>1,372,408</u>	<u>4,438,000</u>
<i>Fund balances</i>			
Fund Balance			
Nonspendable	267,082	17,291	284,373
Restricted	2,637,755	4,557,112	7,194,867
Committed	-	-	-
Assigned	-	-	-
Unassigned	(212,955)	(56,372)	(269,327)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total fund balance</i>	<u>2,691,882</u>	<u>4,518,031</u>	<u>7,209,913</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total liabilities and fund balance</i>	\$ <u>5,757,474</u>	<u>5,890,439</u>	<u>11,647,913</u>

See Notes to Financial Statements.

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2016**

Statement A-2

	SPECIAL REVENUE	CAPITAL PROJECTS	TOTAL
<i>Revenues</i>			
Property taxes	\$ -	3,807,134	3,807,134
State grants	1,916,024	1,110,719	3,026,743
Federal grants	9,964,076	-	9,964,076
Charges for service	768,174	-	768,174
Miscellaneous	-	25,268	25,268
Interest	-	-	-
<i>Total revenues</i>	<u>12,648,274</u>	<u>4,943,121</u>	<u>17,591,395</u>
<i>Expenditures</i>			
<i>Current</i>			
Instruction	5,985,079	-	5,985,079
Support Services			
Students	788,978	-	788,978
Instruction	174,252	-	174,252
General Administration	333,199	37,537	370,736
School Administration	843,791	-	843,791
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	582,772	-	582,772
Other Support Services	-	-	-
Food Services Operations	3,966,559	-	3,966,559
Community Service	-	-	-
Capital outlay	-	4,954,118	4,954,118
Debt service	-	-	-
Principal	-	-	-
Interest	-	-	-
	<u>12,674,630</u>	<u>4,991,655</u>	<u>17,666,285</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(26,356)</u>	<u>(48,534)</u>	<u>(74,890)</u>
<i>Other financing sources (uses)</i>			
Operating transfers	(26,026)	-	(26,026)
<i>Total other financing sources (uses)</i>	<u>(26,026)</u>	<u>-</u>	<u>(26,026)</u>
<i>Net change in fund balances</i>	<u>(52,382)</u>	<u>(48,534)</u>	<u>(100,916)</u>
<i>Fund balances, beginning of year</i>	<u>2,744,264</u>	<u>4,566,565</u>	<u>7,310,829</u>
<i>Fund balances, end of year</i>	<u>\$ 2,691,882</u>	<u>4,518,031</u>	<u>7,209,913</u>

See Notes to Financial Statements.

**SPECIAL REVENUE FUNDS**

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOL DISTRICT  
SPECIAL REVENUE FUNDS DESCRIPTIONS  
June 30, 2016**

**SPECIAL REVENUE FUNDS**

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

**Food Service (21000)** – This fund is used to account for the cost of operating a student breakfast, lunch, snack bar and summer lunch program and is financed with federal grants and fees paid by program users.

**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-Instruction Ed. Support (23000)** – To account for budgeted revenues and expenditures which relate to student activities other than athletics.

**Title I – IASA and Federal Stimulus (24101)** – Used to provide supplemental educational opportunity for academically disadvantaged children in the area of residing. Campuses are identified for program participation by the percentage of students on free or reduced price lunches. Any school with a free and reduced price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criterion that identifies a campus; educational need determines the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Education. 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.

**IDEA-B Entitlement (24106), IDEA-B Competitive (24108), and IDEA-B “Risk Pool” (24120)** – To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Program 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.

**IDEA-B Preschool (24109) and IDEA-B Preschool Federal Stimulus (24209)** – The objective of the Assistance to States for the Education of Handicapped Children Program is to assist in providing free, appropriate public education to all handicapped children from ages three to five. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Children, Youth and Families. Authority for creation of this fund is Public Law 105- 17.

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOL DISTRICT  
SPECIAL REVENUE FUNDS DESCRIPTIONS  
June 30, 2016**

**SPECIAL REVENUE FUNDS (CONTINUED)**

**Education of Homeless (24113)** – To ensure that homeless children and youth have equal access to the same free, appropriate public education as other children; to provide activities for and services to ensure that these children enroll in, attend, and achieve success in school; to establish or designate an office in each State educational agency (SEA) for the coordination of education for homeless children and youth; to develop and implement programs for school personnel to heighten awareness of specific problems of homeless children and youth; and to provide grants to local educational agencies (LEAs). Program funding is authorized by authorized by McKinney-Vento Homeless Assistance Act, Title VII, Subtitle B.

**Enhancing Ed Through Technology-Formula (24133) and Federal Stimulus (24249)** – Funds used to Enhance Education through Technology meant to purchase Professional Development for teachers, to purchase technology equipment for school sites. Program funding is authorized by P.L. 103-382.

**Comprehensive School Reform (24135)** – To account for the provision of financial incentives for schools in need of substantially improving student achievement to implement comprehensive school reform programs based on reliable research and effective practices. Program funding is authorized by P.L. 103-382.

**ELL Title III – Incentive awards (24143)** – This program insures that English language learners including immigrant children and youth develop English proficiency and meet the same academic content and achievement standards that all students are expected to meet. This program is authorized by Title III, Part A of the ESEA, as amended.

**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. This program is authorized by Title III, Part A of the ESEA, as amended.

**Teacher / Principal Training & Recruiting (24154)** – To improve the skills of teachers and the quality of instruction in mathematics and science, and also to increase the accessibility of such instruction to all students. This program is authorized by Title II, Part A, subparts 1-3 of the ESEA as amended.

**Safe & Drug Free Schools & Community (24157)** – To establish a local program of alcohol and drug abuse education and prevention coordinated with related community efforts and resources. This program is authorized by Title IV, Part A, Subpart 1 of the Elementary and Secondary Education Act of 1965, as amended.

**Title I School Improvement (24162)** – To account for Title I Program Improvement funding designated to assist with the implementation of approved school improvement corrective action plans. This funding was authorized by the Elementary and Secondary Education Act (ESEA), as amended, Executive Order Section 1003(g), 115 Stat. 1442, 20 U.S.C 6303(g).

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOL DISTRICT  
SPECIAL REVENUE FUNDS DESCRIPTIONS  
June 30, 2016**

**SPECIAL REVENUE FUNDS (CONTINUED)**

**Carl D. Perkins Secondary - Current (24174)** - The objective of this grant is to provide secondary educational institutions the opportunity to develop, implement, and operate programs using different models of curricula that integrate vocational and academic learning. Funds are acquired from federal sources through the New Mexico Department of Education. This program is authorized by the Carl D. Perkins Career and Technical Education Act of 2006.

**Teen Dating Violence (24184)** - The objective of this grant is to provide support for expectant parenting teens, women, fathers and their families for the State of New Mexico. The fund enables Los Lunas Schools to vary out is Teen Dating Violence Prevention and Campaign Awareness program. Authorized by U.S. Department of Health and Human Services (1SP1AH000021-02-00).

**Impact Aid - Special Education (25145) and 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)** – 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. Program funding is authorized by Social Security Act, Title XIX, as amended.

**Child Care Block Grant CYFD (25157)** – To account for funds received for the transition assistance program funding through the Children, Youth and Families Department and the State of New Mexico. Program funding is authorized by Child Care and Development Block Grant Act of 1990, as amended.

**Indian Education Formula Grant (25184)** – To account for a program funded by a Federal grant to develop and carry out supplementary elementary and secondary school programs designed to meet the special educational and culturally related academic needs of Indian children, for example to: 1) Improve academic performance, 2) Reduce school dropout rates and improve attendance, and 3) Integrate the value of cultural education into the school curriculum for Indian children. Funding authorized by Indian Education Act of 1988, Title V, Part C, Subpart 1, as amended, Public Law 100-297 and 93-638, 25 U.S.C. 2601-2606.

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOL DISTRICT  
SPECIAL REVENUE FUNDS DESCRIPTIONS  
June 30, 2016**

**SPECIAL REVENUE FUNDS (CONTINUED)**

**GEAR UP NM State Initiatives (25205), and GEAR UP USDE (25211)** –To encourage eligible entities to provide or maintain a guarantee to eligible low-income students who obtain a secondary diploma, of the financial assistance necessary to permit the student to attend an institution of higher education; and provide additional support services to students who are at risk of dropping out of school. Higher Education act, Title IV, Part A, Subpart 2, Chapter 2, Public Law 105-244.

**Smaller Learning Communities (25217)** - To conduct nationally significant programs to improve the quality of education, assist all students to meet challenging State content standards, and contribute to the achievement of the National Education Goals. Elementary and Secondary Education Act of 1965; Title X, Part A, as amended, 20 U.S.C. 8001-8007.

**Federal Equalization Stabilization Federal Stimulus (25250)** - Education stabilization funds are used to restore state funding to public schools and higher education institutions for FY09, FY10 and FY11 for the purpose of stimulating the economy as authorized by Title XIV of the American Recovery and Reinvestment Act (ARRA).

**Dual Credit Instructional Materials (27103)** – To purchase college textbooks for students who dual enroll in college credited courses while still attending high school. Program is authorized by state statute.

**2012 G.O. Bond Student Library Fund (SB1) (27107)** – Funds used to purchase library books and library supplies for all school sites. Program is authorized by state statute.

**Pre K Initiative (27149)** – To account for monies received from the State of New Mexico to be used to provide direct services to 20 4 year old children in Pre-Kindergarten programs at Mariposa Elem., and Tome Elem. Program is authorized by state statute.

**Indian Education Act (27150)** – To account for funds to help support the educational reform initiatives outlined in the schools' Educational Plan for Student Success (EPSS). The grant expenditures must support how the identified EPSS focus areas/ activities/ strategies will be deployed for addressing the needs of American Indian students to ensure improved academic performance and closing of the achievement gap.

**Breakfast for Elementary Students (27155)** – The 2005 Legislative General Appropriations Act allocated \$475,000 to implement Breakfast in the Classroom for elementary schools in need of improvement based on 2004-2005 AYP designation.

**Legislative Appropriations of 2007 (27165)** –To provide funds for college readiness and high school redesign initiative. Program is authorized by state statute.

**Kindergarten - Three Plus (27166)** –the funding is part of a pilot project for Kindergarten through third grade students at both Ann Parish Elementary and Desert View Elementary. Funds used for teachers, educational assistants, nurses, an academic coach, and PE coach at both schools.

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOL DISTRICT  
SPECIAL REVENUE FUNDS DESCRIPTIONS  
June 30, 2016**

**SPECIAL REVENUE FUNDS (CONTINUED)**

**School Bus (27178)** – The purpose of this fund is to account for a program, funded by the Public Education Department, to purchase school buses statewide. Funding is authorized by the Laws of 2013, SB-60, Section 53.

**NM Grown Fruits & Vegetables (27183)** – The purpose of this fund is to account for a state grant received for the purchase of New Mexico grown fresh fruits and vegetables.

**Library Book Fund (27549)** – Funds for the purpose of purchasing library books for all school sites. Program is authorized by state statute.

**Office of Cultural Affairs (28177)** – to account for monies received from the State of New Mexico to be used for preserving and promoting New Mexico’s culture. Program is authorized by state statute.

**GRADS Child Care (28189)** – To provide grants to States, Territories, or Tribes to assist needy families with children so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work, and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families. Social Security Act, Title IV, Part A, as amended; Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193.

**GRADS-Instructional (28190)** and **GRADS Instructional (28203)** - To account for an agreement to provide child care services in conjunction with the Graduation, Reality and Dual Role Skills Program. Funding is provided by State of New Mexico Children Youth and Families Department. Program is authorized by state statute



**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2016**

	Food Service 21000	Athletics 22000	Non-Instructional Support 23000
<b>ASSETS</b>			
<i>Current Assets</i>			
Cash and cash equivalents	\$ 1,175,699	14,439	-
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	-	-
Interfund receivables	-	-	-
Other	-	-	-
Prepaid expenditures	-	-	-
Inventory	234,920	-	-
<i>Total assets</i>	<u>\$ 1,410,619</u>	<u>14,439</u>	<u>-</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<i>Current Liabilities</i>			
Accounts payable	\$ 10,691	-	-
Accrued payroll liabilities	15,540	-	1,014
Interfund payables	-	-	52,168
<i>Total liabilities</i>	<u>26,231</u>	<u>-</u>	<u>53,182</u>
<b>DEFERRED INFLOWS - PROPERTY TAXES</b>			
Unearned revenue - property taxes	-	-	-
Unearned revenue - other	-	-	-
<i>Total Deferred Inflows</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities and Deferred Outflows</i>	<u>26,231</u>	<u>-</u>	<u>53,182</u>
<i>Fund balances</i>			
Fund Balance			
Nonspendable	234,920	-	-
Restricted	1,149,468	14,439	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	(53,182)
<i>Total fund balance</i>	<u>1,384,388</u>	<u>14,439</u>	<u>(53,182)</u>
<i>Total liabilities and fund balance</i>	<u>\$ 1,410,619</u>	<u>14,439</u>	<u>-</u>

See Notes to Financial Statements.

<u>Title I IASA 24101</u>	<u>IDEA-B Entitlement 24106</u>	<u>IDEA-B Competitive 24108</u>	<u>IDEA-B Preschool 24109</u>	<u>Education of Homeless 24113</u>	<u>IDEA-B "Risk Pool" 24120</u>
-	-	-	-	-	-
-	-	-	-	-	-
880,737	824,038	7,539	13,502	9,959	1,633
-	-	-	-	-	-
-	-	-	-	-	-
5,082	1,355	-	-	-	-
-	-	-	-	-	-
<u>885,819</u>	<u>825,393</u>	<u>7,539</u>	<u>13,502</u>	<u>9,959</u>	<u>1,633</u>
6,128	1,199	1,790	-	-	-
842	561	-	-	-	-
<u>889,108</u>	<u>825,176</u>	<u>7,539</u>	<u>13,502</u>	<u>9,959</u>	<u>1,631</u>
<u>896,078</u>	<u>826,936</u>	<u>9,329</u>	<u>13,502</u>	<u>9,959</u>	<u>1,631</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>896,078</u>	<u>826,936</u>	<u>9,329</u>	<u>13,502</u>	<u>9,959</u>	<u>1,631</u>
5,082	1,355	-	-	-	-
-	-	-	-	-	2
-	-	-	-	-	-
-	-	-	-	-	-
<u>(15,341)</u>	<u>(2,898)</u>	<u>(1,790)</u>	-	-	-
<u>(10,259)</u>	<u>(1,543)</u>	<u>(1,790)</u>	-	-	2
<u>885,819</u>	<u>825,393</u>	<u>7,539</u>	<u>13,502</u>	<u>9,959</u>	<u>1,633</u>

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2016**

	English Language Acquisition <u>24153</u>	Teacher/Principal Training & Recruiting <u>24154</u>	Safe & Drug Free Schools & Community <u>24157</u>
<b>ASSETS</b>			
<i>Current Assets</i>			
Cash and cash equivalents	\$ -	-	206
Accounts receivable			
Taxes	-	-	-
Due from other governments	68,044	124,354	-
Interfund receivables	-	-	-
Other	-	-	-
Prepaid expenditures	-	-	-
Inventory	-	-	-
<i>Total assets</i>	<u>\$ 68,044</u>	<u>124,354</u>	<u>206</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<i>Current Liabilities</i>			
Accounts payable	\$ -	24,189	-
Accrued payroll liabilities	305	-	-
Interfund payables	<u>121,922</u>	<u>124,794</u>	<u>-</u>
<i>Total liabilities</i>	<u>122,227</u>	<u>148,983</u>	<u>-</u>
<b>DEFERRED INFLOWS - PROPERTY TAXES</b>			
Unearned revenue - property taxes	-	-	-
Unearned revenue - other	-	-	-
<i>Total Deferred Inflows</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities and Deferred Outflows</i>	<u>122,227</u>	<u>148,983</u>	<u>-</u>
<i>Fund balances</i>			
Fund Balance			
Nonspendable	-	-	-
Restricted	-	-	206
Committed	-	-	-
Assigned	-	-	-
Unassigned	<u>(54,183)</u>	<u>(24,629)</u>	<u>-</u>
<i>Total fund balance (deficit)</i>	<u>(54,183)</u>	<u>(24,629)</u>	<u>206</u>
<i>Total liabilities and fund balance</i>	<u>\$ 68,044</u>	<u>124,354</u>	<u>206</u>

See Notes to Financial Statements.

<u>Title I School Improvement 24162</u>	<u>Immigrant Funding Title III 24163</u>	<u>Carl D Perkins Secondary Current 24174</u>	<u>Carl D Perkins Secondary PY Unliquidated 24175</u>	<u>Carl D Perkins Redistribution 24176</u>	<u>Teen Dating Violence 24184</u>
-	-	-	-	-	-
-	-	-	-	-	-
6,595	-	36,847	979	15,567	8,525
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>6,595</u>	<u>-</u>	<u>36,847</u>	<u>979</u>	<u>15,567</u>	<u>8,525</u>
398	-	-	-	-	-
-	-	-	-	-	-
6,595	26,026	36,847	-	15,567	8,525
<u>6,993</u>	<u>26,026</u>	<u>36,847</u>	<u>-</u>	<u>15,567</u>	<u>8,525</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>6,993</u>	<u>26,026</u>	<u>36,847</u>	<u>-</u>	<u>15,567</u>	<u>8,525</u>
-	-	-	-	-	-
-	-	-	979	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(398)	(26,026)	-	-	-	-
<u>(398)</u>	<u>(26,026)</u>	<u>-</u>	<u>979</u>	<u>-</u>	<u>-</u>
<u>6,595</u>	<u>-</u>	<u>36,847</u>	<u>979</u>	<u>15,567</u>	<u>8,525</u>

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2016**

	IDEA-B Federal Preschool Stimulus 24209	Impact Aid Special Education 25145	Impact Aid Indian Education 25147
<b>ASSETS</b>			
<i>Current Assets</i>			
Cash and cash equivalents	\$ -	52,540	61,793
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	-	-
Interfund receivables	-	-	-
Other	-	-	-
Prepaid expenditures	-	-	-
Inventory	-	-	-
<i>Total assets</i>	<u>\$ -</u>	<u>52,540</u>	<u>61,793</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<i>Current Liabilities</i>			
Accounts payable	\$ -	-	-
Accrued payroll liabilities	-	-	-
Interfund payables	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS - PROPERTY TAXES</b>			
Unearned revenue - property taxes	-	-	-
Unearned revenue - other	-	-	-
<i>Total Deferred Inflows</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities and Deferred Outflows</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>			
Fund Balance			
Nonspendable	-	-	-
Restricted	-	52,540	61,793
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<i>Total fund balance (deficit)</i>	<u>-</u>	<u>52,540</u>	<u>61,793</u>
<i>Total liabilities and fund balance</i>	<u>\$ -</u>	<u>52,540</u>	<u>61,793</u>

See Notes to Financial Statements.

Title XIX Medicaid 3/21 Years 25153	Child Care Block Grant CYFD 25157	Indian Ed Formula Grant 25184	GEAR UP NM Sate Initiatives 25205	GEAR UP USDE 25211	Smaller Learning Communities 25217
1,343,494	6,786	-	-	6,398	183
-	-	-	-	-	-
-	-	-	212,698	-	-
-	-	-	-	-	-
-	-	-	25,725	-	-
-	-	-	-	-	-
<u>1,343,494</u>	<u>6,786</u>	<u>-</u>	<u>238,423</u>	<u>6,398</u>	<u>183</u>
-	-	-	21,504	-	-
-	-	-	-	-	-
-	-	12,345	212,781	-	-
-	-	<u>12,345</u>	<u>234,285</u>	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	12,345	234,285	-	-
-	-	-	25,725	-	-
1,343,494	6,786	-	-	6,398	183
-	-	-	-	-	-
-	-	-	-	-	-
-	-	(12,345)	(21,587)	-	-
<u>1,343,494</u>	<u>6,786</u>	<u>(12,345)</u>	<u>4,138</u>	<u>6,398</u>	<u>183</u>
<u>1,343,494</u>	<u>6,786</u>	<u>-</u>	<u>238,423</u>	<u>6,398</u>	<u>183</u>

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2016**

	Federal Equalization Stabilization Federal Stimulus <u>25250</u>	Dual Credit Instructional Materials <u>27103</u>	2012 G.O. Bond Student Library Fund (SB1) <u>27107</u>
<b>ASSETS</b>			
<i>Current Assets</i>			
Cash and cash equivalents	\$ 2	-	-
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	2,352	46,225
Interfund receivables	-	-	-
Other	-	-	-
Prepaid expenditures	-	-	-
Inventory	-	-	-
<i>Total assets</i>	<u>\$ 2</u>	<u>2,352</u>	<u>46,225</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<i>Current Liabilities</i>			
Accounts payable	\$ -	-	-
Accrued payroll liabilities	-	-	-
Interfund payables	-	2,352	46,225
<i>Total liabilities</i>	<u>-</u>	<u>2,352</u>	<u>46,225</u>
<b>DEFERRED INFLOWS - PROPERTY TAXES</b>			
Unearned revenue - property taxes	-	-	-
Unearned revenue - other	-	-	-
<i>Total Deferred Inflows</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities and Deferred Outflows</i>	<u>-</u>	<u>2,352</u>	<u>46,225</u>
<i>Fund balances</i>			
Fund Balance			
Nonspendable	-	-	-
Restricted	2	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<i>Total fund balance</i>	<u>2</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ 2</u>	<u>2,352</u>	<u>46,225</u>

See Notes to Financial Statements.

PreK Initiative 27149	Indian Education Act 27150	Breakfast for Elementary Students 27155	Legislative Appropriations of 2007 27165	Kindergarten Three Plus 27166
-	-	1	32	-
-	-	-	-	-
276,172	16,824	-	-	274,848
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>276,172</u>	<u>16,824</u>	<u>1</u>	<u>32</u>	<u>274,848</u>
-	-	-	-	-
-	-	-	-	-
276,172	16,774	1	-	274,846
<u>276,172</u>	<u>16,774</u>	<u>1</u>	<u>-</u>	<u>274,846</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>276,172</u>	<u>16,774</u>	<u>1</u>	<u>-</u>	<u>274,846</u>
-	-	-	-	-
-	50	-	32	2
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	50	-	32	2
<u>276,172</u>	<u>16,824</u>	<u>1</u>	<u>32</u>	<u>274,848</u>



**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS**  
**June 30, 2016**

	School Bus 27178	NM Grown Fruits & Vegetables 27183	2008 Library Book Fund 27549
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>ASSETS</b>			
<i>Current Assets</i>			
Cash and cash equivalents	\$ -	-	2
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	-	-
Interfund receivables	-	-	-
Other	-	-	-
Prepaid expenditures	-	-	-
Inventory	-	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total assets</i>	\$ <u>                    </u>	<u>                    </u>	<u>                    </u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>LIABILITIES AND FUND BALANCES</b>			
<i>Current Liabilities</i>			
Accounts payable	\$ -	-	-
Accrued payroll liabilities	-	-	-
Interfund payables	-	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total liabilities</i>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>DEFERRED INFLOWS - PROPERTY TAXES</b>			
Unearned revenue - property taxes	-	-	-
Unearned revenue - other	-	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total Deferred Inflows</i>	<u>                    </u>	<u>                    </u>	<u>                    </u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total Liabilities and Deferred Outflows</i>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Fund balances</i>			
Fund Balance			
Nonspendable	-	-	-
Restricted	-	-	2
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total fund balance (deficit)</i>	<u>                    </u>	<u>                    </u>	<u>                    </u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total liabilities and fund balance</i>	\$ <u>                    </u>	<u>                    </u>	<u>                    </u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>

See Notes to Financial Statements.

Office of Cultural Affairs 28177	GRADS Child Care 28189	GRADS - Instructional 28190	GRADS - Instructional 28203	Total
276	13	-	1,090	2,662,954
-	-	-	-	-
-	-	-	-	2,827,438
-	-	-	-	-
-	-	-	-	-
-	-	-	-	32,162
-	-	-	-	234,920
<u>276</u>	<u>13</u>	<u>-</u>	<u>1,090</u>	<u>5,757,474</u>
-	-	-	-	65,899
-	-	-	-	18,262
-	-	576	-	2,981,431
-	-	576	-	3,065,592
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	576	-	3,065,592
-	-	-	-	267,082
276	13	-	1,090	2,637,755
-	-	-	-	-
-	-	-	-	-
-	-	(576)	-	(212,955)
<u>276</u>	<u>13</u>	<u>(576)</u>	<u>1,090</u>	<u>2,691,882</u>
<u>276</u>	<u>13</u>	<u>-</u>	<u>1,090</u>	<u>5,757,474</u>

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS  
For the Year Ended June 30, 2016**

Statement B-2  
(Page 1 of 10)

	Food Service 21000	Athletics 22000	Non-Instructional Support 23000
<i>Revenues</i>			
Property taxes	\$ -	-	-
State grants	-	-	-
Federal grants	3,662,092	-	-
Charges for service	367,344	82,112	318,718
Miscellaneous	-	-	-
Interest	-	-	-
<i>Total revenues</i>	<u>4,029,436</u>	<u>82,112</u>	<u>318,718</u>
<i>Expenditures</i>			
<i>Current</i>			
Instruction	-	90,006	435,111
Support Services			
Students	-	-	-
Instruction	-	-	-
General Administration	-	-	-
School Administration	-	-	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	3,957,438	-	-
Community Service	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
	<u>3,957,438</u>	<u>90,006</u>	<u>435,111</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>71,998</u>	<u>(7,894)</u>	<u>(116,393)</u>
<i>Other financing sources (uses)</i>			
Operating transfers	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>71,998</u>	<u>(7,894)</u>	<u>(116,393)</u>
<i>Fund balances, beginning of year</i>	<u>1,312,390</u>	<u>22,333</u>	<u>63,211</u>
<i>Fund balances, end of year</i>	<u>\$ 1,384,388</u>	<u>14,439</u>	<u>(53,182)</u>

See Notes to Financial Statements.

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Competitive 24108	IDEA-B Preschool 24109	Education of Homeless 24113	IDEA-B "Risk Pool" 24120
-	-	-	-	-	-
-	-	-	-	-	-
2,459,212	1,806,076	7,539	15,160	25,526	1,635
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,459,212</u>	<u>1,806,076</u>	<u>7,539</u>	<u>15,160</u>	<u>25,526</u>	<u>1,635</u>
2,034,415	1,102,139	9,329	12,294	24,083	1,573
19,908	253,112	-	2,308	1,443	-
41	-	-	-	-	-
183,457	70,204	-	558	-	60
209,783	331,494	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	22,078	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,447,604</u>	<u>1,779,027</u>	<u>9,329</u>	<u>15,160</u>	<u>25,526</u>	<u>1,633</u>
<u>11,608</u>	<u>27,049</u>	<u>(1,790)</u>	<u>-</u>	<u>-</u>	<u>2</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>11,608</u>	<u>27,049</u>	<u>(1,790)</u>	<u>-</u>	<u>-</u>	<u>2</u>
<u>(21,867)</u>	<u>(28,592)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(10,259)</u>	<u>(1,543)</u>	<u>(1,790)</u>	<u>-</u>	<u>-</u>	<u>2</u>

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS  
For the Year Ended June 30, 2016**

Statement B-2  
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	English Language Acquisition 24153	Teacher/Principal Training & Recruiting 24154	Safe & Drug Free Schools & Community 24157
	<u>24153</u>	<u>24154</u>	<u>24157</u>
<i>Revenues</i>			
Property taxes	\$ -	-	-
State grants	-	-	-
Federal grants	127,547	413,213	-
Charges for service	-	-	-
Miscellaneous	-	-	-
Interest	-	-	-
	<u>127,547</u>	<u>413,213</u>	<u>-</u>
<i>Total revenues</i>			
<i>Expenditures</i>			
<i>Current</i>			
Instruction	169,728	263,852	-
Support Services			
Students	-	109	-
Instruction	-	-	-
General Administration	2,501	17,121	-
School Administration	1,070	156,760	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	-	-	-
Community Service	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
	<u>173,299</u>	<u>437,842</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(45,752)</u>	<u>(24,629)</u>	<u>-</u>
<i>Other financing sources (uses)</i>			
Operating transfers	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>(45,752)</u>	<u>(24,629)</u>	<u>-</u>
<i>Fund balances, beginning of year</i>	<u>(8,431)</u>	<u>-</u>	<u>206</u>
<i>Fund balances (deficit), end of year</i>	<u>\$ (54,183)</u>	<u>(24,629)</u>	<u>206</u>

See Notes to Financial Statements.

<u>Title I School Improvement 24163</u>	<u>Immigrant Funding Title III 24163</u>	<u>Carl D Perkins Secondary Current 24174</u>	<u>Carl D Perkins Secondary PY Unliquidated 24175</u>	<u>Carl D Perkins Redistribution 24176</u>	<u>Teen Dating Violence 24184</u>
-	-	-	-	-	-
-	-	-	-	-	-
13,625	-	73,958	979	15,567	9,263
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>13,625</u>	<u>-</u>	<u>73,958</u>	<u>979</u>	<u>15,567</u>	<u>9,263</u>
14,023	-	71,237	-	14,994	9,263
-	-	-	-	-	-
-	-	-	-	-	-
-	-	2,721	-	573	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>14,023</u>	<u>-</u>	<u>73,958</u>	<u>-</u>	<u>15,567</u>	<u>9,263</u>
<u>(398)</u>	<u>-</u>	<u>-</u>	<u>979</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>(26,026)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>(26,026)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(398)</u>	<u>(26,026)</u>	<u>-</u>	<u>979</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(398)</u>	<u>(26,026)</u>	<u>-</u>	<u>979</u>	<u>-</u>	<u>-</u>

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS  
For the Year Ended June 30, 2016**

Statement B-2  
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	IDEA-B Federal Preschool Stimulus 24209	Impact Aid Special Education 25145	Impact Aid Indian Education 25147
	<u>24209</u>	<u>25145</u>	<u>25147</u>
<i>Revenues</i>			
Property taxes	\$ -	-	-
State grants	-	-	-
Federal grants	-	37,364	37,215
Charges for service	-	-	-
Miscellaneous	-	-	-
Interest	-	-	-
	<u>-</u>	<u>37,364</u>	<u>37,215</u>
<i>Total revenues</i>	<u>-</u>	<u>37,364</u>	<u>37,215</u>
<i>Expenditures</i>			
<i>Current</i>			
Instruction	-	35,576	14,979
Support Services			
Students	-	79	320
Instruction	-	1,858	(278)
General Administration	-	1,663	553
School Administration	-	6,226	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	-	-	-
Community Service	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
	<u>-</u>	<u>45,402</u>	<u>15,574</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(8,038)</u>	<u>21,641</u>
<i>Other financing sources (uses)</i>			
Operating transfers	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>(8,038)</u>	<u>21,641</u>
<i>Fund balances, beginning of year</i>	<u>-</u>	<u>60,578</u>	<u>40,152</u>
<i>Fund balances (deficit), end of year</i>	<u>\$ -</u>	<u>52,540</u>	<u>61,793</u>

See Notes to Financial Statements.

Title XIX Medicaid 3/21 Years 25153	Child Care Block Grant CYFD 25157	Indian Ed Formula Grant 25184	GEAR UP NM Sate Initiatives 25205	GEAR UP USDE 25211	Smaller Learning Communities 25217
-	-	-	-	-	-
-	-	-	-	-	-
800,816	48,382	63,806	354,364	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>800,816</u>	<u>48,382</u>	<u>63,806</u>	<u>354,364</u>	<u>-</u>	<u>-</u>
83,354	47,964	15,603	259,598	-	-
477,397	-	29,922	4,380	-	-
26,697	-	26,536	73,173	-	-
28,187	-	2,802	13,075	-	-
138,458	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>754,093</u>	<u>47,964</u>	<u>74,863</u>	<u>350,226</u>	<u>-</u>	<u>-</u>
46,723	418	(11,057)	4,138	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>46,723</u>	<u>418</u>	<u>(11,057)</u>	<u>4,138</u>	<u>-</u>	<u>-</u>
<u>1,296,771</u>	<u>6,368</u>	<u>(1,288)</u>	<u>-</u>	<u>6,398</u>	<u>183</u>
<u>1,343,494</u>	<u>6,786</u>	<u>(12,345)</u>	<u>4,138</u>	<u>6,398</u>	<u>183</u>



**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS  
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Statement B-2  
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	Federal Equalization Stabilization Federal Stimulus 25250	Dual Credit Instructional Materials 27103	2012 G.O. Bond Student Library Fund (SB1) 27107
<i>Revenues</i>			
Property taxes	\$ -	-	-
State grants	2	19,464	46,225
Federal grants	-	-	-
Charges for service	-	-	-
Miscellaneous	-	-	-
Interest	-	-	-
<i>Total revenues</i>	<u>2</u>	<u>19,464</u>	<u>46,225</u>
<i>Expenditures</i>			
<i>Current</i>			
Instruction	-	19,464	-
Support Services			
Students	-	-	-
Instruction	-	-	46,225
General Administration	-	-	-
School Administration	-	-	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	-	-	-
Community Service	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
	<u>-</u>	<u>19,464</u>	<u>46,225</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>2</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>			
Operating transfers	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>2</u>	<u>-</u>	<u>-</u>
<i>Fund balances, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances, end of year</i>	<u>\$ 2</u>	<u>-</u>	<u>-</u>

See Notes to Financial Statements.

PreK Initiative 27149	Indian Education Act 27150	Breakfast for Elementary Students 27155	Legislative Appropriations of 2007 27165	Kindergarten Three Plus 27166
-	-	-	-	-
982,095	16,824	-	-	549,762
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
982,095	16,824	-	-	549,762
727,565	16,774	-	-	489,667
-	-	-	-	-
-	-	-	-	-
9,724	-	-	-	-
-	-	-	-	-
-	-	-	-	-
244,806	-	-	-	55,264
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
982,095	16,774	-	-	544,931
-	50	-	-	4,831
-	-	-	-	-
-	-	-	-	-
-	50	-	-	4,831
-	-	-	32	(4,829)
-	50	-	32	2

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS  
For the Year Ended June 30, 2016**

Statement B-2  
(Page 9 of 10)

	School Bus 27178	NM Grown Fruits & Vegetables 27183	2008 Library Book Fund 27549
<i>Revenues</i>			
Property taxes	\$ -	-	-
State grants	260,624	9,121	-
Federal grants	-	-	-
Charges for service	-	-	-
Miscellaneous	-	-	-
Interest	-	-	-
<i>Total revenues</i>	<u>260,624</u>	<u>9,121</u>	<u>-</u>
<i>Expenditures</i>			
<i>Current</i>			
Instruction	-	-	-
Support Services			
Students	-	-	-
Instruction	-	-	-
General Administration	-	-	-
School Administration	-	-	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	260,624	-	-
Other Support Services	-	-	-
Food Services Operations	-	9,121	-
Community Service	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
	<u>260,624</u>	<u>9,121</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>			
Operating transfers	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances, beginning of year</i>	<u>-</u>	<u>-</u>	<u>2</u>
<i>Fund balances (deficit), end of year</i>	<u>\$ -</u>	<u>-</u>	<u>2</u>

See Notes to Financial Statements.

Office of Cultural Affairs 28177	GRADS Child Care 28189	GRADS - Instructional 28190	GRADS - Instructional 28203	Total
-	-	-	-	-
1	6,000	9,713	16,193	1,916,024
-	-	-	-	9,964,076
-	-	-	-	768,174
-	-	-	-	-
-	-	-	-	-
<u>1</u>	<u>6,000</u>	<u>9,713</u>	<u>16,193</u>	<u>12,648,274</u>
-	6,000	10,500	15,251	5,985,079
-	-	-	-	788,978
-	-	-	-	174,252
-	-	-	-	333,199
-	-	-	-	843,791
-	-	-	-	-
-	-	-	-	-
-	-	-	-	582,772
-	-	-	-	-
-	-	-	-	3,966,559
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>6,000</u>	<u>10,500</u>	<u>15,251</u>	<u>12,674,630</u>
<u>1</u>	<u>-</u>	<u>(787)</u>	<u>942</u>	<u>(26,356)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(26,026)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(26,026)</u>
<u>1</u>	<u>-</u>	<u>(787)</u>	<u>942</u>	<u>(52,382)</u>
<u>275</u>	<u>13</u>	<u>211</u>	<u>148</u>	<u>2,744,264</u>
<u>276</u>	<u>13</u>	<u>(576)</u>	<u>1,090</u>	<u>2,691,882</u>

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
FOOD SERVICE SPECIAL REVENUE FUND - 21000  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-1

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	80,000	80,000	-	(80,000)
Federal grants	3,750,000	3,805,134	3,700,505	(104,629)
Charges for service	165,000	165,000	367,344	202,344
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>3,995,000</u>	<u>4,050,134</u>	<u>4,067,849</u>	<u>17,715</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	4,432,060	4,772,769	3,958,737	814,032
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>4,432,060</u>	<u>4,772,769</u>	<u>3,958,737</u>	<u>814,032</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(437,060)</u>	<u>(722,635)</u>	<u>109,112</u>	<u>831,747</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>(437,060)</u>	<u>(722,635)</u>	<u>109,112</u>	<u>831,747</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ (437,060)</u>	<u>(722,635)</u>	<u>109,112</u>	<u>831,747</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (38,413)	
Adjustments to expenditures			1,299	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 71,998</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
ATHLETICS SPECIAL REVENUE FUND - 22000  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-2

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for service	80,500	80,500	82,112	1,612
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>80,500</u>	<u>80,500</u>	<u>82,112</u>	<u>1,612</u>
<i>Expenditures</i>				
Current				
Instruction	80,500	102,833	90,006	12,827
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>80,500</u>	<u>102,833</u>	<u>90,006</u>	<u>12,827</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	(22,333)	(7,894)	14,439
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	(22,333)	(7,894)	14,439
<i>Cash or fund balance, beginning of year</i>	-	-	-	-
<i>Cash or fund balance, end of year</i>	\$ -	(22,333)	(7,894)	14,439
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ (7,894)	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
NON-INSTRUCTIONAL SUPPORT SPECIAL REVENUE FUND - 23000  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-3

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for service	650,000	650,000	318,718	(331,282)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>650,000</u>	<u>650,000</u>	<u>318,718</u>	<u>(331,282)</u>
<i>Expenditures</i>				
Current				
Instruction	1,248,619	1,468,443	434,323	1,034,120
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>1,248,619</u>	<u>1,468,443</u>	<u>434,323</u>	<u>1,034,120</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(598,619)</u>	<u>(818,443)</u>	<u>(115,605)</u>	<u>702,838</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>(598,619)</u>	<u>(818,443)</u>	<u>(115,605)</u>	<u>702,838</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	\$ <u><u>(598,619)</u></u>	\$ <u><u>(818,443)</u></u>	\$ <u><u>(115,605)</u></u>	\$ <u><u>702,838</u></u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			(788)	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ <u><u>(116,393)</u></u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
TITLE I IASA SPECIAL REVENUE FUND - 24101  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-4

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	2,409,790	2,590,571	2,459,212	(131,359)
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>2,409,790</u>	<u>2,590,571</u>	<u>2,459,212</u>	<u>(131,359)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	1,853,157	2,148,060	2,034,415	113,645
Support Services				
Students	24,098	27,108	19,908	7,200
Instruction	-	46	41	5
General Administration	178,949	189,351	183,457	5,894
School Administration	353,586	226,006	209,783	16,223
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total Expenditures</i>	<u>2,409,790</u>	<u>2,590,571</u>	<u>2,447,604</u>	<u>142,967</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>11,608</u>	<u>11,608</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>11,608</u>	<u>11,608</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>11,608</u>	<u>11,608</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 11,608</u>	

See Notes to Financial Statements.



STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
IDEA-B ENTITLEMENT SPECIAL REVENUE FUND - 24106  
STATEMENT OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON-GAAP BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Exhibit B-5

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	1,732,338	2,273,774	1,806,076	(467,698)
Charges for service	-	-	(494,803)	(494,803)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>1,732,338</u>	<u>2,273,774</u>	<u>1,311,273</u>	<u>(962,501)</u>
<i>Expenditures</i>				
<i>Current:</i>				
Instruction	1,056,797	1,292,225	1,128,971	163,254
Support Services				
Students	154,122	372,058	253,112	118,946
Instruction	-	-	-	-
General Administration	66,175	91,097	70,204	20,893
School Administration	419,184	468,684	331,494	137,190
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	36,060	49,710	22,078	27,632
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>1,732,338</u>	<u>2,273,774</u>	<u>1,805,859</u>	<u>467,915</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(494,586)	(494,586)
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	(494,586)	(494,586)
<i>Cash or fund balance, beginning of year</i>			(790,837)	(790,837)
<i>Cash or fund balance, end of year</i>		\$ -	<u>(1,285,423)</u>	<u>(1,285,423)</u>
<i>Reconciliation to GAAP Basis</i>				
Adjustments to revenues			\$ 494,803	
Adjustments to expenditures			<u>26,832</u>	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 27,049</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
IDEA-B COMPETITIVE SPECIAL REVENUE FUND - 24108  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-6

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	9,420	-	(9,420)
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	-	9,420	-	(9,420)
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	9,420	9,329	91
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	-	9,420	9,329	91
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(9,329)	(9,329)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(9,329)	(9,329)
<i>Cash or fund balance, beginning of year</i>	-	-	-	-
<i>Cash or fund balance, end of year</i>	\$ -	-	(9,329)	(9,329)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 7,539	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			(1,790.00)	
			\$ (1,790)	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
PRESCHOOL IDEA-B SPECIAL REVENUE FUND - 24109  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-7

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	49,891	100,901	1,709	(99,192)
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>49,891</u>	<u>100,901</u>	<u>1,709</u>	<u>(99,192)</u>
<i>Expenditures</i>				
Current				
Instruction	19,925	59,167	12,294	46,873
Support Services				
Students	2,500	12,391	2,308	10,083
Instruction	-	-	-	-
General Administration	1,906	3,783	558	3,225
School Administration	25,560	25,560	-	25,560
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>49,891</u>	<u>100,901</u>	<u>15,160</u>	<u>85,741</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(13,451)	(13,451)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(13,451)	(13,451)
<i>Cash or fund balance, beginning of year</i>	-	-	(8,741)	(8,741)
<i>Cash or fund balance, end of year</i>	\$ -	-	(22,192)	(22,192)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 13,451	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ -	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
EDUCATION OF HOMELESS SPECIAL REVENUE FUND - 24113  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-8

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	25,954	28,924	20,622	(8,302)
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>25,954</u>	<u>28,924</u>	<u>20,622</u>	<u>(8,302)</u>
<i>Expenditures</i>				
Current				
Instruction	25,000	28,924	25,526	3,398
Support Services				
Students	954	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>25,954</u>	<u>28,924</u>	<u>25,526</u>	<u>3,398</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(4,904)	(4,904)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(4,904)	(4,904)
<i>Cash or fund balance, beginning of year</i>	-	-	-	-
<i>Cash or fund balance, end of year</i>	\$ -	-	(4,904)	(4,904)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 4,904	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ -	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
IDEA-B "RISK POOL" SPECIAL REVENUE FUND - 24120  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-9

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	1,643	1,842	199
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>1,643</u>	<u>1,842</u>	<u>199</u>
<i>Expenditures</i>				
Current				
Instruction	-	1,583	1,573	10
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	60	60	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>1,643</u>	<u>1,633</u>	<u>10</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>209</u>	<u>209</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>209</u>	<u>209</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>209</u>	<u>209</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (207)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 2</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
ENGLISH LANGUAGE ACQUISITION SPECIAL REVENUE FUND - 24153  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-10

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	69,378	133,748	89,234	(44,514)
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>69,378</u>	<u>133,748</u>	<u>89,234</u>	<u>(44,514)</u>
<i>Expenditures</i>				
Current				
Instruction	68,018	130,056	123,975	6,081
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	1,360	2,622	2,501	121
School Administration	-	1,070	1,070	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>69,378</u>	<u>133,748</u>	<u>127,546</u>	<u>6,202</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(38,312)	(38,312)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(38,312)	38,312
<i>Cash or fund balance, beginning of year</i>	-	-	-	-
<i>Cash or fund balance, end of year</i>	\$ -	-	(38,312)	38,312
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 38,313	
Adjustments to expenditures			(45,753)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ (45,752)	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
TEACHER / PRINCIPAL TRAINING / RECRUITING SPECIAL REVENUE FUND - 24154  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-11

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	376,755	594,827	425,835	(168,992)
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>376,755</u>	<u>594,827</u>	<u>425,835</u>	<u>(168,992)</u>
<i>Expenditures</i>				
Current				
Instruction	205,418	357,811	239,663	118,148
Support Services				
Students	-	-	109	(109)
Instruction	-	-	-	-
General Administration	17,612	29,386	17,121	12,265
School Administration	153,725	207,630	156,760	50,870
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>376,755</u>	<u>594,827</u>	<u>413,653</u>	<u>181,174</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	<u>12,182</u>	<u>12,182</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	<u>12,182</u>	<u>12,182</u>
<i>Cash or fund balance, beginning of year</i>	-	-	-	-
<i>Cash or fund balance, end of year</i>	\$ -	-	<u>12,182</u>	<u>12,182</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (12,622)	
Adjustments to expenditures			<u>(24,189)</u>	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ <u>(24,629)</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
SAFE & DRUG FREE SCHOOLS & COMMUNITY SPECIAL REVENUE FUND - 24157  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-12

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services			-	-
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

See Notes to Financial Statements.



STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
TITLE I SCHOOL IMPROVEMENT SPECIAL REVENUE FUND - 24162  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-13

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	39,678	7,030	(32,648)
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>39,678</u>	<u>7,030</u>	<u>(32,648)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	39,678	13,625	26,053
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>39,678</u>	<u>13,625</u>	<u>26,053</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(6,595)</u>	<u>(6,595)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(6,595)</u>	<u>(6,595)</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>(6,595)</u>	<u>(6,595)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 6,595	
Adjustments to expenditures			<u>(398)</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (398)</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
CARL D PERKINS SECONDARY - CURRENT SPECIAL REVENUE FUND - 24174  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-14

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	84,295	93,205	44,956	(48,249)
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>84,295</u>	<u>93,205</u>	<u>44,956</u>	<u>(48,249)</u>
<i>Expenditures</i>				
Current				
Instruction	81,193	89,775	71,237	18,538
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	3,102	3,430	2,721	709
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>84,295</u>	<u>93,205</u>	<u>73,958</u>	<u>19,247</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(29,002)	(29,002)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(29,002)	(29,002)
<i>Cash or fund balance, beginning of year</i>	-	-	-	-
<i>Cash or fund balance, end of year</i>	\$ -	-	(29,002)	(29,002)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 29,002	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ -	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
CARL D PERKINS SECONDARY - PY UNLIQUIDATED - 24175  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-15

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 979	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 979</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
CARL D PERKINS Redistribution - 24176  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-16

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	16,463	31,134	14,671
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>16,463</u>	<u>31,134</u>	<u>14,671</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	15,857	14,994	863
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	606	573	33
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>16,463</u>	<u>15,567</u>	<u>896</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>15,567</u>	<u>15,567</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>15,567</u>	<u>15,567</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>15,567</u></u>	\$ <u><u>15,567</u></u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (15,567)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ <u><u>-</u></u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
TEEN DATING VIOLENCE - 24184  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-17

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	16,350	9,263	(7,087)
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>16,350</u>	<u>9,263</u>	<u>(7,087)</u>
<i>Expenditures</i>				
Current				
Instruction	-	16,350	738	15,612
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>16,350</u>	<u>738</u>	<u>15,612</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>8,525</u>	<u>8,525</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>8,525</u>	<u>8,525</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>8,525</u>	<u>8,525</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (8,525)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
PRESCHOOL IDEA-B FEDERAL STIMULUS SPECIAL REVENUE FUND - 24209  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-18

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
IMPACT AID SPECIAL EDUCATION SPECIAL REVENUE FUND - 25145  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-19

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	37,165	37,165
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>37,165</u>	<u>37,165</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	45,208	40,144	35,576	4,568
Support Services				
Students	12,500	11,331	79	11,252
Instruction	-	-	1,858	(1,858)
General Administration	2,292	2,292	1,663	629
School Administration	-	6,233	6,226	7
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>60,000</u>	<u>60,000</u>	<u>45,402</u>	<u>14,598</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(60,000)</u>	<u>(60,000)</u>	<u>(8,237)</u>	<u>51,763</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>(60,000)</u>	<u>(60,000)</u>	<u>(8,237)</u>	<u>51,763</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	\$ <u><u>(60,000)</u></u>	\$ <u><u>(60,000)</u></u>	\$ <u><u>(8,237)</u></u>	\$ <u><u>51,763</u></u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 199	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ <u><u>(8,038)</u></u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
IMPACT AID INDIAN EDUCATION SPECIAL REVENUE FUND - 25147  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-20

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	36,663	36,663
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>36,663</u>	<u>36,663</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	22,587	22,587	14,979	7,608
Support Services				
Students	13,000	12,932	320	12,612
Instruction	-	68	(278)	346
General Administration	1,413	1,413	553	860
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>37,000</u>	<u>37,000</u>	<u>15,574</u>	<u>21,426</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(37,000)</u>	<u>(37,000)</u>	<u>21,089</u>	<u>58,089</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>(37,000)</u>	<u>(37,000)</u>	<u>21,089</u>	<u>58,089</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ (37,000)</u>	<u>(37,000)</u>	<u>21,089</u>	<u>58,089</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 552	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 21,641</u>	

See Notes to Financial Statements.



STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
TITLE XIX MEDICAID 3 / 21 YEARS SPECIAL REVENUE FUND - 25153  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-21

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	811,619	811,619	800,816	(10,803)
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>811,619</u>	<u>811,619</u>	<u>800,816</u>	<u>(10,803)</u>
<i>Expenditures</i>				
Current				
Instruction	92,921	92,921	83,354	9,567
Support Services				
Students	679,999	666,883	489,382	177,501
Instruction	36,941	36,941	26,697	10,244
General Administration	37,245	37,245	28,187	9,058
School Administration	127,894	141,010	138,458	2,552
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>975,000</u>	<u>975,000</u>	<u>766,078</u>	<u>208,922</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(163,381)</u>	<u>(163,381)</u>	<u>34,738</u>	<u>198,119</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>(163,381)</u>	<u>(163,381)</u>	<u>34,738</u>	<u>198,119</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ (163,381)</u>	<u>(163,381)</u>	<u>34,738</u>	<u>198,119</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			<u>11,985</u>	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 46,723</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
CHILD CARE BLOCK GRANT CYFD SPECIAL REVENUE FUND - 25157  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-22

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	47,964	48,382	418
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>47,964</u>	<u>48,382</u>	<u>418</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	47,964	47,964	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>47,964</u>	<u>47,964</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>418</u>	<u>418</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>418</u>	<u>418</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>418</u>	<u>418</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 418</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
INDIAN ED FORMULA GRANTS SPECIAL REVENUE FUND - 25184  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-23

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	81,260	84,781	71,423	(13,358)
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>81,260</u>	<u>84,781</u>	<u>71,423</u>	<u>(13,358)</u>
<i>Expenditures</i>				
Current				
Instruction	21,530	23,122	15,603	7,519
Support Services			-	
Students	30,775	30,775	29,922	853
Instruction	26,428	27,873	27,824	49
General Administration	2,527	3,011	2,802	209
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>81,260</u>	<u>84,781</u>	<u>76,151</u>	<u>8,630</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(4,728)	(4,728)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(4,728)	(4,728)
<i>Cash or fund balance, beginning of year</i>	-	-	-	-
<i>Cash or fund balance, end of year</i>	\$ -	-	(4,728)	(4,728)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (7,617)	
Adjustments to expenditures			<u>1,288</u>	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ <u>(11,057)</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
GEAR UP NM STATE INITIATIVES SPECIAL REVENUE FUND - 25205  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-24

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	220,000	364,553	205,495	(159,058)
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>220,000</u>	<u>364,553</u>	<u>205,495</u>	<u>(159,058)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	158,912	272,518	238,094	34,424
Support Services				
Students	7,782	5,048	4,380	668
Instruction	53,306	73,573	73,173	400
General Administration	-	13,414	13,075	339
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>220,000</u>	<u>364,553</u>	<u>328,722</u>	<u>35,831</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	<u>(123,227)</u>	<u>(123,227)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	<u>(123,227)</u>	<u>(123,227)</u>
<i>Cash or fund balance, beginning of year</i>	-	-	-	-
<i>Cash or fund balance, end of year</i>	\$ <u>-</u>	<u>-</u>	<u>(123,227)</u>	<u>(123,227)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 148,869	
Adjustments to expenditures			<u>(21,504)</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 4,138</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
GEAR UP USDE SPECIAL REVENUE FUND - 25211  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-25

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
SMALLER LEARNING COMMUNITIES SPECIAL REVENUE FUND - 25217  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-26

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
FEDERAL EQUALIZATION STABILIZATION FEDERAL STIMULUS - 25250  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-27

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	2	2
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>2</u>	<u>2</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 2</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
DUAL CREDIT INSTRUCTIONAL MATERIALS - 27103  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-28

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	19,514	18,849	(665)
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>19,514</u>	<u>18,849</u>	<u>(665)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	19,514	19,464	50
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>19,514</u>	<u>19,464</u>	<u>50</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(615)</u>	<u>(615)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(615)</u>	<u>(615)</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>(615)</u>	<u>(615)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 615	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

See Notes to Financial Statements.



STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
2012 G.O. BOND STUDENT LIBRARY (SB1) SPECIAL REVENUE FUND - 27107  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-29

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	72,201	72,201	1,596	(70,605)
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>72,201</u>	<u>72,201</u>	<u>1,596</u>	<u>(70,605)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	72,201	72,201	46,225	25,976
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>72,201</u>	<u>72,201</u>	<u>46,225</u>	<u>25,976</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(44,629)	(44,629)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(44,629)	(44,629)
<i>Cash or fund balance, beginning of year</i>	-	-	-	-
<i>Cash or fund balance, end of year</i>	\$ -	-	(44,629)	(44,629)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 44,629	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ -	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
PRE K INITIATIVE SPECIAL REVENUE FUND - 27149  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-30

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	1,077,736	1,077,736	936,765	(140,971)
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>1,077,736</u>	<u>1,077,736</u>	<u>936,765</u>	<u>(140,971)</u>
<i>Expenditures</i>				
Current				
Instruction	822,153	822,153	727,565	94,588
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	10,777	10,777	9,724	1,053
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	244,806	244,806	244,806	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>1,077,736</u>	<u>1,077,736</u>	<u>982,095</u>	<u>95,641</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(45,330)	(45,330)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(45,330)	(45,330)
<i>Cash or fund balance, beginning of year</i>	-	-	-	-
<i>Cash or fund balance, end of year</i>	\$ -	-	(45,330)	(45,330)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 45,330	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ -	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
INDIAN EDUCATION ACT SPECIAL REVENUE FUND - 27150  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-31

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	25,000	18,715	(6,285)
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>25,000</u>	<u>18,715</u>	<u>(6,285)</u>
<i>Expenditures</i>				
Current				
Instruction	-	24,800	16,774	8,026
Support Services				
Students	-	200	-	200
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>25,000</u>	<u>16,774</u>	<u>8,226</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>1,941</u>	<u>1,941</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>1,941</u>	<u>1,941</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>1,941</u>	<u>1,941</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (1,891)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 50</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
BREAKFAST FOR ELEMENTARY STUDENTS SPECIAL REVENUE FUND - 27155  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-32

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
LEGISLATIVE APPROPRIATIONS OF 2007 SPECIAL REVENUE FUND - 27165  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-33

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	\$ <u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u><u>\$ -</u></u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
KINDERGARTEN THREE PLUS SPECIAL REVENUE FUND - 27166  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-34

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	309,667	644,057	602,850	(41,207)
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>309,667</u>	<u>644,057</u>	<u>602,850</u>	<u>(41,207)</u>
<i>Expenditures</i>				
Current				
Instruction	294,977	579,457	494,496	84,961
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	14,690	64,600	55,264	9,336
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>309,667</u>	<u>644,057</u>	<u>549,760</u>	<u>94,297</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	53,090	53,090
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	53,090	53,090
<i>Cash or fund balance, beginning of year</i>	-	-	-	-
<i>Cash or fund balance, end of year</i>	\$ -	-	53,090	53,090
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (53,088)	
Adjustments to expenditures			4,829	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ 4,831	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
SCHOOL BUSES SPECIAL REVENUE FUND - 27178  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-35

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	260,624	260,624	-
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>260,624</u>	<u>260,624</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	260,624	260,624	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>260,624</u>	<u>260,624</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
NM GROWN FRUITS & VEGETABLES FUND - 27183  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-36

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	9,309	9,121	(188)
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>9,309</u>	<u>9,121</u>	<u>(188)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	9,309	9,121	188
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>9,309</u>	<u>9,121</u>	<u>188</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(376)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

See Notes to Financial Statements.



STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
LIBRARY BOOK SPECIAL REVENUE FUND - 27549  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-37

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	\$ <u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			<u>-</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ <u><u>-</u></u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
OFFICE OF CULTURAL AFFAIRS SPECIAL REVENUE FUND - 28177  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-38

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	-	-	1	1
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	\$ <u><u>-</u></u>	<u><u>-</u></u>	<u><u>1</u></u>	<u><u>1</u></u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u><u>1</u></u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
GRADS CHILDCARE SPECIAL REVENUE FUND - 28189  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-39

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	6,000	6,000	6,000	-
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	6,000	6,000	6,000	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Cash or fund balance, beginning of year</i>	-	-	-	-
<i>Cash or fund balance, end of year</i>	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
GRADS - INSTRUCTION SPECIAL REVENUE FUND - 28190  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-40

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	10,500	10,500	9,713	(787)
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>10,500</u>	<u>10,500</u>	<u>9,713</u>	<u>(787)</u>
<i>Expenditures</i>				
Current				
Instruction	10,500	10,500	10,500	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>10,500</u>	<u>10,500</u>	<u>10,500</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(787)	(787)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(787)	(787)
<i>Cash or fund balance, beginning of year</i>	-	-	-	-
<i>Cash or fund balance, end of year</i>	\$ -	-	(787)	(787)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ (787)	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
GRADS - PLUS SPECIAL REVENUE FUND - 28203  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement B-41

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	16,000	16,712	16,193	(519)
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>16,000</u>	<u>16,712</u>	<u>16,193</u>	<u>(519)</u>
<i>Expenditures</i>				
Current				
Instruction	16,000	16,712	15,251	1,461
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>16,000</u>	<u>16,712</u>	<u>15,251</u>	<u>1,461</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	942	942
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	942	942
<i>Cash or fund balance, beginning of year</i>	-	-	-	-
<i>Cash or fund balance, end of year</i>	\$ -	-	942	942
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ 942	

See Notes to Financial Statements.

**CAPITAL PROJECTS FUNDS**

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOL DISTRICT  
CAPITAL PROJECTS FUNDS DESCRIPTIONS  
June 30, 2015**

**CAPITAL PROJECTS FUNDS**

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

**Special Capital Outlay State (31400)** – To account for special appropriations monies received from the State of New Mexico under Chapter 4, Laws of 1996 for the purpose of upgrading the school facilities.

**Capital Improvements HB-33 Capital Projects Fund (31600)** is used to account for monies received from the State of New Mexico under Chapter 4, Laws of 1996 for the purpose of purchasing technology assets and supplies.

**Capital Improvements SB-9 Capital Projects Fund (31700)** is used to account for erecting, remodeling, making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof as identified by the local school board. Financing is provided by the State of New Mexico's State Equalization Matching and a special tax levy as authorized by the Public School District Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978).

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR CAPITAL PROJECT FUNDS**  
**June 30, 2016**

Statement C-1

	Special Capital Outlay - State 31400	Capital Improvements HB-33 31600	Capital Improvements SB-9 31700	Total
<b>ASSETS</b>				
<i>Current Assets</i>				
Cash and cash equivalents	\$ -	3,651,487	351,323	4,002,810
Accounts receivable				
Taxes	-	488,302	326,317	814,619
Due from other governments	248,500	-	807,219	1,055,719
Interfund receivables	-	-	-	-
Other	-	-	-	-
Prepaid expenditures	-	17,291	-	17,291
Inventory	-	-	-	-
<i>Total assets</i>	<u>\$ 248,500</u>	<u>4,157,080</u>	<u>1,484,859</u>	<u>5,890,439</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<i>Current Liabilities</i>				
Accounts payable	\$ -	379,152	29,650	408,802
Accrued payroll liabilities	-	-	-	-
Interfund payables	304,872	-	-	304,872
<i>Total Liabilities</i>	<u>304,872</u>	<u>379,152</u>	<u>29,650</u>	<u>713,674</u>
<b>DEFERRED INFLOWS - PROPERTY TAXES</b>				
Unearned revenue - property taxes	-	413,960	244,774	658,734
Unearned revenue - other	-	-	-	-
<i>Total Deferred Inflows</i>	<u>-</u>	<u>413,960</u>	<u>244,774</u>	<u>658,734</u>
<i>Total Liabilities and Deferred Outflows</i>	<u>304,872</u>	<u>793,112</u>	<u>274,424</u>	<u>1,372,408</u>
<i>Fund balances</i>				
Fund Balance				
Nonspendable	-	17,291	-	17,291
Restricted	-	3,346,677	1,210,435	4,557,112
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	(56,372)	-	-	(56,372)
<i>Total fund balance</i>	<u>(56,372)</u>	<u>3,363,968</u>	<u>1,210,435</u>	<u>4,518,031</u>
<i>Total liabilities and fund balance</i>	<u>\$ 248,500</u>	<u>4,157,080</u>	<u>1,484,859</u>	<u>5,890,439</u>

See Notes to Financial Statements.



**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR CAPITAL PROJECT FUNDS**  
**For the Year Ended June 30, 2016**

Statement C-2

	Special Capital Outlay - State 31400	Capital Improvements HB-33 31600	Capital Improvements SB-9 31700	Total
<i>Revenues</i>				
Property taxes	\$ -	2,264,932	1,542,202	3,807,134
State grants	303,500	-	807,219	1,110,719
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	7,768	17,500	25,268
Interest	-	-	-	-
<i>Total revenues</i>	<u>303,500</u>	<u>2,272,700</u>	<u>2,366,921</u>	<u>4,943,121</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	22,520	15,017	37,537
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	303,500	1,671,424	2,979,194	4,954,118
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>303,500</u>	<u>1,693,944</u>	<u>2,994,211</u>	<u>4,991,655</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>578,756</u>	<u>(627,290)</u>	<u>(48,534)</u>
<i>Other financing sources (uses)</i>				
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	578,756	(627,290)	(48,534)
<i>Fund balances, beginning of year</i>	(56,372)	2,785,212	1,837,725	4,566,565
<i>Fund balances, end of year</i>	<u>\$ (56,372)</u>	<u>3,363,968</u>	<u>1,210,435</u>	<u>4,518,031</u>

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
SPECIAL CAPITAL OUTLAY - STATE CAPITAL PROJECT FUND - 31400  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement C-1

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	519,268	519,268	55,000	(464,268)
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>519,268</u>	<u>519,268</u>	<u>55,000</u>	<u>(464,268)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	519,268	519,268	303,500	215,768
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>519,268</u>	<u>519,268</u>	<u>303,500</u>	<u>215,768</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(248,500)	(248,500)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(248,500)	(248,500)
<i>Cash or fund balance, beginning of year</i>	-	-	-	-
<i>Cash or fund balance, end of year</i>	\$ -	-	(248,500)	(248,500)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 248,500	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
CAPITAL IMPROVEMENTS HB-33 STATE CAPITAL PROJECT FUND - 31600  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement C-2

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ 2,342,462	2,342,462	2,263,006	(79,456)
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	7,768	7,768
Interest	-	-	-	-
	<u>2,342,462</u>	<u>2,342,462</u>	<u>2,270,774</u>	<u>(71,688)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	26,000	26,000	22,520	3,480
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	5,097,305	5,042,124	1,317,209	3,724,915
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>5,123,305</u>	<u>5,068,124</u>	<u>1,339,729</u>	<u>3,728,395</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(2,780,843)</u>	<u>(2,725,662)</u>	<u>931,045</u>	<u>3,656,707</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>(2,780,843)</u>	<u>(2,725,662)</u>	<u>931,045</u>	<u>3,656,707</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ (2,780,843)</u>	<u>(2,725,662)</u>	<u>931,045</u>	<u>3,656,707</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 1,926	
Adjustments to expenditures			(354,215)	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 578,756</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
CAPITAL IMPROVEMENTS SB-9 CAPITAL PROJECT FUND - 31700  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Statement C-3

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ 1,561,378	1,561,378	1,542,202	(19,176)
State grants	-	807,219	867,417	60,198
Federal grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	17,500	17,500
Interest	-	-	-	-
	<u>1,561,378</u>	<u>2,368,597</u>	<u>2,427,119</u>	<u>58,522</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	21,000	21,000	15,017	5,983
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	2,485,452	3,344,139	3,021,635	322,504
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>2,506,452</u>	<u>3,365,139</u>	<u>3,036,652</u>	<u>328,487</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(945,074)</u>	<u>(996,542)</u>	<u>(609,533)</u>	<u>387,009</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>(945,074)</u>	<u>(996,542)</u>	<u>(609,533)</u>	<u>387,009</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ (945,074)</u>	<u>(996,542)</u>	<u>(609,533)</u>	<u>387,009</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (60,198)	
Adjustments to expenditures			42,441	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ (627,290)</u>	

See Notes to Financial Statements.

**DEBT SERVICE FUND**

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
DEBT SERVICE FUND - 41000  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
For the Year Ended June 30, 2016

Exhibit C-5

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	5,931,496	591,496	6,656,842	6,065,346
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	4	4
Interest	5	5	-	(5)
	<u>5,931,501</u>	<u>591,501</u>	<u>6,656,846</u>	<u>6,065,345</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	80,000	80,000	65,037	14,963
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Principal	10,571,375	10,789,474	5,095,000	5,694,474
Interest	1,236,496	1,236,496	1,217,847	18,649
	<u>11,887,871</u>	<u>12,105,970</u>	<u>6,377,884</u>	<u>5,728,086</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(5,956,370)</u>	<u>(11,514,469)</u>	<u>278,962</u>	<u>11,793,431</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>(5,956,370)</u>	<u>(11,514,469)</u>	<u>278,962</u>	<u>11,793,431</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ (5,956,370)</u>	<u>(11,514,469)</u>	<u>278,962</u>	<u>11,793,431</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 22,035	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 300,997</u>	

See Notes to Financial Statements.

**SUPPORTING SCHEDULES**

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
AGENCY FUNDS  
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES  
For the Year Ended June 30, 2016

Schedule I

	Balance June 30, 2013	Additions	Deletions	Balance June 30, 2014
Los Lunas High School	\$ 206,349	209,620	(194,455)	221,514
Los Lunas Middle School	14,413	66,757	(56,476)	24,694
Los Lunas Elementary	32,821	26,401	(19,570)	39,652
Ann Parish Elementary	6,544	29,266	(25,732)	10,078
Peralta Elementary	7,867	10,003	(12,742)	5,128
Bosque Farms Elementary	30,628	51,612	(46,159)	36,081
Daniel Fernandez Intermediate	11,150	-	(11,150)	-
Katherine Gallegos Elementary	14,402	27,410	(32,578)	9,234
Tome Elementary	20,418	20,029	(18,436)	22,011
Raymond Galbadon Elementary	17,588	29,865	(32,964)	14,489
Valencia Middle School	72,132	73,824	(90,133)	55,823
Valencia Elementary	18,137	7,464	(9,015)	16,586
District-wide	184,106	101,511	(158,162)	127,455
Special Services	14,295	9,879	(13,075)	11,099
Desert View Intermediate	4,879	17,306	(14,653)	7,532
Century High School	2,434	7,038	(1,258)	8,214
Project Keys	21,325	114,052	(105,631)	29,746
Desert View Elementary After School Program	(50)	50	-	-
Los Lunas High School Swimming Pool	2,527	92,887	(89,673)	5,741
Sundance Elementary	16,315	36,549	(26,201)	26,663
Valencia High School	89,916	138,691	(96,167)	132,440
Total All Schools	\$ <u>788,196</u>	<u>1,070,214</u>	<u>(1,054,230)</u>	<u>804,180</u>

See Notes to Financial Statements.



STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY  
FOR PUBLIC FUNDS  
June 30, 2016

Schedule II

	<u>US Bank</u>	<u>Wells Fargo</u>	<u>Total</u>
Funds on Deposit			
Interest bearing savings	\$ 32,390,933	-	32,390,933
Non-interest bearing deposits	6,146,616	-	6,146,616
Certificates of deposit	-	1,019,905	1,019,905
<i>Total on deposit:</i>	<u>38,537,549</u>	<u>1,019,905</u>	<u>39,557,454</u>
Less: FDIC insurance	<u>(500,000)</u>	<u>(250,000)</u>	<u>(750,000)</u>
<b><i>Total uninsured public funds:</i></b>	<u>\$ 38,037,549</u>	<u>769,905</u>	<u>38,807,454</u>
Pledged Collateral Required:			
50% on deposits	\$ 19,018,775	384,953	19,403,727
<i>Pledged Collateral Required:</i>	<u>19,018,775</u>	<u>384,953</u>	<u>19,403,727</u>
Pledged Collateral at June 30, 2016	<u>41,750,000</u>	<u>862,876</u>	<u>42,612,876</u>
<b><i>Total over (under) collateralized:</i></b>	<u>\$ 22,731,226</u>	<u>477,924</u>	<u>23,209,149</u>

<u>Safekeeper</u>	<u>Security type, Maturity Date, Identifier</u>			
Federal Home Loan Bank of Cincinnati	Letter of Credit No. 520043, expires 7/01/2016	\$ 3,750,000	-	3,750,000
Federal Home Loan Bank of Cincinnati	Letter of Credit No. 519371, expires 02/01/2017	38,000,000	-	38,000,000
Bank of New York Mellon	FNMA FNMS 02/04/2043 CUSIP # 3138NYMC6	-	862,876	862,876
		<u>\$ 41,750,000</u>	<u>862,876</u>	<u>42,612,876</u>

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**SCHEDULE OF CASH AND TEMPORARY INVESTMENT ACCOUNTS**  
**June 30, 2016**

Schedule III

Bank Account Type	US Bank	Wells Fargo Bank	Totals
Checking - General Account	\$ 32,174,994	-	32,174,994
Checking - Payroll Account	215,939	-	215,939
Money Market Account	6,146,616	-	6,146,616
Certificates of Deposit	<u>-</u>	<u>1,019,905</u>	<u>1,019,905</u>
Total On Deposit	38,537,549	1,019,905	39,557,454
Reconciling Items	<u>(1,034,483)</u>	<u>-</u>	<u>(1,034,483)</u>
Reconciled Balance June 30, 2015	<u>\$ 37,503,066</u>	<u>1,019,905</u>	<u>38,522,971</u>
Plus: Petty Cash			\$ 1,205
Less: Fiduciary Funds Cash			<u>(804,180)</u>
Cash per Government-wide Financial Statements			<u>\$ 37,719,996</u>

*See Notes to Financial Statements.*

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
CASH RECONCILIATION  
June 30, 2016**

	Operational Account 11000	Transportation Account 13000	Instructional Materials 14000
	<u>11000</u>	<u>13000</u>	<u>14000</u>
Cash, June 30, 2015	\$ 11,075,007	-	515,212
Add:			
2015-16 revenues	59,712,114	2,124,918	594,025
Repayment of loans	-	-	-
Loans from other funds	-	-	-
	<u>70,787,121</u>	<u>2,124,918</u>	<u>1,109,237</u>
Total cash available			
Less:			
2015-16 expenditures	(56,246,304)	(2,124,918)	(455,010)
Repayment of loans	-	-	-
Transfers to/from other funds	-	-	-
Loans to other funds	-	-	-
Change due to held checks and liabilities	<u>2,022,997</u>	<u>-</u>	<u>-</u>
Cash, June 30, 2016	<u>\$ 16,563,814</u>	<u>-</u>	<u>654,227</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	<u>(3,286,303)</u>	<u>-</u>	<u>-</u>
Cash per Books	<u>13,277,511</u>	<u>-</u>	<u>654,227</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	<u>(946,942)</u>	<u>38,364</u>	<u>-</u>
Fund Balance , Modified Accrual Basis	<u>12,330,569</u>	<u>38,364</u>	<u>654,227</u>

*See Notes to Financial Statements.*

Food Services Account 21000	Athletics Account 22000	Non-Instruction Account 23000	Impact Aid Federal Flow-through 24000	Impact Aid Federal Direct 25000
1,140,805	22,332	819,168	(1,464,080)	1,324,509
4,029,430	82,112	1,329,064	4,353,203	1,226,421
-	-	-	-	-
-	-	-	-	-
5,170,235	104,444	2,148,232	2,889,123	2,550,930
(3,994,501)	(90,005)	(2,199,944)	(4,889,143)	(1,304,784)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
(35)	-	(456)	-	(78)
<u>1,175,699</u>	<u>14,439</u>	<u>(52,168)</u>	<u>(2,000,020)</u>	<u>1,246,068</u>
-	-	52,168	2,000,226	225,126
<u>1,175,699</u>	<u>14,439</u>	<u>-</u>	<u>206</u>	<u>1,471,194</u>
208,689	-	(53,182)	(92,800)	(8,207)
<u>1,384,388</u>	<u>14,439</u>	<u>(53,182)</u>	<u>(92,594)</u>	<u>1,462,987</u>

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
CASH RECONCILIATION  
June 30, 2016**

	State Flowthrough 27000	State Direct 28000	Bond Building 31100
	<u>27000</u>	<u>28000</u>	<u>31100</u>
Cash, June 30, 2015	\$ (580,742)	648	8,566,412
Add:			
2015-16 revenues	1,848,520	31,906	6,240,996
Repayment of loans	-	-	-
Loans from other funds	-	-	-
	<u>1,267,778</u>	<u>32,554</u>	<u>14,807,408</u>
Total cash available	1,267,778	32,554	14,807,408
Less:			
2015-16 expenditures	(1,884,114)	(31,175)	(3,985,165)
Repayment of loans	-	-	-
Transfers to/from other funds	-	-	-
Loans to other funds	-	-	-
Change due to held checks and liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Cash, June 30, 2016	\$ <u><u>(616,336)</u></u>	<u><u>1,379</u></u>	<u><u>10,822,243</u></u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	<u>616,371</u>	<u>-</u>	<u>-</u>
Cash per Books	<u>35</u>	<u>1,379</u>	<u>10,822,243</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	<u>51</u>	<u>(576)</u>	<u>(86,455)</u>
Fund Balance , Modified Accrual Basis	<u><u>86</u></u>	<u><u>803</u></u>	<u><u>10,735,788</u></u>

*See Notes to Financial Statements.*

Spec. Capital Outlay-State 31400	Cap. Improv. HB33 31600	Cap. Improv. SB9 31700	Debt Service Fund 41000	Total
(56,372)	2,725,662	996,542	6,174,469	31,259,572
55,000	2,259,720	2,391,433	6,503,665	92,782,527
	-	-	-	-
	-	-	-	-
(1,372)	4,985,382	3,387,975	12,678,134	124,042,099
(303,500)	(1,333,895)	(3,036,652)	(6,377,883)	(88,256,993)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	2,022,428
<u>(304,872)</u>	<u>3,651,487</u>	<u>351,323</u>	<u>6,300,251</u>	<u>37,807,534</u>
304,872	-	-	-	(87,540)
-	3,651,487	351,323	6,300,251	37,719,994
(56,372)	(287,519)	859,112	351,211	(74,626)
<u>(56,372)</u>	<u>3,363,968</u>	<u>1,210,435</u>	<u>6,651,462</u>	<u>37,645,368</u>

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT)  
June 30, 2016

Schedule V

RFB#/RFP#	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract	\$ Amount of Amended Contract	Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded	In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)	Was the vendor in-state and chose Veteran's preference (Y or N) For federal funds answer N/A	Brief Description of the Scope of Work
2016-001	RFP for SLP Services	Marianne Candelaria dba Speech Angel Easi Therapy & Diagnostic Services Jennifer Van Otten	\$82,976 \$51,159 \$87,173	3	Ardor Health Solutions Marianne Candelaria dba Speech Angel Easi Therapy High Desert Rehab LSV & Associates	N Y Y Y N	N N N N N	SLP Services SLP Services SLP Services SLP Services SLP Services
2016-002	RFP for Legal Services	Cuddy & McCarthy, LLP Attorneys at Law Modrall, Sperling, Roehl, Harris & Sisk, PA Walsh,	\$57,500 \$23,349 \$16,070	N/A	Cuddy & McCarthy, LLP Attorneys at Law Modrall, Sperling, Roehl, Harris & Sisk, PA Walsh, Gallegos, Trevino,	Y Y Y	N N N	Legal Services Legal Services Legal Services
2016-003	Cancelled - Pizza Sponsorship	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2016-004	RFP for 2016 E-Rate Cellular Services	Sprint Solutions Inc.	\$72,768	N/A	AT&T Mobility Sprint Solutions T-Mobile Verizon Wireless	N N N N	N N N N	Cellular Service Cellular Service Cellular Service Cellular Service
2016-005	RFP for Facility Master Plan Services (FMP)	Greer Stafford SJCF	\$72,768	N/A	Greer Stafford Architectural Research Consultants (ARC)	Y Y	N N	FMP Plan Services
2016-006	RFP for VHS PAC Consultation Services	HB Construction	\$80,410	N/A	Bradbury Stamm HB Construction Jaynes	Y Y Y	N N N	Construction for VHS PAC
2016-007	RFP for Ancillary and Related Services	Amable Therapies Easi Therapy & Diag Services	\$162,280 \$69,530 \$0	N/A	Amable Therapies Easi Therapy & Diag Services (BMSI)	N Y N	N N N	SLP Services SLP Services SLP Services SLP
2016-008	ITB for Heavy Equipment	Southwest Specialty	\$102,000		Southwest Specialty	N	N	Heavy Equipment Svc

\*Prepared by Vicki Parker, Director of Purchasing, 10/29/2016

## **COMPLIANCE SECTION**



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

To Timothy Keller  
New Mexico State Auditor  
The Office of Management and Budget  
New Mexico Public Education Department  
The District Board Los Lunas School District  
Los Lunas, 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 of the general fund of the Los Lunas School District (the “District”), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and the combining and individual funds and related budgetary comparisons of the District, presented as supplemental information, and have issued our report thereon dated November 11, 2016.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses or significant deficiencies. However, material weaknesses or deficiencies may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2014-001.

### **The District's Responses to Findings**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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.



Albuquerque, New Mexico  
November 11, 2016

**FEDERAL FINANCIAL ASSISTANCE**

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

To Timothy Keller  
New Mexico State Auditor  
The Office of Management and Budget  
New Mexico Public Education Department  
The District Board Los Lunas School District  
Los Lunas, New Mexico

**Report on Compliance for Each Major Federal Program**

We have audited the Los Lunas School District's (the "District") compliance with the types of compliance requirements described in the *OMB Circular Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2016. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

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

**Auditor's Responsibility**

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

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

**Opinion on Each Major Federal Program**

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

## Other Matters

The results of our auditing procedures disclosed no instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance.

## Report on Internal Control over Compliance

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

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

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

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

The logo for Axiom, featuring the word "Axiom" in a blue, cursive script font.

Albuquerque, New Mexico  
November 11, 2016

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended June 30, 2016**

<u>Federal Grantor or Pass-Through Grantor/Program Title</u>	<u>Passthrough Number</u>	<u>Federal CFDA</u>	<u>Federal Expenditures</u>
<b>U.S. Department of Education</b>			
<i>Passthrough State of New Mexico Department of Education</i>			
Title I (1)	24101	84.010	2,447,604
IDEA B - Entitlement (1)	24106	84.027	1,779,027
IDEA B - Discretionary	24107	84.027	-
Autism Project (1)	24108	84.027A	9,329
IDEA B - Pre School (1)	24109	84.173	15,160
Education of Homeless	24113	84.196A	25,526
IDEA B - Risk Pool (1)	24120	84.027	1,633
Title III English Language Acquisition	24153	84.365A	173,299
Title IIA Teacher/Principal Training (1)	24154	84.367A	437,842
Title I School Improvement	24162	84.377	14,023
Carl Perkins-Secondary Current	24174	84.048	73,958
Carl Perkins-Secondary Redistribution	24176	84.048	15,567
USHHSD Pregnancy Prevention	24184	93.500	9,263
Medicaid Title XIX	25153	93.778	754,093
			<u>5,756,324</u>
<i>Direct U.S. Department of Education</i>			
Impact Aid - Special Education	25145	84.041	45,402
Impact Aid - Indian Education	25147	84.041	15,574
Indian Education Formula Grant	25184	84.060A	74,863
			<u>135,839</u>
			<u>5,892,163</u>
<b>U.S. Department of Agriculture</b>			
<i>Direct U.S. Department of Agriculture</i>			
Forest Reserve	11000	10.672	7,190
USDA 2010 Equipment Assistance Program	24183	10.579	-
			<u>7,190</u>
<i>Subtotal - Direct U.S. Department of Agriculture</i>			
<i>Passthrough State of New Mexico Department of Education</i>			
National School Lunch Program	24118	10.582	-
Food Distribution (Commodities)	21000	10.555	3,957,438
			<u>3,957,438</u>
<i>Subtotal - Passthrough State of New Mexico Department of Education</i>			
<i>Passthrough State of NM Dept of Health and Human Services</i>			
Food Distribution (Commodities)	21001	10.555	305,134
			<u>305,134</u>
<i>Subtotal - Passthrough State of NM Dept of Health and Human Services</i>			
			<u>4,269,762</u>
<b>Total U.S. Department of Agriculture</b>			
			<u>\$ 10,161,925</u>

(1) Denotes Major Federal Financial Assistance Program

See Notes to Financial Statements.

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
June 30, 2016**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of the Los Lunas Schools (District) 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 the Schedule is presented in accordance with the requirements of Uniform Guidance, Audits of States, Local Governments and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

**2. Sub Recipients**

The District did not provide any federal awards to sub recipients during the year.

**3. Non-cash Federal Assistance**

The District receives USDA Commodities for use in sponsoring the National School Lunch program. The value of commodities received for the year ended June 30, 2016 was \$305,134 and is reported in the Schedule of Expenditures of Federal Awards under the Department of Agriculture Commodities program, CFDA number 10.555. Commodities are recorded as revenues and expenditures in the food service fund.

**STATE OF NEW MEXICO  
 LOS LUNAS SCHOOLS  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 June 30, 2016**

**A. SUMMARY OF AUDITORS' RESULTS**

***Financial Statements***

Type of auditors' report issued Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
- Significant deficiencies identified  Yes  None Reported

Non-compliance material to financial statements noted?  Yes  No

***Federal Awards***

Internal control over major programs:

- Material weakness(es) identified?  Yes  No
- Significant deficiencies identified  Yes  None reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?  Yes  No

Identification of Major Program

**CFDA Number**

10.555

**Name of Federal Program or Cluster**

School Lunch Program

Dollar threshold used to distinguish between type A and type B programs

\$ 750,000

Auditee qualified as low-risk auditee?

Yes  No



**STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2016**

**B. FINANCIAL STATEMENT FINDINGS**

**2014-001 Controls over Cash Receipts (Other Matter) Revised and Repeated**

**CONDITION:** In 9 of 25 receipts tested, totaling \$1,714, funds received were not deposited in a timely manner. Management has demonstrated a lack of progress in implementing the prior year corrective action plan.

**CRITERIA:** NMAC section 6.20.2.6 states that deposits must be made within a 24 hour period from the receipt of the monies or by the end of the next business day.

**EFFECT:** Non-adherence to state statutes places the District in noncompliance and lack of timeliness of deposits could subject the District to a possible occurrence of fraud.

**CAUSE:** Proper procedures for receipting and depositing funds were not followed at the school sites.

**RECOMMENDATION:** It is recommended that the District emphasize the importance of following proper procedures to school site administration.

**MANAGEMENT RESPONSE:** The Business Office will monitor and reinforce with the new employees as well as the older employees that the proper handling and required deadlines for all Cash deposits will be followed. We intend to continue training both in-house and on site and provide additional training when necessary. As time permits we will conduct site visits and verify that procedures are being followed. As for repeat offenders of the rules (if any), appropriate steps to address concerns will be taken.

**C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**None**

**D. OTHER FINDINGS, AS REQUIRED BY NEW MEXICO STATE STATUTE, SECTION 12-6-5, NMSA 1978**

**None**

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
June 30, 2016**

**STATUS OF PRIOR YEAR AUDIT FINDINGS**

2014-001 Controls over Cash Receipts Revised and Repeated

**STATE OF NEW MEXICO  
LOS LUNAS SCHOOL DISTRICT  
EXIT CONFERENCE  
June 30, 2016**

The contents of this report were discussed in the exit conference held on November 3, 2016 with the following in attendance:

Los Lunas Schools:

Dana Sanders, Superintendent  
Claire Cieremans, Chief Financial Officer  
Sandy Traczyk, Director of Finance  
Edward Archuleta, Audit Committee Community Member  
Bryan Smith, Audit Committee Board Member  
Robert Archuleta, Audit Committee Board Member

Axiom Certified Public Accountants and Business Advisors, LLC:

Chris Garner, CPA, Partner

The financial statements were prepared with the assistance of Axiom Certified Public Accountants and Business Advisors, LLC from the books and records of Los Lunas School District. The District's management has reviewed and approved the financial statements and related notes and they believe that their records adequately support the financial statements.