



State of  
New Mexico  
Los Alamos  
Public Schools

Annual Financial Report  
For the Year Ended June 30, 2016



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## **INTRODUCTORY SECTION**

**STATE OF NEW MEXICO**  
 Los Alamos Public Schools  
 Annual Financial Report  
 June 30, 2016  
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**STATE OF NEW MEXICO**

Los Alamos Public Schools

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June 30, 2016

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**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Official Roster  
June 30, 2016

<u>Name</u>	<u>Board of Education</u>	<u>Title</u>
Jim Hall		Board President
Jenny McCumber		Board Vice President
Andrea Cunningham		Secretary
Bill Hargraves		Board Member
Matt Williams		Board Member
	<u>Administrative Officials</u>	
Kurt Steinhaus		Superintendent
Lisa Montoya		Chief Financial Officer
Teresa Gatewood		Comptroller

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## **FINANCIAL SECTION**

## INDEPENDENT AUDITORS' REPORT

Timothy Keller  
New Mexico State Auditor  
The Office of Management and Budget  
The Board of Education  
Los Alamos Public Schools  
Los Alamos, New Mexico

### Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, the discretely presented component unit, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue fund of Los Alamos Public Schools (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, the combining financial statements for the General Fund, and the budgetary comparisons for the major capital projects funds, the major 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.

### Auditors' 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 of 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 auditors' judgment, including the assessment of 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 District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Los Alamos Public Schools, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparisons for the general fund and major special revenue 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 and the combining financial statements for general fund of the District as of June 30, 2016, and the respective changes in financial position, thereof, and the respective budgetary comparisons for the major capital projects funds, major 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*

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

Accounting principles generally accepted in the United States of America requires the Schedules I and II and the Notes to the Required Supplementary Information on pages 68 through 70 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The introductory section, the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Supporting Schedules III through VII required by 2.2.2 NMAC are presented for the purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards and Supporting Schedules III through VI required by 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 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 Supporting Schedules III through VII required by 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 27, 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.

RPC CPAs + Consultants LLP

RPC CPAs + Consultants, LLP  
Albuquerque, NM  
October 27, 2016

**BASIC  
FINANCIAL STATEMENTS**

**STATE OF NEW MEXICO**

Los Alamos Public Schools

Statement of Net Position

June 30, 2016

	<b>Primary Government</b>			<b>Component Unit</b>
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	
<b>Assets</b>				
Current assets				
Cash and cash equivalents	\$ 19,787,243	\$ 6,092,619	\$ 25,879,862	\$ 31,009
Investments	2,528,922	2,458,714	4,987,636	11,371
Receivables:				
Property taxes	193,978	-	193,978	-
Due from other governments	686,145	-	686,145	-
Other	23,140	-	23,140	-
Inventory	194,579	-	194,579	-
Total current assets	<u>23,414,007</u>	<u>8,551,333</u>	<u>31,965,340</u>	<u>42,380</u>
Noncurrent assets				
Restricted assets:				
Cash and cash equivalents	5,526,100	-	5,526,100	144,059
Investments	-	-	-	197,436
Capital assets	168,125,348	-	168,125,348	515
Less: accumulated depreciation	<u>(33,204,806)</u>	<u>-</u>	<u>(33,204,806)</u>	<u>(258)</u>
Total noncurrent assets	<u>140,446,642</u>	<u>-</u>	<u>140,446,642</u>	<u>341,752</u>
<i>Total assets</i>	<u>163,860,649</u>	<u>8,551,333</u>	<u>172,411,982</u>	<u>384,132</u>
<b>Deferred outflows of resources</b>				
Changes of assumption	1,893,672	21,923	1,915,595	-
Employer contributions subsequent to the measurement date	<u>3,395,464</u>	<u>40,275</u>	<u>3,435,739</u>	<u>-</u>
Total deferred outflows of resources	<u>5,289,136</u>	<u>62,198</u>	<u>5,351,334</u>	<u>-</u>
<i>Total assets and deferred outflows of resources</i>	<u>\$ 169,149,785</u>	<u>\$ 8,613,531</u>	<u>\$ 177,763,316</u>	<u>\$ 384,132</u>

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

	<b>Primary Government</b>			<b>Component Unit</b>
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	
<b>Liabilities</b>				
Current liabilities				
Accounts payable	\$ 397,501	\$ 2,385	\$ 399,886	\$ -
Due to other governments	4,766	-	4,766	-
Accrued payroll	701,702	1,580	703,282	4,496
Accrued interest	435,150	-	435,150	-
Accrued compensated absences	356,915	-	356,915	-
Current portion of bonds payable	4,810,000	-	4,810,000	-
Total current liabilities	<u>6,706,034</u>	<u>3,965</u>	<u>6,709,999</u>	<u>4,496</u>
Noncurrent liabilities				
Accrued compensated absences	207,908	-	207,908	-
Bonds payable	34,740,000	-	34,740,000	-
Bond premium, net of accumulated amortization of \$388,006	825,016	-	825,016	-
Net pension liability	55,056,097	637,382	55,693,479	-
Total noncurrent liabilities	<u>90,829,021</u>	<u>637,382</u>	<u>91,466,403</u>	<u>-</u>
<i>Total liabilities</i>	<u>97,535,055</u>	<u>641,347</u>	<u>98,176,402</u>	<u>4,496</u>
<b>Deferred inflows of resources</b>				
Changes in proportion	293,629	3,399	297,028	-
Actuarial experience	1,047,513	12,127	1,059,640	-
Net difference between projected and actual investment earnings on pension plan investments	416,133	2,869	419,002	-
<i>Total deferred inflows of resources</i>	<u>1,757,275</u>	<u>18,395</u>	<u>1,775,670</u>	<u>-</u>
<b>Net position</b>				
Net investment in capital assets	107,118,126	-	107,118,126	-
Restricted for:				
Debt service	5,332,194	-	5,332,194	-
Capital projects	18,397,091	-	18,397,091	-
Special revenue	1,278,638	-	1,278,638	-
Scholarships & endowment	-	-	-	341,495
Unrestricted	(62,268,594)	7,953,789	(54,314,805)	38,141
Total net position	<u>69,857,455</u>	<u>7,953,789</u>	<u>77,811,244</u>	<u>379,636</u>
<i>Total liabilities, deferred inflows of resources, and net position</i>	<u>\$ 169,149,785</u>	<u>\$ 8,613,531</u>	<u>\$ 177,763,316</u>	<u>\$ 384,132</u>

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

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Statement of Activities  
For the Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government:</b>				
<b>Governmental Activities:</b>				
Instruction	\$ 23,983,225	\$ 412,923	\$ 5,276,575	\$ 205,475
Support services - students	4,361,804	75,098	959,645	37,369
Support services - instruction	1,664,267	28,654	366,157	14,259
Support services - general administration	839,000	14,445	184,589	7,188
Support services - school administration	2,073,174	35,694	456,121	17,762
Central services	1,749,458	30,121	384,900	14,988
Operation and maintenance of plant	9,915,690	170,720	2,181,561	84,952
Student transportation	1,337,366	-	625,985	-
Community services operations	168,826	-	-	-
Interest and other charges	973,695	-	-	-
<i>Total governmental activities</i>	<u>47,066,505</u>	<u>767,655</u>	<u>10,435,534</u>	<u>381,993</u>
<b>Business-type Activities:</b>				
Food services	259,599	145,409	105,934	-
Leased facilities	946,766	3,489,856	-	-
<i>Total business-type activities</i>	<u>1,206,365</u>	<u>3,635,265</u>	<u>105,934</u>	<u>-</u>
<i>Total primary government</i>	<u>\$ 48,272,870</u>	<u>\$ 4,402,920</u>	<u>\$ 10,541,468</u>	<u>\$ 381,993</u>
<b>Component Unit:</b>				
Los Alamos Education Foundation	<u>\$ 129,884</u>			

**General Revenues:**

Taxes:

Property taxes, levied for operating programs

Property taxes, levied for debt services

Property taxes, levied for capital projects

State equalization guarantee

Investment income

Gain (loss) on investments

Miscellaneous income

Transfers

Gain on disposition of assets

Donations

Total general revenues

Change in net position

Net position - beginning

*Net position - ending*

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



**Net (Expense) Revenue and Changes in Net Position**

<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	<b>Component Unit</b>
\$ (18,088,252)	\$ -	\$ (18,088,252)	\$ -
(3,289,692)	-	(3,289,692)	-
(1,255,197)	-	(1,255,197)	-
(632,777)	-	(632,777)	-
(1,563,597)	-	(1,563,597)	-
(1,319,449)	-	(1,319,449)	-
(7,478,456)	-	(7,478,456)	-
(711,381)	-	(711,381)	-
(168,826)	-	(168,826)	-
(973,695)	-	(973,695)	-
<u>(35,481,323)</u>	<u>-</u>	<u>(35,481,323)</u>	<u>-</u>
-	(8,256)	(8,256)	-
<u>-</u>	<u>2,543,090</u>	<u>2,543,090</u>	<u>-</u>
<u>-</u>	<u>2,534,834</u>	<u>2,534,834</u>	<u>-</u>
<u>(35,481,323)</u>	<u>2,534,834</u>	<u>(32,946,489)</u>	<u>-</u>
			<u>(129,884)</u>
244,936	-	244,936	-
5,765,104	-	5,765,104	-
2,190,285	-	2,190,285	-
26,683,509	-	26,683,509	-
37,951	18,464	56,415	132
-	-	-	(64,000)
254,353	-	254,353	5,836
(942,644)	942,644	-	-
8,600	-	8,600	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>202,779</u>
<u>34,242,094</u>	<u>961,108</u>	<u>35,203,202</u>	<u>144,747</u>
(1,239,229)	3,495,942	2,256,713	14,863
<u>71,096,684</u>	<u>4,457,847</u>	<u>75,554,531</u>	<u>364,773</u>
<u>\$ 69,857,455</u>	<u>\$ 7,953,789</u>	<u>\$ 77,811,244</u>	<u>\$ 379,636</u>

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

**STATE OF NEW MEXICO**

Los Alamos Public Schools

Balance Sheet

Governmental Funds

June 30, 2016

	<b>General Fund 11000, 13000, 14000, 58000, 61000</b>	<b>Entitlement IDEA-B 24106</b>	<b>Bond Building 31100</b>	<b>Capital Improvements HB-33 31600</b>
<i>Assets</i>				
Cash and cash equivalents	\$ 1,979,527	\$ -	\$ 12,642,600	\$ 3,939,943
Investments	-	-	-	2,528,922
Receivables:				
Property taxes	6,298	-	-	51,463
Due from other governments	-	316,724	-	-
Other	23,140	-	-	-
Inventory	194,579	-	-	-
Due from general fund	-	-	-	-
Due from other funds	713,446	-	-	-
<i>Total assets</i>	<u>\$ 2,916,990</u>	<u>\$ 316,724</u>	<u>\$ 12,642,600</u>	<u>\$ 6,520,328</u>
<i>Liabilities</i>				
Accounts payable	\$ 62,060	\$ 13,319	\$ 209,261	\$ 110,555
Due to other governments	-	4,766	-	-
Accrued payroll	682,889	13,136	-	-
Due to special revenue funds	30,870	-	-	-
Due to other funds	-	285,503	-	-
<i>Total liabilities</i>	<u>775,819</u>	<u>316,724</u>	<u>209,261</u>	<u>110,555</u>
<i>Deferred inflows of resources</i>				
Unavailable revenue- property taxes	1,302	-	-	8,911
<i>Total deferred inflows of resources</i>	<u>1,302</u>	<u>-</u>	<u>-</u>	<u>8,911</u>
<i>Fund balances</i>				
Nonspendable:				
Inventory	194,579	-	-	-
Spendable:				
Restricted for:				
Instructional materials	214,580	-	-	-
Extracurricular activities	-	-	-	-
Education	-	-	-	-
Capital acquisitions and improvements	-	-	12,433,339	6,400,862
Debt service	-	-	-	-
Committed for:				
Subsequent year's expenditures	1,732,027	-	-	-
Unassigned	(1,317)	-	-	-
<i>Total fund balances</i>	<u>2,139,869</u>	<u>-</u>	<u>12,433,339</u>	<u>6,400,862</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 2,916,990</u>	<u>\$ 316,724</u>	<u>\$ 12,642,600</u>	<u>\$ 6,520,328</u>

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

<b>Debt Service Fund 41000</b>	<b>Other Governmental Funds</b>	<b>Total</b>
\$ 5,526,100	\$ 1,225,173	\$ 25,313,343
-	-	2,528,922
136,217	-	193,978
-	369,421	686,145
-	-	23,140
-	-	194,579
-	30,870	30,870
-	-	713,446
<u>\$ 5,662,317</u>	<u>\$ 1,625,464</u>	<u>\$ 29,684,423</u>
\$ -	\$ 2,306	\$ 397,501
-	-	4,766
-	5,677	701,702
-	-	30,870
-	427,943	713,446
-	435,926	1,848,285
23,859	-	34,072
23,859	-	34,072
-	-	194,579
-	-	214,580
-	127,321	127,321
-	1,095,522	1,095,522
-	146	18,834,347
5,638,458	-	5,638,458
-	-	1,732,027
-	(33,451)	(34,768)
<u>5,638,458</u>	<u>1,189,538</u>	<u>27,802,066</u>
<u>\$ 5,662,317</u>	<u>\$ 1,625,464</u>	<u>\$ 29,684,423</u>

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

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STATE OF NEW MEXICO

Los Alamos Public Schools

Governmental Funds

Reconciliation of the Balance Sheet to the Statement of Net Position

June 30, 2016

Exhibit B-1

Page 2 of 2

Amounts reported for governmental activities in the Statement of Net Position are different because:

Fund balances - total governmental funds	\$ 27,802,066
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds	134,920,542
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be unavailable revenue in the fund financial statements, but are considered revenue in the Statement of Activities	34,072
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in funds:	
Deferred outflows of resources related to change in assumption	1,893,672
Deferred outflows of resources related to employer contributions subsequent to the measurement date	3,395,464
Deferred inflows of resources related to changes in proportion	(293,629)
Deferred inflows of resources related to actuarial experience	(1,047,513)
Deferred inflows of resources related to investment earnings on pension plan investments	(416,133)
Liabilities, including bonds payable, accrued compensated absences and net pension liability are not due and payable in the current period and, therefore, are not reported in the funds:	
Accrued compensated absences not due and payable	(564,823)
Accrued interest payable	(435,150)
Bond premiums	(825,016)
Bonds payable	(39,550,000)
Net pension liability	<u>(55,056,097)</u>
<i>Total net position - governmental funds</i>	<u>\$ 69,857,455</u>

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

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2016

	<b>General Fund 11000, 13000, 14000, 58000, 61000</b>	<b>Entitlement IDEA-B 24106</b>	<b>Bond Building 31100</b>	<b>Capital Improvements HB-33 31600</b>
<i>Revenues</i>				
Property taxes	\$ 248,379	\$ -	\$ -	\$ 2,221,523
Intergovernmental revenue				
Federal flowthrough	-	792,653	-	-
Federal direct	8,247,470	-	-	-
Local sources	15,423	-	-	-
State flowthrough	-	-	-	-
State direct	26,903,577	-	283,441	-
Transportation distribution	625,985	-	-	-
Charges for services	91,303	-	-	-
Investment income	13,788	-	9,061	13,068
Miscellaneous	252,853	-	-	-
<i>Total revenues</i>	<u>36,398,778</u>	<u>792,653</u>	<u>292,502</u>	<u>2,234,591</u>
<i>Expenditures</i>				
Current				
Instruction	21,693,719	467,102	-	-
Support services - students	4,013,257	258,597	-	-
Support services - instruction	1,599,775	-	-	-
Support services - general administration	740,747	1,070	-	21,906
Support services - school administration	2,021,743	-	-	-
Central services	1,727,858	-	-	-
Operation and maintenance of plant	4,988,904	140	245,143	901,275
Student transportation	1,027,055	-	-	-
Community services operations	98,872	65,744	-	-
Capital outlay	12,523	-	985,048	499,035
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>37,924,453</u>	<u>792,653</u>	<u>1,230,191</u>	<u>1,422,216</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,525,675)</u>	<u>-</u>	<u>(937,689)</u>	<u>812,375</u>
<i>Other financing sources (uses)</i>				
Proceeds from sale of capital assets	8,600	-	-	-
Transfers in	145,684	-	-	-
Transfers (out)	(1,121,736)	-	-	-
Bond premium	-	-	-	-
Bond proceeds	-	-	8,200,000	-
<i>Total other financing sources (uses)</i>	<u>(967,452)</u>	<u>-</u>	<u>8,200,000</u>	<u>-</u>
<i>Net change in fund balances</i>	(2,493,127)	-	7,262,311	812,375
<i>Fund balances - beginning</i>	<u>4,632,996</u>	<u>-</u>	<u>5,171,028</u>	<u>5,588,487</u>
<i>Fund balances - end of year</i>	<u>\$ 2,139,869</u>	<u>\$ -</u>	<u>\$ 12,433,339</u>	<u>\$ 6,400,862</u>

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

<b>Debt Service Fund 41000</b>	<b>Other Governmental Funds</b>	<b>Total</b>
\$ 5,849,817	\$ -	\$ 8,319,719
-	255,494	1,048,147
-	10,820	8,258,290
-	30,903	46,326
-	339,138	339,138
-	-	27,187,018
-	-	625,985
-	676,352	767,655
1,311	723	37,951
-	1,500	254,353
<u>5,851,128</u>	<u>1,314,930</u>	<u>46,884,582</u>
-	1,142,692	23,303,513
-	7,475	4,279,329
-	27,465	1,627,240
57,695	-	821,418
-	-	2,021,743
-	5,000	1,732,858
-	-	6,135,462
-	-	1,027,055
-	-	164,616
-	208,409	1,705,015
5,050,000	-	5,050,000
971,674	-	971,674
69,750	-	69,750
<u>6,149,119</u>	<u>1,391,041</u>	<u>48,909,673</u>
<u>(297,991)</u>	<u>(76,111)</u>	<u>(2,025,091)</u>
-	-	8,600
-	36,029	181,713
-	(2,621)	(1,124,357)
299,096	-	299,096
-	-	8,200,000
<u>299,096</u>	<u>33,408</u>	<u>7,565,052</u>
1,105	(42,703)	5,539,961
<u>5,637,353</u>	<u>1,232,241</u>	<u>22,262,105</u>
<u>\$ 5,638,458</u>	<u>\$ 1,189,538</u>	<u>\$ 27,802,066</u>

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

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**STATE OF NEW MEXICO**  
 Los Alamos Public Schools  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes  
 in Fund Balances of Governmental Funds to the Statement of Activities  
 For the Year Ended June 30, 2016

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances - total governmental funds	\$	5,539,961
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital expenditures		1,705,015
Depreciation expense		(4,118,892)
Loss on disposal of capital assets		(48,070)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the funds:

Change in unavailable revenue related to property taxes receivable		(119,394)
Change in deferred inflow of resources related to grant receivables		(3,868)

Governmental funds report district pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense:

District pension contributions		3,395,464
Pension expense		(4,215,282)

The issuance of long-term debt (e.g. bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities:

Current year amortization of bond premium		92,868
Bond premium		(299,096)
Bond proceeds		(8,200,000)
Decrease in accrued compensated absences not due and payable		13,092
Increase in accrued interest payable		(31,027)
Principal payments on bonds		5,050,000

<i>Change in net position of governmental activities</i>	<u>\$</u>	<u>(1,239,229)</u>
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The accompanying notes are an integral part of these financial statements.

## STATE OF NEW MEXICO

Exhibit C-1

Los Alamos Public Schools

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ 242,089	\$ 242,089	\$ 244,664	\$ 2,575
Intergovernmental revenue				
Federal direct	8,129,449	8,133,976	8,230,334	96,358
Local grants	-	-	63,777	63,777
State flowthrough	-	-	-	-
State direct	26,479,055	26,938,822	26,934,447	(4,375)
Transportation distribution	680,964	690,746	625,985	(64,761)
Charges for services	58,371	58,371	90,531	32,160
Investment income	10,000	10,000	13,788	3,788
Miscellaneous	42,837	42,837	249,256	206,419
<i>Total revenues</i>	<u>35,642,765</u>	<u>36,116,841</u>	<u>36,461,382</u>	<u>344,541</u>
<i>Expenditures</i>				
Current				
Instruction	22,996,808	23,383,605	21,759,384	1,624,221
Support services	8,519,489	8,519,489	8,353,570	165,919
Central services	1,811,571	1,811,571	1,740,290	71,281
Operation and maintenance of plant	5,627,799	6,156,386	4,997,260	1,159,126
Student transportation	1,009,058	1,018,840	1,027,199	(8,359)
Community services operations	92,264	103,150	99,647	3,503
Capital outlay	74,295	166,775	12,523	154,252
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>40,131,284</u>	<u>41,159,816</u>	<u>37,989,873</u>	<u>3,169,943</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(4,488,519)</u>	<u>(5,042,975)</u>	<u>(1,528,491)</u>	<u>3,514,484</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	4,488,519	5,042,975	-	(5,042,975)
Transfers in	-	-	145,684	145,684
Transfers (out)	-	-	(1,121,736)	(1,121,736)
<i>Total other financing sources (uses)</i>	<u>4,488,519</u>	<u>5,042,975</u>	<u>(976,052)</u>	<u>(6,019,027)</u>
<i>Net change in fund balances</i>	-	-	(2,504,543)	(2,504,543)
<i>Fund balances - beginning of year</i>	-	-	4,531,876	4,531,876
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,027,333</u>	<u>\$ 2,027,333</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (2,504,543)
Adjustments to revenues for changes in state revenues and property taxes				(54,004)
Adjustments to expenditures for materials, other charges, transportation expenditures				65,420
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (2,493,127)</u>

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

## STATE OF NEW MEXICO

Exhibit C-2

Los Alamos Public Schools  
Entitlement IDEA-B Special Revenue Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2016

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variances Favorable (Unfavorable) Final to Actual</b>
	<b>Original</b>	<b>Final</b>		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	628,465	989,605	539,741	(449,864)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>628,465</u>	<u>989,605</u>	<u>539,741</u>	<u>(449,864)</u>
<i>Expenditures</i>				
Current				
Instruction	377,463	555,250	466,447	88,803
Support services	216,480	328,413	253,409	75,004
Central services	-	-	-	-
Operation and maintenance of plant	400	400	140	260
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>628,465</u>	<u>989,605</u>	<u>792,994</u>	<u>196,611</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(253,253)</u>	<u>(253,253)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(253,253)	(253,253)
<i>Fund balance - beginning of year</i>	-	-	(34,602)	(34,602)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (287,855)</u>	<u>\$ (287,855)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (253,253)
Adjustments to revenues for federal grants				252,912
Adjustments to expenditures for special education				341
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ -</u>

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

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Statement of Net Position  
Proprietary Funds  
June 30, 2016

Exhibit D-1

	<b>Enterprise Funds</b>		
	<b>Food Services 21000</b>	<b>Leased Facilities 62000</b>	<b>Total</b>
<i>Assets and deferred outflows of resources</i>			
<i>Assets</i>			
<i>Current assets</i>			
Cash and cash equivalents	\$ 18,847	\$ 6,073,772	\$ 6,092,619
Investments	-	2,458,714	2,458,714
<i>Total current assets</i>	<u>18,847</u>	<u>8,532,486</u>	<u>8,551,333</u>
<i>Total assets</i>	<u>18,847</u>	<u>8,532,486</u>	<u>8,551,333</u>
<i>Deferred outflows of resources</i>			
Change in assumption	-	21,923	21,923
Employer contributions subsequent to the measurement date	-	40,275	40,275
<i>Total deferred outflows of resources</i>	<u>-</u>	<u>62,198</u>	<u>62,198</u>
<i>Total assets and deferred outflows of resources</i>	<u>\$ 18,847</u>	<u>\$ 8,594,684</u>	<u>\$ 8,613,531</u>
<i>Liabilities, deferred inflows of resources, and net position</i>			
<i>Liabilities</i>			
<i>Current liabilities</i>			
Accounts payable	\$ -	\$ 2,385	\$ 2,385
Accrued payroll	-	1,580	1,580
<i>Total current liabilities</i>	<u>-</u>	<u>3,965</u>	<u>3,965</u>
<i>Noncurrent liabilities</i>			
Net pension liability	-	637,382	637,382
<i>Total noncurrent liabilities</i>	<u>-</u>	<u>637,382</u>	<u>637,382</u>
<i>Total liabilities</i>	<u>-</u>	<u>641,347</u>	<u>641,347</u>
<i>Deferred inflows of resources</i>			
Change in proportion	-	3,399	3,399
Actuarial experience	-	12,127	12,127
Net difference between projected and actual investment earnings	-	2,869	2,869
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>18,395</u>	<u>18,395</u>
<i>Net position</i>			
Unrestricted	<u>18,847</u>	<u>7,934,942</u>	<u>7,953,789</u>
<i>Total net position</i>	<u>18,847</u>	<u>7,934,942</u>	<u>7,953,789</u>
<i>Total liabilities, deferred inflows of resources, and net position</i>	<u>\$ 18,847</u>	<u>\$ 8,594,684</u>	<u>\$ 8,613,531</u>

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

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Statement of Revenues, Expenses, and Changes in Net Position  
Proprietary Funds  
For the Year Ended June 30, 2016

Exhibit D-2

	<b>Enterprise Funds</b>		
	<b>Food Services 21000</b>	<b>Leased Facilities 62000</b>	<b>Total</b>
<i>Operating revenues</i>			
Charges for services	\$ 145,409	\$ 3,489,856	\$ 3,635,265
Federal grant revenue	105,934	-	105,934
<i>Total operating revenues</i>	<u>251,343</u>	<u>3,489,856</u>	<u>3,741,199</u>
<i>Operating expenses</i>			
Payroll costs	-	381,431	381,431
Contractual services	-	7,196	7,196
Food costs	249,669	-	249,669
Other operating costs	9,930	558,139	568,069
<i>Total operating expenses</i>	<u>259,599</u>	<u>946,766</u>	<u>1,206,365</u>
<i>Operating income (loss)</i>	<u>(8,256)</u>	<u>2,543,090</u>	<u>2,534,834</u>
<i>Non-operating revenues (expenses)</i>			
Interest income	-	18,464	18,464
<i>Total non-operating revenues (expenses)</i>	<u>-</u>	<u>18,464</u>	<u>18,464</u>
<i>Income (loss) before transfers</i>	(8,256)	2,561,554	2,553,298
Transfers in	-	942,644	942,644
<i>Change in net position</i>	(8,256)	3,504,198	3,495,942
<i>Net position - beginning of year</i>	<u>27,103</u>	<u>4,430,744</u>	<u>4,457,847</u>
<i>Net position - end of year</i>	<u>\$ 18,847</u>	<u>\$ 7,934,942</u>	<u>\$ 7,953,789</u>

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

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2016

Exhibit D-3

	<b>Enterprise Funds</b>		
	<b>Food Services 21000</b>	<b>Leased Facilities 62000</b>	<b>Total</b>
<i>Cash flows from operating activities</i>			
Cash received from user charges	\$ 145,409	\$ 3,496,906	\$ 3,642,315
Cash received from grants	105,934	-	105,934
Cash payments to employees for services	-	(403,232)	(403,232)
Cash payments to suppliers for goods and services	(259,599)	(565,060)	(824,659)
<i>Net cash (used) provided by operating activities</i>	<u>(8,256)</u>	<u>2,528,614</u>	<u>2,520,358</u>
<i>Cash flows from noncapital financing activities</i>			
Operating transfers and changes in interfund activity	-	942,644	942,644
<i>Net cash provided by noncapital financing activities</i>	<u>-</u>	<u>942,644</u>	<u>942,644</u>
<i>Cash flows from investing activities</i>			
Interest on investments	-	18,464	18,464
<i>Net cash provided by investing activities</i>	<u>-</u>	<u>18,464</u>	<u>18,464</u>
<i>Net (decrease) increase in cash and cash equivalents</i>	(8,256)	3,489,722	3,481,466
<i>Cash and cash equivalents - beginning of year</i>	27,103	5,042,764	5,069,867
<i>Cash and cash equivalents - end of year</i>	<u>\$ 18,847</u>	<u>\$ 8,532,486</u>	<u>\$ 8,551,333</u>
<i>Reconciliation of operating income (loss) to net cash (used) provided by operating activities:</i>			
Operating (loss) income	\$ (8,256)	\$ 2,543,090	\$ 2,534,834
Adjustments to reconcile operating income (loss) to net cash (used) provided by operating activities			
Net pension expense	-	(15,967)	(15,967)
Changes in assets and liabilities			
Receivables	-	7,050	7,050
Accounts payable	-	275	275
Accrued payroll expenses	-	(5,834)	(5,834)
<i>Net cash (used) provided by operating activities</i>	<u>\$ (8,256)</u>	<u>\$ 2,528,614</u>	<u>\$ 2,520,358</u>

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

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Statement of Fiduciary Assets and Liabilities  
Agency Funds  
June 30, 2016

Exhibit E-1

<i>Current Assets</i>	
Cash and cash equivalents	<u>\$ 115,802</u>
<i>Total assets</i>	<u><u>\$ 115,802</u></u>
 <i>Current Liabilities</i>	
Due to student organizations	<u>\$ 115,802</u>
<i>Total liabilities</i>	<u><u>\$ 115,802</u></u>

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

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**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Notes to Financial Statements  
June 30, 2016

**NOTE 1. Summary of Significant Accounting Policies**

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

The School Board is authorized to establish policies and regulations for its own government consistent with the laws of the State of New Mexico and the regulations of the Legislative Finance Committee. The School Board is comprised of five members who are elected for terms of four years. The District operates seven schools within the District with a total enrollment of approximately 3,500 pupils. In conjunction with the regular educational programs, some of these schools offer special education. In addition, the District provides transportation and school food services for the students.

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

During the year ended June 30, 2016, the District adopted GASB Statements No. 72, *Fair Value Measurement and Application*, No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, No. 79, *Certain External Investment Pools and Pool Participants*, and a portion of 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 67 and 68*. GASB Statements Nos. 72, 76, and a portion of 79, as well as the implemented portion of Statement No. 73, are required to be implemented for the fiscal year ending June 30, 2016.

GASB Statement No. 72 addresses accounting and financial reporting issues related to fair value measurements. The definition of *fair value* is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The requirements of this Statement will enhance comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. This Statement also will enhance fair value application guidance and related disclosures in order to provide information to financial statement users about the impact of fair value measurements on a government’s financial position.

GASB Statement No. 73 establishes accounting and financial reporting standards for defined benefit pensions and defined contribution pensions that are not provided to employees of state and local government employers and are not within the scope of Statement 68. A portion of this pronouncement is effective for June 30, 2016 year end and a portion is effective for June 30, 2017 year end. Effective for June 30, 2016 are the amendments for Statement No.s 67 and 68 and assets accumulated for pensions not administered as trusts. The amendments of this pronouncement clarifies application of certain provisions of GASB 67 and 68 with regards to the following issues: (1) Information that is required to be presented as notes to the 10-year schedules of RSI about investment-related factors that significantly affect trends in reported amounts; (2) Accounting and financial reporting for separately financed specific liabilities of individual employers and nonemployer contributing entities for defined benefit pensions; and (3) Timing of employer recognition of revenue for the support of nonemployer contributing entities not in a special funding situation.

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Notes to Financial Statements  
June 30, 2016

**NOTE 1. Summary of Significant Accounting Policies (continued)**

In addition, effective for June 30, 2016 year ends, the requirements of this Statement extend the approach to accounting and financial reporting established in Statement 68 to all pensions, with modifications as necessary to reflect that, for accounting and financial reporting purposes, any assets accumulated for pensions that are provided through pension plans that are not administered through trusts that meet the criteria specified in Statement 68 should not be considered pension plan assets. It also requires that information similar to that required by Statement 68 be included in notes to financial statements and required supplementary information by all similarly situated employers and nonemployer contributing entities.

The objective of GASB Statement No. 76 is to identify-in the context of the current governmental financial reporting environment-the hierarchy of generally accepted accounting principles (GAAP). The "GAAP hierarchy" consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The requirements in this Statement improve financial reporting by (1) raising the category of GASB Implementation Guides in the GAAP hierarchy, thus providing the opportunity for broader public input on implementation guidance; (2) emphasizing the importance of analogies to authoritative literature when the accounting treatment for an event is not specified in authoritative GAAP; and (3) requiring the consideration of consistency with the GASB Concepts Statements when evaluating accounting treatments specified in nonauthoritative literature. As a result, governments will apply financial reporting guidance with less variation, which will improve the usefulness of financial statement information for making decisions and assessing accountability and enhance the comparability of financial statement information among governments.

GASB Statement No. 79 addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. A portion of this pronouncement is effective for June 30, 2016 year end and a portion is effective for June 30, 2017 year end. An external investment pool qualifies for that reporting if it meets all of the applicable criteria established in this Statement. The specific criteria address (1) how the external investment pool transacts with participants; (2) requirements for portfolio maturity, quality, diversification, and liquidity; and (3) calculation and requirements of a shadow price. Significant noncompliance prevents the external investment pool for measuring all of its investments at amortized cost for financial reporting purposes. Professional judgement is required to determine if instances of noncompliance with the criteria established by this Statement during the reporting period, individually or in the aggregate, were significant. This Statement will enhance comparability of financial statements among governments by establishing specific criteria used to determine whether a qualifying external investment pool may elect to use an amortized cost exception to fair value measurement. Those criteria will provide for qualifying external investment pools and participants in those pools with consistent application of an amortized cost-based measurement for financial reporting purposes. That measurement approximates fair value and mirrors the operations of external investment pools that transact with participants at a stable net asset value per share.

*A. Financial Reporting Entity*

In evaluating how to define the District, for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statements No. 14, as amended by GASB Statement No. 39 and GASB Statement No. 61. Blended component units, although legally separate entities, are in substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Notes to Financial Statements  
June 30, 2016

**NOTE 1. Summary of Significant Accounting Policies (continued)**

*A. Financial Reporting Entity (continued)*

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

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

Based upon the application of these criteria, the District has one component unit, as described in the following paragraph, and is not a component unit of another governmental agency.

The Los Alamos Education Foundation is a component unit of the District, as defined by GASB Statement No. 61, and has a separate governing board. The Foundation is deemed to be fiscally dependent upon the District and has been deemed to be a separate legal entity based on state statute and is presented as a discrete component unit. The discretely presented component unit does not have separately issued financial statements.

*B. Government-wide and Fund Financial Statements*

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes, state equalization funds, 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.

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
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**NOTE 1. Summary of Significant Accounting Policies (continued)**

*C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation*

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as 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 levied.

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.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal and ongoing operations. The principal operating revenue of the District's enterprise funds is fees. Operating expenses for the enterprise funds include the costs of services and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

All other revenue items are considered to be measurable and available only when cash is received by the government.

The District reports the following major governmental funds:

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

**STATE OF NEW MEXICO**  
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June 30, 2016

**NOTE 1. Summary of Significant Accounting Policies (continued)**

*C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)*

The *Entitlement IDEA-B Special Revenue Fund* is used to account for a program funded by a federal grant to assist the District in providing free appropriate education to all handicapped children. 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.

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

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

The *Debt Service Fund* is used to account for the accumulation of resources for, and the payment of general long-term debt principal, interest and related costs.

Additionally, the District reports the following proprietary funds:

The *Food Service Special Revenue Fund* is used to account for costs of operating a student food program and is financed with the fees paid by program users.

The *Leased Facilities Fund* is used to account for the rental income generated from facilities leased by the District.

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, other governments and/or other funds.

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

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

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

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

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**NOTE 1. Summary of Significant Accounting Policies (continued)**

*D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (continued)*

State statutes authorize the District to invest in Certificates of Deposit, obligations of the U.S. Government, and the State Treasurer's Local Government Investment Pool (LGIP). The LGIP operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares. As of June 30, 2016, the District does not have any investments in the LGIP.

For purposes of the Statement of Cash Flows the District considers certificates of deposits as cash equivalents.

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

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

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 Los Alamos County. The funds are collected by the County Treasurer and are remitted to the District the following month. Under the modified accrual method of accounting, the amount remitted by the County Treasurer in July and August 2016 is considered 'measurable and available' and, accordingly, is recorded as revenue in the governmental fund statements during the year ended June 30, 2016. The period of availability is deemed to be sixty days subsequent to year end.

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

**Inventory:** The District's method of accounting for inventory is the consumption method. Under the consumption approach, governments report inventories they purchase as an asset and defer the recognition of the expenditures until the period in which the inventories actually are consumed. Inventory is valued at cost. The cost of purchased items is recorded as an expenditure at the time individual inventory items are consumed.

Inventory in the General Fund consists of purchased items for maintenance, custodial and transportation supplies.

**STATE OF NEW MEXICO**  
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**NOTE 1. Summary of Significant Accounting Policies (continued)**

*D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (continued)*

**Capital Assets:** Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Information Technology Equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.20.1.9 C (5). The District was a Phase I government for purposes of implementing GASB 34; however, the District does not have any infrastructure assets to report.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Construction projects paid for by the Public School Capital Outlay Council are included in the District's capital assets. No interest was included as part of the cost of capital assets under construction.

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

<u>Assets</u>	<u>Years</u>
Buildings and improvements	10 – 50
Land improvements	10 – 50
Furniture, fixtures and equipment	5 – 15

**Deferred Outflows of Resources:** In addition to assets, the balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a use of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until that time. The District has two types of items that qualify for reporting in this category. Accordingly, the items, changes of assumption of \$1,915,595 and employer contributions subsequent to measurement date of \$3,434,739 has been reported as a deferred outflows of resources. These amounts are reported in the Statement of Net Position. These amounts are deferred and recognized as outflows of resources the next period.

**Deferred Inflows of Resources:** In addition to liabilities, the balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Revenue must be susceptible to accrual (measurable and available to finance expenditures of the current fiscal period) to be recognized. If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding liability for deferred inflows of resources. The District, has one type of item, which arises under the modified accrual basis of accounting that qualify for reporting in this category. Accordingly, the item, unavailable revenue - property taxes of \$34,072 is reported in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
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June 30, 2016

**NOTE 1. Summary of Significant Accounting Policies (continued)**

*D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (continued)*

In addition, the District has three types of items present on the Statement of Net Position which arise due to the implementation of GASB 68 and the related net pension liability. Accordingly, the items, changes in proportion of \$297,028, actuarial experience of \$1,059,640 and net difference between projected and actual investment earnings on pension plan investments of \$419,002, are reported on the Statement of Net Position. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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

**Compensated Absences:** Qualified employees are entitled to earn and accumulate annual leave according to a graduated level schedule of up to 20 days per year, depending on length of service, the employee's hire date, and employment status. Employees may accumulate and carry forward from one fiscal year to the next up to 40 days of annual leave. Upon termination, employees will be paid for up to 20 days of accrued annual leave.

Qualified employees are entitled to accumulate sick leave according to a graduated level schedule of up to 16 days per year, depending on length of service, the employee's hire date, and employment status. Employees may accumulate and carry forward a maximum of 230 days of sick leave. Employees are eligible for deferred sick leave payment upon retirement from the District at a rate of 25-30% of the employee's daily salary rate for any days above a 90 days base, up to a maximum of 140 days.

Vested or accumulated vacation leave that is expected to be liquidated with the 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 the expendable available financial resources are reported in the government-wide statement of net position.

**Accrued Payroll:** In the fund financial statements, governmental fund types recognize the accrual of unpaid wages and benefits that employees have earned at the close of each fiscal year.

**Long-term Obligations:** In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. For bonds issued after the District implemented GASB 34 in the year ended June 30, 2003, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method or the straight-line method if the amounts are inconsequentially different when compared to the effective interest method.



**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
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June 30, 2016

**NOTE 1. Summary of Significant Accounting Policies (continued)**

*D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (continued)*

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as a financing source while discounts on debt issuances are reported as other financing uses.

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

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

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

**Nonspendable Fund Balance:** At June 30, 2016, the nonspendable fund balance in the General Fund is made up of inventory in the amount of \$194,579 that is not in spendable form.

**Restricted and Committed Fund Balance:** At June 30, 2016, the restricted fund balance on the governmental funds balance sheet is made up of \$1,437,423 for transportation, instructional materials, extracurricular activities, and education to the students of the District, \$18,834,347 for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public schools, providing matching funds for capital outlay projects funded pursuant to the Public School Capital Outlay Act [22-24-1 NMSA 1978], or any combination of these purposes, \$5,638,458 for the payment of principal and interest of the future debt service requirements as implemented by legislation.

The District has also committed fund balance in the amount of \$1,732,027 for expenditures in the subsequent year.

**Minimum Fund Balance Policy:** The District has not developed a policy for maintaining a minimum amount of fund balance for operations is to minimize any sudden and unplanned discontinuity to programs and operations and for unforeseen contingencies.

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

- a. Net investment in capital assets – Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The District had \$12,642,600 in unspent bond proceeds as of June 30, 2016.

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
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**NOTE 1. Summary of Significant Accounting Policies (continued)**

*D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (continued)*

- b. Restricted net position – Net position is reported as restricted when constraints are placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation. Descriptions for the related restrictions for net position restricted for “special revenue, debt service, and capital projects” are described on pages 36-37 and 74-76.
- c. Unrestricted net position – Net position that does not meet the definition of “Restricted” or “Net Investment in Capital Assets.”

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

*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 costs.”

A school district’s program costs are determined through the use of various formulas using ‘program units’ which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$26,683,509 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. Property taxes are assessed on January 1st of each year and are payable in two equal installments, on November 10th of the year in which the tax bill is prepared and April 10th of the following year with the levies becoming delinquent 30 days (one month) thereafter. The District recognizes tax revenues in the period for which they are levied in the government-wide financial statements.

The District records only the portion of the taxes considered ‘measurable’ and ‘available’ in the governmental fund financial statements. The District recognized \$8,319,719 in tax revenues in the governmental fund financial statements 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.

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
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June 30, 2016

**NOTE 1. Summary of Significant Accounting Policies (continued)**

*E. Revenues (continued)*

**Transportation Distribution:** School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through 12 attending public school within the school district. The District received \$625,985 in transportation distributions during the year ended June 30, 2016.

**Instructional Materials:** The Public Education Department (Department) receives federal mineral leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, seventy percent is restricted to the requisition of materials listed in the Public Education Department "State Adopted Instructional Material" list, while thirty percent of each allocation is available for purchases directly from vendors. Allocations received from the State for the year ended June 30, 2016 totaled \$253,559.

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

The District did not receive any funds in State SB-9 matching during the year ended June 30, 2016.

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

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 \$283,441 in state capital outlay funds.

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

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Notes to Financial Statements  
June 30, 2016

**NOTE 2. Stewardship, Compliance, and Accountability**

*Budgetary Information*

Budgets for the General, Special Revenue, Debt Service and Capital Projects Funds are prepared by management and are approved by the local Board of Education and the School Budget and Planning Unit of the Public Education Department. Auxiliary student activity accounts are 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. Because the budget process in the State of New Mexico requires that the beginning cash balance be appropriated in the budget of the subsequent fiscal year, such appropriated balance is legally restricted and is therefore presented as restricted fund balance.

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

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

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

1. In April or May, the local school board submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department (PED) a proposed operating budget for the ensuing fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets are submitted to the State of New Mexico Public Education Department.
2. In May or June of each year, the proposed "operating" budget will be reviewed and approved by the DBPU and certified and approved by the local school board at a public hearing of which notice has been published by the local school board which fixes the estimated budget for the school district for the ensuing fiscal year.
3. The school board meeting is open for the general public unless a closed meeting has been called.
4. The "operating" budget will be used by the District until they have been notified that the budget has been approved by the DBPU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system.
5. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the DBPU.
6. The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Public Education Department.
7. Budget change requests are processed in accordance with Supplement 1 (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the DBPU.
8. Legal budget control for expenditures is by function.

**STATE OF NEW MEXICO**  
 Los Alamos Public Schools  
 Notes to Financial Statements  
 June 30, 2016

**NOTE 2. Stewardship, Compliance, and Accountability (continued)**

*Budgetary Information (continued)*

9. Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget schedules included in the accompanying financial statements reflect the original budget and the final budget.
10. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds.

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

The appropriated budget for the year ended June 30, 2016, was properly amended by the District's Board of Education throughout the year. These amendments resulted in the following changes:

	<b>Excess (deficiency) of</b>	
	<b>revenues over expenditures</b>	
	<b>Original</b>	<b>Final</b>
	<b>Budget</b>	<b>Budget</b>
Budgeted Funds:		
General Fund	\$ (4,488,519)	\$ (5,042,975)
Entitlement IDEA-B	\$ -	\$ -
Bond Building Capital Projects Fund	\$ (4,005,752)	\$ (5,201,212)
HB-33 Capital Projects Fund	\$ (5,064,871)	\$ (5,583,514)
Debt Service Fund	\$ (4,346,640)	\$ (5,605,341)
Food Service Proprietary Fund	\$ (5,902)	\$ (27,103)
Other Governmental Funds	\$ (975,600)	\$ (999,172)

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

The District budgets on a modified cash basis with payroll or held checks being accrued and expensed, therefore, fund balances on the budget statements do not reconcile to cash due to the District's accrued payroll which is presented on the accrual basis.

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

The District does not budget for the Proprietary Fund Leased Facilities.

**NOTE 3. Deposits and Investments**

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.

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**NOTE 3. Deposits and Investments (continued)**

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

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

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

Beginning January 1, 2013, all of the District's accounts at an insured depository institution, including all noninterest-bearing transaction accounts, will be insured by the FDIC up to the standard maximum deposit insurance amount of \$250,000 for all deposit accounts out of state and up to \$250,000 for all time and saving accounts plus up to \$250,000 for all demand deposit accounts held at a single institution in state.

*Custodial Credit Risk – Deposits*

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2016, \$35,946,135 of the District's bank balance of \$37,449,635 was subject to custodial credit risk. \$30,151,173 was uninsured and collateralized by collateral held by the pledging bank's trust department, not in the District's name. \$5,794,962 of the District's deposits were uninsured and uncollateralized at June 30, 2016.

**Primary Government**

	<b>First National Bank</b>	<b>Los Alamos National Bank</b>	<b>New Mexico Bank &amp; Trust</b>	<b>Charles Schwab</b>	<b>Total</b>
Amount of deposits	\$ 18,284,330	\$ 15,822,122	\$ 2,839,683	\$ 503,500	\$ 37,449,635
FDIC coverage	(500,000)	(250,000)	(250,000)	(503,500)	(1,503,500)
Total uninsured public funds	<u>17,784,330</u>	<u>15,572,122</u>	<u>2,589,683</u>	<u>-</u>	<u>35,946,135</u>
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the District's name	<u>11,989,368</u>	<u>15,572,122</u>	<u>2,589,683</u>	<u>-</u>	<u>30,151,173</u>
Uninsured and uncollateralized	<u>\$ 5,794,962</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,794,962</u>
Collateral requirement (50%)	\$ 8,892,165	\$ 7,786,061	\$ 1,294,842	\$ -	\$ 17,973,068
Pledged securities	<u>11,989,368</u>	<u>20,740,871</u>	<u>3,005,642</u>	<u>-</u>	<u>35,735,881</u>
Over (under) collateralized	<u>\$ 3,097,203</u>	<u>\$ 12,954,810</u>	<u>\$ 1,710,800</u>	<u>\$ -</u>	<u>\$ 17,762,814</u>

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**NOTE 3. Deposits and Investments (continued)**

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

The District utilizes internal pooled accounts for some of their programs and funds. Negative cash balances in individual funds that were part of the pooled accounts were reclassified as due to/from accounts in the combining balance sheet as of June 30, 2016. Funds 24101 through 25184 are federal funds and 27103 through 31400 are nonfederal funds. The following individual funds had negative cash balances as of June 30, 2016:

<u>Fund #</u>	<u>Fund Name</u>	<u>Amount</u>
24101	Title I- IASA	\$ 26,226
24106	Entitlement IDEA-B	285,503
24109	Preschool IDEA-B	3,975
24112	IDEA-B Early Intervention Services	52,363
24120	IDEA-B "Risk Pool"	605
24154	Teacher/Principal Training/Recruiting	45,467
25184	Indian Education Formula Grant	1,529
27103	Dual Credit Instructional Materials	28,545
27107	2012 G.O. Bond Student Library Fund	21,952
27114	New Mexico Reads to Lead K-3 Reading Initiative	63,872
27178	2013 School Bus	85,003
31400	Special Capital Outlay - State	98,406
	Total	<u>\$ 713,446</u>

**Investments**

The District has presented certificates of deposits of \$4,987,636 as investments in the Statement of Net Position, as these have maturity dates greater than 90 days.

Reconciliation to the Statement of Net Position

The carrying amount of deposits and investments shown above are included in the District's statement of net position as follows:

Primary Government

Reconciliation to the Statement of Net Position

Cash and cash equivalents per Exhibit A-1	\$ 25,879,862
Restricted cash per Exhibit A-1	5,526,100
Investments per Exhibit A-1	4,987,636
Cash - Statement of Fiduciary Assets and Liabilites per Exhibit E-1	<u>115,802</u>
Total cash, cash equivalents, and investments	<u>36,509,400</u>
Add: outstanding checks	<u>940,235</u>
Bank balance of deposits	<u>\$ 37,449,635</u>

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**NOTE 3. Deposits and Investments (continued)**

**Component Unit**

*Custodial Credit Risk – Deposits*

Custodial credit risk is the risk that in the event of a bank failure, the Foundation's deposits may not be returned to it. The Foundation does not have a deposit policy for custodial credit risk. At June 30, 2016, there were no deposits of the Foundation's bank balance of \$184,769 subject to custodial credit risk. As of June 30, 2016, the carrying amount of these deposits was \$184,769. The Foundation is a 501 (c)(3) tax exempt organization not subject to the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978).

**Investments**

The Foundation maintains the following investments portfolio as of June 30, 2016:

Deposit accounts	\$ 31,589
Fixed income securities	10,000
Other assets	141,694
Trinity Capital Corporation	25,524

**Fair Value Measurement**

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

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

Level 2 Inputs to the valuation methodology include:

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

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

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

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



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**NOTE 3. Deposits and Investments (continued)**

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

The following table sets forth by level within the fair value hierarchy, the Foundation's assets at fair value as of June 30, 2016:

<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<u>\$ 208,807</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 208,807</u>

Component Unit

Reconciliation to the Statement of Net Position

Cash and cash equivalents per Exhibit A-1	\$ 31,009
Restricted cash per Exhibit A-1	144,059
Investments per Exhibit A-1	11,371
Restricted investments per Exhibit A-1	<u>197,436</u>
Total cash, cash equivalents, and investments	<u>383,875</u>
Add: outstanding checks	9,944
Less: deposits in transit	(235)
Less: petty cash	<u>(8)</u>
Bank balance of deposits	<u>\$ 393,576</u>

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**NOTE 4. Accounts Receivable**

Accounts receivable as of June 30, 2016, are as follows:

**Governmental Activities**

	<u>General Fund</u>	<u>Entitlement IDEA-B</u>	<u>Capital Improvements HB-33</u>	<u>Debt Service Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Property taxes receivable	\$ 6,298	\$ -	\$ 51,463	\$ 136,217	\$ -	\$ 193,978
Due from other governments:						
Federal sources	-	316,724	-	-	99,696	416,420
State sources	-	-	-	-	269,725	269,725
Other receivables:						
Charges for services	<u>23,140</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,140</u>
Total	<u>\$ 29,438</u>	<u>\$ 316,724</u>	<u>\$ 51,463</u>	<u>\$ 136,217</u>	<u>\$ 369,421</u>	<u>\$ 903,263</u>

In accordance with GASB No. 33, property tax revenues in the amount of \$34,072 that were not collected within the period of availability and have been reclassified as deferred inflow of resources in the governmental fund financial statements. All of the above receivables are deemed to be fully collectible.

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**NOTE 5. Interfund Receivables, Payables, and Transfers**

The District records temporary interfund receivables and payables to enable the funds to operate until grant monies are received. The composition of interfund balances during the year ended June 30, 2016 is as follows:

<u>Governmental Activities</u>	<u>Due from other funds</u>	<u>Due to other funds</u>
Operational Fund	\$ 713,446	\$ -
Title I- IASA	-	26,226
Entitlement IDEA-B	-	285,503
Preschool IDEA-B	-	3,975
IDEA-B Early Intervention Services	-	52,363
IDEA-B "Risk Pool"	-	605
Teacher/Principal Training/Recruiting	-	45,467
Indian Education Formula Grant	-	1,529
Dual Credit Instructional Materials	-	28,545
2012 G.O. Bond Student Library Fund	-	21,952
New Mexico Reads to Lead K-3 Reading Initiative	-	63,872
2013 School Bus	-	85,003
Special Capital Outlay - State	-	98,406
Total	<u>\$ 713,446</u>	<u>\$ 713,446</u>

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

The District's fund financial statements include inter-fund receivables and payables due to prior year amounts being carried forward from year-to-year causing incorrect balance in fund balance. These adjustments as of June 30, 2016 is as follows:

<u>Governmental Activities</u>	<u>Due from Operational Fund</u>	<u>Due to special revenue funds</u>
Operational Fund	\$ -	\$ 30,870
Preschool IDEA-B	285	-
IDEA-B Early Intervention Services	30,585	-
	<u>\$ 30,870</u>	<u>\$ 30,870</u>

Net operating transfers, made to close out funds and to supplement other funding sources in the normal course of operations, were as follows:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Amount</u>
Operational	Non-Instructional Educational Support	\$ 31,262
Operational	Leased Facilities	942,644
Operational	Transportation	64,762
Operational	Insurance Clearing	78,301
Operational	Teacher/Principal Training/Recruiting	4,767
Keep New Mexico Beautiful	Operational	2,621
		<u>\$ 1,124,357</u>

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**NOTE 6. Capital Assets**

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows. Land and construction in progress are not subject to depreciation.

<b>Governmental Activities</b>	<b>Balance June 30, 2015</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance June 30, 2016</b>
Capital assets not being depreciated:				
Land	\$ 52,785,577	\$ -	\$ -	\$ 52,785,577
Construction in progress	18,080,618	731,869	18,080,618	731,869
<b>Total capital assets not being depreciated</b>	<b>70,866,195</b>	<b>731,869</b>	<b>18,080,618</b>	<b>53,517,446</b>
Capital assets being depreciated:				
Buildings and improvements	77,593,250	18,212,630	74,965	95,730,915
Land improvements	9,359,403	351,352	-	9,710,755
Furniture, fixtures, and equipment	8,856,193	489,782	179,743	9,166,232
<b>Total capital assets being depreciated</b>	<b>95,808,846</b>	<b>19,053,764</b>	<b>254,708</b>	<b>114,607,902</b>
Less accumulated depreciation:				
Buildings and improvements	19,840,461	2,607,828	30,646	22,417,643
Land improvements	3,388,826	683,441	-	4,072,267
Furniture, fixtures, and equipment	6,063,265	827,623	175,992	6,714,896
<b>Total accumulated depreciation</b>	<b>29,292,552</b>	<b>4,118,892</b>	<b>206,638</b>	<b>33,204,806</b>
<b>Total capital assets, net of depreciation</b>	<b>\$ 137,382,489</b>	<b>\$ 15,666,741</b>	<b>\$ 18,128,688</b>	<b>\$ 134,920,542</b>

For the year ended June 30, 2016, depreciation expense was charged to the following functions:

<b>Governmental Activities</b>	
Instruction	\$ 92,789
Support Services	1,728
Operations and Maintenance of Plant	3,732,044
Student Transportation	291,902
Food Services	429
<b>Total</b>	<b>\$ 4,118,892</b>

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**NOTE 6. Capital Assets (continued)**

The District has active construction projects as of June 30, 2016. The projects include additions, renovations and improvements to school buildings and grounds. A portion of the outstanding projects is funded by payments made directly to contractors by the Public School Capital Outlay Council (PSCOC). The PSCOC was created under the public school capital outlay council pursuant to Subsection A of Section 22-24-9 NMSA 1978 to assist in identifying and funding all outstanding deficiencies in public schools and grounds that may adversely affect the \$283,441, which was awarded by the Public School Capital Outlay Council.

<b>Component Unit</b>	<b>Balance June 30, 2015</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance June 30, 2016</b>
Capital assets being depreciated:				
Equipment	\$ 515	\$ -	\$ -	\$ 515
 Total capital assets being depreciated	 515	 -	 -	 515
Less accumulated depreciation:				
Equipment	155	103	-	258
 Total accumulated depreciation	 155	 103	 -	 258
 Total capital assets, net of depreciation	 \$ 360	 \$ (103)	 \$ -	 \$ 257

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**NOTE 7. Long-Term Debt**

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. The original amount of general obligation bonds issued in prior years was \$62,665,000. General obligation bonds are direct obligations and pledge the full faith and credit of the District. These bonds are issued with varying terms and varying amounts of principal maturing each year. All general obligation bonds as of June 30, 2016 are for governmental activities.

Bonds outstanding at June 30, 2016, are comprised of the following:

	<u>Series 2004</u>	<u>Series 2006</u>	<u>Series 2008</u>	<u>Series 2009</u>	<u>Series 2010</u>
Original Issue:	\$ 2,000,000	\$ 4,000,000	\$ 3,000,000	\$ 10,000,000	\$ 20,000,000
Principal:	1-Aug	1-Aug	1-Aug	1-Aug	1-Aug
Interest:	1-Aug 1-Feb	1-Aug 1-Feb	1-Aug 1-Feb	1-Aug 1-Feb	1-Aug 1-Feb
Interest Rates:	2.00-3.50%	3.350-3.600%	3.00-4.00%	2.150-3.100%	2.000-3.125%
Maturity Date:	Aug-16	Aug-18	Aug-20	Aug-21	Aug-22
	<u>Series 2011</u>	<u>Series 2012</u>	<u>Series 2013</u>	<u>Series 2014</u>	<u>Series 2015</u>
Original Issue:	\$ 6,865,000	\$ 5,000,000	\$ 6,900,000	\$ 4,900,000	\$ 8,200,000
Principal:	1-Aug	1-Aug	1-Aug	1-Aug	1-Aug
Interest:	1-Aug 1-Feb	1-Aug 1-Feb	1-Aug 1-Feb	1-Aug 1-Feb	1-Aug 1-Feb
Interest Rates:	2.00-3.00%	2.000%-2.250%	2.00-3.00%	2.250-3.000%	2.00-3.00%
Maturity Date:	Aug-23	Aug-24	Aug-25	Aug-26	Aug-27

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**NOTE 7. Long-Term Debt (continued)**

The following is a summary of the long-term debt and the activity for the year ended June 30, 2016:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2016</u>	<u>Due Within</u> <u>One Year</u>
General Obligation Bonds Series 2004	\$ 285,000	\$ -	\$ 150,000	\$ 135,000	\$ 135,000
General Obligation Bonds Series 2006	1,475,000	-	400,000	1,075,000	350,000
General Obligation Bonds Series 2008	1,820,000	-	200,000	1,620,000	300,000
General Obligation Bonds Series 2009	3,775,000	-	500,000	3,275,000	500,000
General Obligation Bonds Series 2010	11,940,000	-	1,200,000	10,740,000	1,200,000
General Obligation Bonds Series 2011	2,790,000	-	300,000	2,490,000	300,000
General Obligation Bonds Series 2012	3,565,000	-	300,000	3,265,000	300,000
General Obligation Bonds Series 2013	5,850,000	-	500,000	5,350,000	500,000
General Obligation Bonds Series 2014	4,900,000	-	1,500,000	3,400,000	200,000
General Obligation Bonds Series 2015	-	8,200,000	-	8,200,000	1,025,000
Total Bonds	36,400,000	8,200,000	5,050,000	39,550,000	4,810,000
Compensated Absences	577,915	343,823	356,915	564,823	356,915
Total Long-Term Debt	<u>\$ 36,977,915</u>	<u>\$ 8,543,823</u>	<u>\$ 5,406,915</u>	<u>\$ 40,114,823</u>	<u>\$ 5,166,915</u>

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**NOTE 7. Long-Term Debt (continued)**

The annual requirements to extinguish all general obligation bonds outstanding as of June 30, 2016, including interest payments are as follows:

<b>Fiscal Year Ending June 30, 2016</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
2017	\$ 4,810,000	\$ 983,749	\$ 5,793,749
2018	5,030,000	860,688	5,890,688
2019	4,405,000	737,063	5,142,063
2020	4,300,000	614,838	4,914,838
2021	4,320,000	494,075	4,814,075
2022-2026	14,620,000	1,215,624	15,835,624
2027-2028	2,065,000	48,091	2,113,091
	<u>\$ 39,550,000</u>	<u>\$ 4,954,128</u>	<u>\$ 44,504,128</u>

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 \$13,092 from the prior year accrual. In prior years, the general fund was typically used to liquidate such long-term liabilities. See Note 1 for more details.

**NOTE 8. Risk Management**

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; error omissions; and natural disasters, for which the District is a member of the New Mexico Public School 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 \$15,000 deductible per occurrence with a maximum annual deductible of \$60,000. 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 Securities, which include a \$750 deductible.

In case the NMPSIA’s assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. As of June 30, 2016, there have been no claims that have exceeded insurance coverage.



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**NOTE 9. Pension Plan – Educational Retirement Board**

**General Information about the Pension Plan**

**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).

**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 any other consecutive five-year period, whichever is greater. A brief summary of Plan coverage provisions follows:

For members employed before July 1, 2010, a member is eligible to retire when one of the following events occurs: the member's age and 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 is as follows: the member's age and earned service credit add up to the sum of 80 or more; the member is at least sixty-seven years of age and has five or more years of earned service credit; or the member has service credit totaling 30 years or more.

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.

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Notes to Financial Statements  
June 30, 2016

**NOTE 9. Pension Plan – Educational Retirement Board (continued)**

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

A member is eligible for a disability benefit provided (a) he or she has credit for at least 10 years of service, and (b) the disability is approved by ERB. The monthly benefit is equal to 2% of FAS times years of service, but not less than the smaller of (a) one-third of FAS or (b) 2% of FAS times year of service projected to age 60. The disability benefit commences immediately upon the member’s retirement. Disability benefits are payable as a monthly life annuity, with a guarantee that, if the payments made do not exceed the member’s accumulated contributions, determined as of the date of retirement, the balance will be paid in a lump sum to the member’s surviving beneficiary. If the disabled member survives to age 60, the regular optional forms of payment are then applied. 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 plan members and the District are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2015 employers contributed 13.90% of employees’ gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% 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 the District were \$3,435,739 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, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date June 30, 2015. At June 30, 2015, the District reported a liability of \$55,693,479 for its proportionate share of the net pension liability. The District’s proportion of the net pension liability is based on the employer contributing entity’s percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, the District’s proportion was 0.8598 percent, which was a decrease of 0.0054 from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the District recognized pension expense of \$4,215,282. At the June 30, 2016, the District reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	<b>Deferred Outflow of Resources</b>	<b>Deferred Inflow of Resources</b>
Differences between expected and actual experience	\$ -	\$ 1,059,640
Net difference between projected and actual earnings on pension plan investments	-	419,002
Changes in proportion and differences between District contributions and proportionate share of contribution	-	297,028
Changes in assumptions	1,915,595	-
District's contributions subsequent to the measurement date	3,435,739	-
Total	\$ 5,351,334	\$ 1,775,670

**STATE OF NEW MEXICO**  
 Los Alamos Public Schools  
 Notes to Financial Statements  
 June 30, 2016

**NOTE 9. Pension Plan – Educational Retirement Board (continued)**

\$3,435,739 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date of 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	\$	(344,527)
2018		(298,405)
2019		9,330
2020		773,527
2021		-
Thereafter		-

**Actuarial assumptions.** The total pension liability, net pension liability, and certain sensitivity information shown in this report are based on actuarial valuation and performed as of June 30, 2015. The liabilities reflect the impact of Senate Bill 115, signed into law March 29, 2013 and new assumptions adopted by the Board of Trustees on June 12, 2015. Specifically, the liabilities measured as of June 30, 2015 incorporate the following assumptions:

1. All members with an annual salary of more than \$20,000 will contribute 10.70% during the fiscal year ending June 30, 2015 and thereafter.
2. Members hired after June 30, 2013 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. These assumptions were adopted by the Board on June 12, 2015 in conjunction with the six year experience study period ending June 30, 2014.
5. For 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 contributions rates included in the measurement are as follows:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll
Remaining Period	Amortized – closed 30 years from June 30, 2012 to June 30, 2042
Asset Valuation Method	5 year smoothed market for funding valuation (fair value for financial valuation)
Inflation	3.00%

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Notes to Financial Statements  
June 30, 2016

**NOTE 9. Pension Plan – Educational Retirement Board (continued)**

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)

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.). These items are developed for each major asset class. ERB's investment allocation policy was reviewed and amended by the Board of Trustees on June 14, 2014. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension plan. The following schedule shows the current asset allocation policy adopted June 14, 2014 as well as the prior allocation policy targets.

**Comparative Schedule of Target Investment Allocation**

Asset Class	Target Allocation	
	After 6/14/2014	Prior to 6/14/2014
<b>Equities</b>		
<i>Domestic Equities</i>		
Large cap equities	18%	20%
Small- mid cap equities	2%	2%
<i>International Equities</i>		
Developed	5%	5%
Emerging markets	10%	10%
<b>Total equities</b>	35%	37%
<b>Fixed Income</b>		
Opportunistic credit	20%	20%
Core bonds	6%	7%
Emerging market debt	2%	2%
<b>Total fixed income</b>	28%	29%

**STATE OF NEW MEXICO**  
 Los Alamos Public Schools  
 Notes to Financial Statements  
 June 30, 2016

**NOTE 9. Pension Plan – Educational Retirement Board (continued)**

**Comparative Schedule of Target Investment Allocation**

Asset Class	Target Allocation (continued)	
	After 6/14/2014	Prior to 6/14/2014
<b>Total from above</b>	<b>63%</b>	<b>66%</b>
<b>Alternatives</b>		
Real estate - REITS	7%	5%
Real assets	8%	7%
Private equity	11%	8%
Absolute return	0%	3%
Global asset allocation	5%	5%
Risk parity	5%	5%
<b>Total alternatives</b>	<b>36%</b>	<b>33%</b>
<b>Cash</b>	<b>1%</b>	<b>1%</b>
<b>Total</b>	<b>100%</b>	<b>100%</b>

For the years ended June 30, 2015 and 2014, the annual money-weighted rates of return on pension plan investments were 4.06% and 14.71%, respectively

**Discount rate:** A single discount rate of 7.75% was used to measure the total ERB pension liability as of June 30, 2015 and June 30, 2014. This single discount rate was based on the expected rate of return on pension plan investments of 7.75%. Based on the stated assumptions and the projection of cash flows, the Plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current pension plan members. Therefore the long term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The projection of cash flows used to determine this single discount rate assumed that Plan contributions will be made at the current statutory levels. Additionally, contributions received through the Alternative Retirement Plan (ARP), ERB's defined contribution plan, are included in the projection of cash flows. ARP contributions are assumed to remain at a level percentage of ERB payroll, where the percentage of payroll is based on the most recent five year contribution history.

**Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.** The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2014. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

**STATE OF NEW MEXICO**  
 Los Alamos Public Schools  
 Notes to Financial Statements  
 June 30, 2016

**NOTE 9. Pension Plan – Educational Retirement Board (continued)**

	<b>1% Decrease (6.75%)</b>	<b>Current Discount Rate (7.75%)</b>	<b>1% Increase (8.75%)</b>
District's proportionate share of the net pension liability	\$ 74,939,296	\$ 55,693,479	\$ 39,524,988

**Pension plan fiduciary net position.** Detailed information about the pension plan’s fiduciary net position is available in the separately issued audited financial statements as of and for June 30, 2015 and June 30, 2014 which are publicly available at [www.nmerb.org](http://www.nmerb.org).

**Payables to the pension plan.** Los Alamos Public School District remits the legally required employer and employee contributions on a monthly basis to ERB. The ERB requires that the contributions be remitted by the 15<sup>th</sup> day of the month following the month for which contributions are withheld. At June 30, 2016 the District paid all the ERB for the contributions withheld in the month of June 2016.

**NOTE 10. Post-Employment Benefits – State Retiree Health Care Plan**

*Plan Description.* The District 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.

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).

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Notes to Financial Statements  
June 30, 2016

**NOTE 10. Post-Employment Benefits – State Retiree Health Care Plan (continued)**

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 not members of an enhanced retirement plan during the fiscal year ended June 30, 2016, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 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.

The District's contribution to the RHCA for the years ended June 30, 2016, 2015, and 2014 were \$493,485, \$486,347, and \$475,154, respectively, which equal the required contributions for each year.

**NOTE 11. Tax Sheltered Annuity Plan**

The District offers its employees a tax sheltered annuity plan created in accordance with Internal Revenue Code Section 403(b). The plan, available to all employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All amounts of compensation deferred under the plan are remitted by the District to the various plan administrators and the District has no further claim to these funds.

**NOTE 12. Contingent Liabilities**

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

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

**STATE OF NEW MEXICO**  
 Los Alamos Public Schools  
 Notes to Financial Statements  
 June 30, 2016

**NOTE 13. Other Required Individual Fund Disclosures**

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

- A. Deficit Fund Balances. The following funds maintained a deficit fund balance as of June 30, 2016:

<b>Major Fund</b>	
Transportation	<u>\$ 1,317</u>
 <b>Nonmajor Funds</b>	
Dual Credit Instructional Materials	\$ 28,545
Early College High School Start-Up	<u>4,906</u>
Total Governmental Funds	<u>\$ 33,451</u>

The District incurred more expenditures than revenues received in these funds in the current year. The District anticipates these funds balance will not be in a deficit state in subsequent years.

- B. Excess of expenditures over appropriations. The District had the following fund with function item expenditures in excess of the budgeted appropriations for the year ended June 30, 2016.

<b>Major Fund</b>	
Transportation Fund-1300	<u>\$ 5,035</u>
 <b>Nonmajor Fund</b>	
Los Alamos Public School Foundation- Capital Outlay	\$ 9,918
Dual Credit Instructional Material - Instruction	25,335
New Mexico Reads to Lead K-3 Reading Initiative - Instruction	<u>445</u>
Total Governmental Funds	<u>\$ 35,698</u>

- C. Designated cash appropriations in excess of available balance. The District's did not have any funds in which designated cash appropriations were in excess of available balances for the year ended June 30, 2016.

**NOTE 14. Concentrations**

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



**STATE OF NEW MEXICO**  
 Los Alamos Public Schools  
 Notes to Financial Statements  
 June 30, 2016

**NOTE 15. Commitments**

The District had multiple construction projects ongoing as of the year ended June 30, 2016 that are to continue into the following fiscal year. These projects are as follows:

<u>Project</u>	<u>Expected Completion Date</u>	<u>Remaining amount</u>
Paving Los Alamos High School	2017	\$ 369,585
TFA	2017	365,673
Music Wing	2017	1,287,231
Los Alamos Middle School Kitchen and Café	2017	845,905
Los Alamos Middle School Locker Room	2017	38,542
HVAC	2017	196,947
<b>Total</b>		<u><u>\$ 3,103,883</u></u>

**NOTE 16. Restricted Net Position**

The government-wide statement of net position reports \$25,007,923 of restricted net position, all of which is restricted by enabling legislation. For descriptions of the related restrictions for net position restricted for special revenue, debt service and capital projects, see pages 36-37 and 74-76.

**NOTE 17. Subsequent Events**

The date to which events occurring after June 30, 2016, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statement or disclosures is October 27, 2016, which is the date on which the financial statements were issued. No subsequent events.

**NOTE 18. Subsequent Pronouncements**

In June 2015, GASB 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 67 and 68*, was issued. Effective Date: A portion of this provision of this Statement are effective for financial statements for periods beginning after June 15, 2016. Earlier application is encouraged. The District is still evaluating how this pronouncement will affect the financial statements.

In June 2015, GASB Statement No. 74 *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, was issued. Effective Date: The provisions of this Statement are effective for fiscal years beginning after June 15, 2016. This pronouncement will not affect the District's financial statements.

In June 2015, GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, was issued. Effective Date: The provisions of this Statement are effective for fiscal years beginning after June 15, 2017. The standard will be implemented during the fiscal year ended June 30, 2018. The District expects this pronouncement to have a material effect on the financial statements.

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Notes to Financial Statements  
June 30, 2016

**NOTE 18. Subsequent Pronouncements (continued)**

In August 2015, GASB Statement No. 77 *Tax Abatement Disclosures*, was issued. Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2015. Earlier application is encouraged. The District will implement this standard during the fiscal year ended June 30, 2017. The District is still evaluating how this pronouncement will affect the financial statements.

In December 2015, GASB Statement No. 78 *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*, was issued. Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2015. Earlier application is encouraged. The District is still evaluating how this pronouncement will affect the financial statements.

In January 2016, GASB Statement No. 80 *Blending Requirements for Certain Component Units-an amendment of GASB Statement No. 14*, was issued. Effective Date: The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. Earlier application is encouraged. The District is still evaluating how this pronouncement will affect the financial statements.

In March 2016, GASB Statement No. 81 *Irrevocable Split-Interest Agreements*, was issued. Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2016. Earlier application is encouraged. The District is still evaluating how this pronouncement will affect the financial statements.

In March 2016, GASB Statement No. 82 *Pension Issues-an amendment of GASB Statement No. 67, No. 68, and No.73*, was issued. Effective Date: The requirements of this Statement are effective for reporting periods beginning after June 15, 2016, except for the requirements of paragraph 7 in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements of paragraph 7 are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. Earlier application is encouraged. The District is still evaluating how this pronouncement will affect the financial statements.

**NOTE 19. Joint Powers Agreements**

Facilities Management Assistance and Oversight

Participants – Los Alamos Public Schools

Public School Capital Outlay Council

Responsible party – All participants

Description – To provide ongoing capital outlay projects and inventory of facilities and equipment, their condition and maintenance activities for them.

Begin date – September 14, 2010

Ending date – Until notified

Estimated amount of project – Unknown

Audit responsibility – Each participant

Fiscal agent – Not applicable

**REQUIRED SUPPLEMENTARY INFORMATION**

**STATE OF NEW MEXICO**  
 Los Alamos Public Schools  
 Schedule of Proportionate Share of the Net Pension Liability  
 Educational Retirement Board (ERB) Pension Plan  
 Last 10 Fiscal Years\*

Schedule I

	<b>2016 Measurement Date (As of and for the Year Ended June 30, 2015)</b>	<b>2015 Measurement Date (As of and for the Year Ended June 30, 2014)</b>
Los Alamos Public School's proportion of the net pension liability (asset)	0.85983%	0.86523%
Los Alamos Public Schools proportionate share of the net pension liability (asset)	\$ 55,693,479	\$ 49,367,686
Los Alamos Public Schools covered-employee payroll	24,441,544	23,848,938
Los Alamos Public Schools proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	228%	207%
Plan fiduciary net position as a percentage of the total pension liability	63.97%	66.54%

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

See Independent Auditor's Report.  
 See notes to required supplementary information.

**STATE OF NEW MEXICO**  
 Los Alamos Public Schools  
 Schedule of Contributions  
 Educational Retirement Board (ERB) Pension Plan  
 Last 10 Fiscal Years\*

Schedule II

	<b>As of and for the Year Ended June 30, 2016</b>	<b>As of and for the Year Ended June 30, 2015</b>
Contractually required contribution	\$ 3,435,739	\$ 3,380,325
Contributions in relation to the contractually required contribution	3,435,739	3,380,325
Contribution deficiency (excess)	\$ -	\$ -
Los Alamos Public Schools covered-employee payroll	24,717,550	24,441,544
Contribution as a percentage of covered-employee payroll	13.90%	13.83%

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

See Independent Auditor's Report.  
 See notes to required supplementary information.

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Notes to Required Supplementary Information  
June 30, 2016

*Changes of benefit terms.*

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

*Changes of assumptions.*

The Board of Trustees approved the following economic and demographic assumptions used in the fiscal year 2015 actuarial calculation of the total pension liability on June 12, 2015:

- 1) Lower wage inflation from 4.25% to 3.75%
- 2) Update the mortality tables to incorporate generational improvements
- 3) Update demographic assumptions to use currently published tables, which may result in minor calculation changes
- 4) Maintain in current 3.00% inflation assumption
- 5) Retain net 4.75% real return assumption
- 6) Retain 7.75% nominal return assumption
- 7) No change to COLA assumption of 2.00% per year
- 8) Maintain current payroll growth assumption of 3.50%
- 9) Maintain experience-based rates for members who joined NMERB by June 30, 2010
- 10) Remove population growth assumption for projections
- 11) Lower population growth from .50% to zero (no impact on valuation results)

See also the *Actuarial Assumptions* subsection of the financial statement note disclosure *Pension Plan – Educational Retirement Board, General Information on the Pension Plan*

See Independent Auditor's Report.

## **SUPPLEMENTARY INFORMATION**

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**NONMAJOR GOVERNMENTAL FUNDS**

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Nonmajor Governmental Fund Descriptions  
June 30, 2016

**Special Revenue Funds**

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

**Non-Instructional Educational Support (23000)** – To account for funds paid to the Schools for student activity travel. Accumulated funds are used to replace activity buses. Funding authority is the New Mexico Public Education Department.

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

**Title I-IASA (24101)** – The major objectives of the Title I program are 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. Authorized by the Elementary and Secondary education Act (ESEA) of 1965, as amended by the No Child Left Behind Act of 2001, Title I, Part A (Public Law 107-110).

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

**IDEA-B Early Intervention Services (24112)** – To account for a program funded by a Federal grant to assist the District to make improvements in elementary and secondary education. Funding authorized by Elementary and Secondary Education Act of 1965, as amended, Title I, Chapter 2, Part A; Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvements of 1988, Public Law 100-297, 20 U.S.C. 2911-2952, 2971-2976.

**IDEA-B Risk Pool (24120)** – Funding for students with disabilities who are parentally placed in private elementary and secondary schools (equitable participation services) located in the school district. 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.

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

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

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Nonmajor Governmental Fund Descriptions  
June 30, 2016

**Special Revenue Funds (continued)**

**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.

**LANL Foundation (26113)** – Educational enrichment grant in support of The Renaissance Program. The authority for creation of this fund is the New Mexico Public Education Department.

**Golden Apple Foundation (26163)** – To account for a program in which Wells Fargo and Golden Apple Foundation of New Mexico have partnered to provide opportunities for academic enrichment and to encourage positive change in New Mexico Classrooms. The authority for creation of this fund is the New Mexico Public Education Department.

**Keep New Mexico Beautiful, Inc (26178)** – Education grants are provided to assist schools, educators, and students with an opportunity to make difference in New Mexico through education. Projects may include, environmental awareness, environmental projects, tree planting and campus xeriscape projects, educational outdoor gardens, horticulture/nature education, recycling project, and campus clean up projects.

**Los Alamos Public School Foundation (26189)** - Donations from the LAPS Foundation. Authority for the creation of this fund is the New Mexico Public Education Department.

**Dual Credit Instructional Materials (27103)** – SB943 (2007) and SB31 (2008) create a dual credit program that allows public high school students in school districts, charter schools and state-supported schools in the state to earn both high school and college credit for qualifying dual credit courses. Authority for the creation of this fund is the New Mexico Public Education Department.

**2012 G.O. Bond Student Library (27107)** – To account for funds provided for the purpose of acquiring library books, equipment, and library resources for public school and state-supported school libraries statewide. Authority for the creation of this fund is the New Mexico Public Education Department.

**New Mexico Reads to Lead K-3 Reading Initiative (27114)** – This fund is to account for funds received to provide children to acquire a firm foundation in literacy and are not only prepared for future academic success, but will possess a lifelong love of reading. New Mexico's early reading initiative, New Mexico Reads to Lead, provides an aligned approach for districts and schools to ensure that children can read by the end of third grade—giving them essential skills for future career and college success. The New Mexico Reads to Lead! Initiative funds a reading K–3 Formative Assessment System provided to districts at no cost. It also provides regional and district reading coaches, supports for intervention, and professional development for parents, teachers, reading coaches, and administrators. In addition, this site highlights literacy resources for parents, teachers, administrators, and other stakeholders. Please visit often as the content will be regularly updated. Authority for the creation of this fund is the New Mexico Public Education Department.

**2013 Statewide Robotics (27116)** – This award is to purchase and install robot equipment and related infrastructure statewide for public school robotics education programs participating in the Albuquerque annual robotics competition. The authority for creation of this fund is the New Mexico Public Education Department.

**2013 School Bus (27178)** – To account for an award to purchase or replace school busses. The authority for creation of this fund is the New Mexico Public Education Department.

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Nonmajor Governmental Fund Descriptions  
June 30, 2016

**Special Revenue Funds (continued)**

**Early College High School Start-Up (27180)** – This award allows low-income youth, first-generation college goers, English language learners, students of color, and other young people underrepresented in higher education to simultaneously earn a high school diploma and an Associate’s degree or up to two years of credit toward a Bachelor’s degree-tuition free. The authority for creation of this fund is the New Mexico Public Education Department.

**New Mexico Grown FVV (27183)** – This funding is to be used to implement the New Mexico-grown Fresh Fruits and Vegetables (NMFFV) program through Los Alamos Public School’s School Food Authority. All funds are to be spent only on produce grown in New Mexico. The Authority for the creation of this fund is the New Mexico Public Education Department.

**Zenas Boone Estate Memorial Fund (29102)** – To account for funds received as an endowment. These funds will be used to fund scholarships for graduating seniors in need. Authority for creation of this fund is the New Mexico Public Education Department.

**Capital Projects Funds**

**Special Capital Outlay State Capital Projects (31400)** – To account for special appropriations monies received from the State of New Mexico under Chapter 4, Laws of 1996 for the purpose of specific capital outlay projects. Funding authority is the New Mexico Public Education Department.

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**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2016

	<b>Special Revenue</b>			
	<b>Athletics 22000</b>	<b>Non- Instructional Educational Support 23000</b>	<b>Title I - IASA 24101</b>	<b>Preschool IDEA-B 24109</b>
<i>Assets</i>				
Cash and cash equivalents	\$ 128,043	\$ 811,162	\$ -	\$ -
Receivables:				
Due from other governments	-	-	26,450	3,727
Due from general fund	-	-	-	285
	<u>\$ 128,043</u>	<u>\$ 811,162</u>	<u>\$ 26,450</u>	<u>\$ 4,012</u>
<i>Liabilities</i>				
Accounts payable	\$ 722	\$ 1,584	\$ -	\$ -
Accrued payroll	-	24	224	37
Due to other funds	-	-	26,226	3,975
	<u>722</u>	<u>1,608</u>	<u>26,450</u>	<u>4,012</u>
<i>Fund balances</i>				
Spendable:				
Restricted for:				
Extracurricular activities	127,321	-	-	-
Education	-	809,554	-	-
Capital acquisitions and improvements	-	-	-	-
Unassigned	-	-	-	-
	<u>127,321</u>	<u>809,554</u>	<u>-</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 128,043</u>	<u>\$ 811,162</u>	<u>\$ 26,450</u>	<u>\$ 4,012</u>

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

**Special Revenue**

<b>IDEA-B Early Intervention Services 24112</b>	<b>IDEA-B Risk Pool 24120</b>	<b>Title III-A 24153</b>	<b>Teacher/ Principal Training /Recruiting 24154</b>	<b>Indian Education Formula Grant 25184</b>	<b>LANL Foundation 26113</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,098
21,917	605	-	45,467	1,530	-
30,585	-	-	-	-	-
<u>\$ 52,502</u>	<u>\$ 605</u>	<u>\$ -</u>	<u>\$ 45,467</u>	<u>\$ 1,530</u>	<u>\$ 17,098</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
139	-	-	-	1	-
52,363	605	-	45,467	1,529	-
<u>52,502</u>	<u>605</u>	<u>-</u>	<u>45,467</u>	<u>1,530</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	17,098
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	17,098
<u>\$ 52,502</u>	<u>\$ 605</u>	<u>\$ -</u>	<u>\$ 45,467</u>	<u>\$ 1,530</u>	<u>\$ 17,098</u>

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

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2016

**Special Revenue**

	<b>Golden Apple Foundation 26163</b>	<b>Keep New Mexico Beautiful, Inc. 26178</b>	<b>Los Alamos Public School Foundation 26189</b>	<b>Dual Credit Instructional Materials 27103</b>
<i>Assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ 22,893	\$ -
Receivables:				
Due from other governments	-	-	-	-
Due from general fund	-	-	-	-
<i>Total assets</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,893</u>	<u>\$ -</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Due to other funds	-	-	-	28,545
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,545</u>
<i>Fund balances</i>				
Spendable:				
Restricted for:				
Extracurricular activities	-	-	-	-
Education	-	-	22,893	-
Capital acquisitions and improvements	-	-	-	-
Unassigned	-	-	-	(28,545)
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>22,893</u>	<u>(28,545)</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,893</u>	<u>\$ -</u>

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



**Special Revenue**

<b>2012 G.O. Bond Student Library Fund 27107</b>	<b>New Mexico Reads to Lead K- 3 Reading Initiative 27114</b>	<b>2013 Statewide Robotics 27116</b>	<b>2013 School Bus 27178</b>	<b>Early College High School Start- Up 27180</b>	<b>New Mexico Grown FVV 27183</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21,952	64,218	-	85,003	-	-
-	-	-	-	-	-
<u>\$ 21,952</u>	<u>\$ 64,218</u>	<u>\$ -</u>	<u>\$ 85,003</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	346	-	-	4,906	-
21,952	63,872	-	85,003	-	-
<u>21,952</u>	<u>64,218</u>	<u>-</u>	<u>85,003</u>	<u>4,906</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	(4,906)	-
-	-	-	-	(4,906)	-
<u>\$ 21,952</u>	<u>\$ 64,218</u>	<u>\$ -</u>	<u>\$ 85,003</u>	<u>\$ -</u>	<u>\$ -</u>

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

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**STATE OF NEW MEXICO**  
 Los Alamos Public Schools  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 June 30, 2016

	<u>Special Revenue</u>	<u>Capital Projects</u>	
	<u>Zenas Boone Estate Memorial 29102</u>	<u>Special Capital Outlay State 31400</u>	<u>Total Nonmajor Governmental Funds</u>
<i>Assets</i>			
Cash and cash equivalents	\$ 245,977	\$ -	\$ 1,225,173
Receivables:			
Due from other governments	-	98,552	369,421
Due from general fund	-	-	30,870
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Total assets</i>	<u>\$ 245,977</u>	<u>\$ 98,552</u>	<u>\$ 1,625,464</u>
<i>Liabilities</i>			
Accounts payable	\$ -	\$ -	\$ 2,306
Accrued payroll	-	-	5,677
Due to other funds	-	98,406	427,943
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Total liabilities</i>	<u>-</u>	<u>98,406</u>	<u>435,926</u>
<i>Fund balances</i>			
Spendable:			
Restricted for:			
Extracurricular activities	-	-	127,321
Education	245,977	-	1,095,522
Capital acquisitions and improvements	-	146	146
Unassigned	-	-	(33,451)
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Total fund balances</i>	<u>245,977</u>	<u>146</u>	<u>1,189,538</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 245,977</u>	<u>\$ 98,552</u>	<u>\$ 1,625,464</u>

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

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2016

	<b>Special Revenue</b>			
	<b>Athletics 22000</b>	<b>Non- Instructional Educational Support 23000</b>	<b>Title I - IASA 24101</b>	<b>Preschool IDEA-B 24109</b>
<i>Revenues</i>				
Intergovernmental revenue:				
Federal flowthrough	\$ -	\$ -	\$ 84,309	\$ 15,168
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
Charges for services	81,105	595,247	-	-
Investment income	-	-	-	-
Miscellaneous income	-	-	-	-
<i>Total revenues</i>	<u>81,105</u>	<u>595,247</u>	<u>84,309</u>	<u>15,168</u>
<i>Expenditures</i>				
Current:				
Instruction	112,482	571,427	84,309	7,443
Support services - students	-	-	-	7,475
Support services - instruction	-	-	-	250
Central services	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>112,482</u>	<u>571,427</u>	<u>84,309</u>	<u>15,168</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(31,377)</u>	<u>23,820</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	31,262	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>31,262</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	(31,377)	55,082	-	-
<i>Fund balances - beginning</i>	<u>158,698</u>	<u>754,472</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 127,321</u>	<u>\$ 809,554</u>	<u>\$ -</u>	<u>\$ -</u>

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

**Special Revenue**

<b>IDEA-B Early Intervention Services 24112</b>	<b>IDEA-B Risk Pool 24120</b>	<b>Title III-A 24153</b>	<b>Teacher/ Principal Training /Recruiting 24154</b>	<b>Indian Education Formula Grant 25184</b>	<b>LANL Foundation 26113</b>
\$ 109,945	\$ 605	\$ -	\$ 45,467	\$ -	\$ -
-	-	-	-	10,820	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	1,500
<u>109,945</u>	<u>605</u>	<u>-</u>	<u>45,467</u>	<u>10,820</u>	<u>1,500</u>
109,945	605	-	50,234	10,820	1,510
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>109,945</u>	<u>605</u>	<u>-</u>	<u>50,234</u>	<u>10,820</u>	<u>1,510</u>
-	-	-	(4,767)	-	(10)
-	-	-	4,767	-	-
-	-	-	-	-	-
-	-	-	<u>4,767</u>	-	-
-	-	-	-	-	(10)
-	-	-	-	-	17,108
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,098</u>

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

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2016

	<b>Special Revenue</b>			
	<b>Golden Apple Foundation 26163</b>	<b>Keep New Mexico Beautiful, Inc. 26178</b>	<b>Los Alamos Public School Foundation 26189</b>	<b>Dual Credit Instructional Materials 27103</b>
<i>Revenues</i>				
Intergovernmental revenue:				
Federal flowthrough	\$ -	\$ -	\$ -	\$ -
Federal direct	-	-	-	-
Local sources	3,000	-	27,903	-
State flowthrough	-	-	-	4,198
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous income	-	-	-	-
<i>Total revenues</i>	3,000	-	27,903	4,198
<i>Expenditures</i>				
Current:				
Instruction	3,000	-	31,952	29,533
Support services - students	-	-	-	-
Support services - instruction	-	-	5,263	-
Central services	-	-	-	-
Capital outlay	-	-	25,000	-
<i>Total expenditures</i>	3,000	-	62,215	29,533
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(34,312)	(25,335)
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers (out)	-	(2,621)	-	-
<i>Total other financing sources (uses)</i>	-	(2,621)	-	-
<i>Net change in fund balances</i>	-	(2,621)	(34,312)	(25,335)
<i>Fund balances - beginning</i>	-	2,621	57,205	(3,210)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 22,893	\$ (28,545)

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

**Special Revenue**

<b>2012 G.O. Bond Student Library Fund 27107</b>	<b>New Mexico Reads to Lead K- 3 Reading Initiative 27114</b>	<b>2013 Statewide Robotics 27116</b>	<b>2013 School Bus 27178</b>	<b>Early College High School Start-Up 27180</b>	<b>New Mexico Grown FVV 27183</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
21,952	129,433	-	85,003	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>21,952</u>	<u>129,433</u>	<u>-</u>	<u>85,003</u>	<u>-</u>	<u>-</u>
-	129,432	-	-	-	-
-	-	-	-	-	-
21,952	-	-	-	-	-
-	-	-	-	-	-
-	-	-	85,003	-	-
<u>21,952</u>	<u>129,432</u>	<u>-</u>	<u>85,003</u>	<u>-</u>	<u>-</u>
-	1	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1	-	-	-	-
-	(1)	-	-	(4,906)	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,906)</u>	<u>\$ -</u>

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

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**STATE OF NEW MEXICO**  
 Los Alamos Public Schools  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Year Ended June 30, 2016

	<u>Special Revenue</u>	<u>Capital Projects</u>	
	<u>Zenas Boone Estate Memorial Fund 29102</u>	<u>Special Capital Outlay State 31400</u>	<u>Total Nonmajor Governmental Funds</u>
<i>Revenues</i>			
Intergovernmental revenue:			
Federal flowthrough	\$ -	\$ -	\$ 255,494
Federal direct	-	-	10,820
Local sources	-	-	30,903
State flowthrough	-	98,552	339,138
Charges for services	-	-	676,352
Investment income	723	-	723
Miscellaneous income	-	-	1,500
<i>Total revenues</i>	<u>723</u>	<u>98,552</u>	<u>1,314,930</u>
<i>Expenditures</i>			
Current:			
Instruction	-	-	1,142,692
Support services - students	-	-	7,475
Support services - instruction	-	-	27,465
Central services	5,000	-	5,000
Capital outlay	-	98,406	208,409
<i>Total expenditures</i>	<u>5,000</u>	<u>98,406</u>	<u>1,391,041</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(4,277)</u>	<u>146</u>	<u>(76,111)</u>
<i>Other financing sources (uses)</i>			
Transfers in	-	-	36,029
Transfers (out)	-	-	(2,621)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>33,408</u>
<i>Net change in fund balances</i>	(4,277)	146	(42,703)
<i>Fund balances - beginning</i>	<u>250,254</u>	<u>-</u>	<u>1,232,241</u>
<i>Fund balances - end of year</i>	<u>\$ 245,977</u>	<u>\$ 146</u>	<u>\$ 1,189,538</u>

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

## STATE OF NEW MEXICO

Statement B-1

Los Alamos Public Schools

Athletics Special Revenue Fund - 22000

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	32,067	52,197	81,105	28,908
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>32,067</u>	<u>52,197</u>	<u>81,105</u>	<u>28,908</u>
<i>Expenditures</i>				
Current				
Instruction	190,210	211,019	111,884	99,135
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>190,210</u>	<u>211,019</u>	<u>111,884</u>	<u>99,135</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(158,143)</u>	<u>(158,822)</u>	<u>(30,779)</u>	<u>128,043</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	158,143	158,822	-	(158,822)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>158,143</u>	<u>158,822</u>	<u>-</u>	<u>(158,822)</u>
<i>Net change in fund balance</i>	-	-	(30,779)	(30,779)
<i>Fund balance - beginning of year</i>	-	-	158,822	158,822
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 128,043</u>	<u>\$ 128,043</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (30,779)
No adjustments to revenues				-
Adjustments to expenditures for supplies and materials and professional development expenditures				(598)
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ (31,377)</u>

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

## STATE OF NEW MEXICO

Statement B-2

Los Alamos Public Schools

Non Instructional Support Special Revenue Fund - 23000

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	580,459	613,721	595,247	(18,474)
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>580,459</u>	<u>613,721</u>	<u>595,247</u>	<u>(18,474)</u>
<i>Expenditures</i>				
Current				
Instruction	1,373,458	1,377,137	576,086	801,051
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,373,458</u>	<u>1,377,137</u>	<u>576,086</u>	<u>801,051</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(792,999)</u>	<u>(763,416)</u>	<u>19,161</u>	<u>782,577</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	792,999	763,416	-	(763,416)
Transfers in	-	-	31,262	31,262
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>792,999</u>	<u>763,416</u>	<u>31,262</u>	<u>(732,154)</u>
<i>Net change in fund balance</i>	-	-	50,423	50,423
<i>Fund balance - beginning of year</i>	-	-	760,715	760,715
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 811,138</u>	<u>\$ 811,138</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 50,423
No adjustments to revenues				-
Adjustments to expenditures for supplies and materials expenditures				4,659
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ 55,082</u>

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

## STATE OF NEW MEXICO

Statement B-3

Los Alamos Public Schools

Title I - IASA Special Revenue Fund - 24101

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	41,631	93,273	57,859	(35,414)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>41,631</u>	<u>93,273</u>	<u>57,859</u>	<u>(35,414)</u>
<i>Expenditures</i>				
Current				
Instruction	41,631	93,273	84,309	8,964
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>41,631</u>	<u>93,273</u>	<u>84,309</u>	<u>8,964</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(26,450)</u>	<u>(26,450)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(26,450)	(26,450)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (26,450)</u>	<u>\$ (26,450)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (26,450)
Adjustments to revenues for federal grants				26,450
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ -</u>

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

## STATE OF NEW MEXICO

Statement B-4

Los Alamos Public Schools  
 Preschool IDEA-B Special Revenue Fund - 24109  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2016

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variances</b>
	<b>Original</b>	<b>Final</b>		<b>Favorable (Unfavorable) Final to Actual</b>
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	18,651	22,036	14,722	(7,314)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>18,651</b>	<b>22,036</b>	<b>14,722</b>	<b>(7,314)</b>
<i>Expenditures</i>				
Current				
Instruction	6,564	10,114	7,443	2,671
Support services	11,242	11,672	7,725	3,947
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Community services operations	845	250	-	250
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<b>18,651</b>	<b>22,036</b>	<b>15,168</b>	<b>6,868</b>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(446)	(446)
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Net change in fund balance</i>	-	-	(446)	(446)
<i>Fund balance - beginning of year</i>	-	-	(3,566)	(3,566)
<b>Fund balance - end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (4,012)</b>	<b>\$ (4,012)</b>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (446)
Adjustments to revenues for federal grants				446
No adjustments to expenditures				-
<b>Net change in fund balance (GAAP Basis)</b>				<b>\$ -</b>

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

## STATE OF NEW MEXICO

Statement B-5

Los Alamos Public Schools

IDEA-B Early Intervention Services Special Revenue Fund - 24112  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	110,000	110,000	88,639	(21,361)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>110,000</b>	<b>110,000</b>	<b>88,639</b>	<b>(21,361)</b>
<i>Expenditures</i>				
Current				
Instruction	110,000	110,000	109,945	55
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<b>110,000</b>	<b>110,000</b>	<b>109,945</b>	<b>55</b>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(21,306)	(21,306)
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Net change in fund balance</i>	-	-	(21,306)	(21,306)
<i>Fund balance - beginning of year</i>	-	-	(31,196)	(31,196)
<i>Fund balance - end of year</i>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (52,502)</b>	<b>\$ (52,502)</b>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (21,306)
Adjustments to revenues for federal grants				21,306
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP Basis)</i>				<b>\$ -</b>

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

## STATE OF NEW MEXICO

Statement B-6

Los Alamos Public Schools

IDEA-B Risk Pool Special Revenue Fund - 24120

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	605	646	41
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>605</u>	<u>646</u>	<u>41</u>
<i>Expenditures</i>				
Current				
Instruction	-	605	605	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>605</u>	<u>605</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>41</u>	<u>41</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	41	41
<i>Fund balance - beginning of year</i>	-	-	(646)	(646)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (605)</u>	<u>\$ (605)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 41
Adjustments to revenues for federal grants				(41)
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ -</u>

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

## STATE OF NEW MEXICO

Statement B-7

Los Alamos Public Schools

Title III-A Special Revenue Fund - 24153

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	5,565	5,565
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>5,565</u>	<u>5,565</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>5,565</u>	<u>5,565</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	5,565	5,565
<i>Fund balance - beginning of year</i>	-	-	(5,565)	(5,565)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 5,565
Adjustments to revenues for federal grants				(5,565)
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ -</u>

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



## STATE OF NEW MEXICO

Statement B-8

Los Alamos Public Schools

Teacher/Principal Training/Recruiting Special Revenue Fund - 24154

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	44,507	50,252	49,485	(767)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>44,507</u>	<u>50,252</u>	<u>49,485</u>	<u>(767)</u>
<i>Expenditures</i>				
Current				
Instruction	44,507	50,252	50,234	18
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>44,507</u>	<u>50,252</u>	<u>50,234</u>	<u>18</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(749)</u>	<u>(749)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(749)	(749)
<i>Fund balance - beginning of year</i>	-	-	(44,718)	(44,718)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (45,467)</u>	<u>\$ (45,467)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (749)
Adjustments to revenues for federal grants				749
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ -</u>

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

## STATE OF NEW MEXICO

Statement B-9

Los Alamos Public Schools

Indian Education Formula Grant Special Revenue Fund - 25184  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	13,696	10,235	(3,461)
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>13,696</u>	<u>10,235</u>	<u>(3,461)</u>
<i>Expenditures</i>				
Current				
Instruction	-	13,696	10,820	2,876
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>13,696</u>	<u>10,820</u>	<u>2,876</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(585)</u>	<u>(585)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(585)	(585)
<i>Fund balance - beginning of year</i>	-	-	(945)	(945)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,530)</u>	<u>\$ (1,530)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (585)
Adjustments to revenues for federal grants				585
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ -</u>

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

## STATE OF NEW MEXICO

Statement B-10

Los Alamos Public Schools

LANL Foundation Special Revenue Fund - 26113

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	3,000	4,500	1,500	(3,000)
<i>Total revenues</i>	<u>3,000</u>	<u>4,500</u>	<u>1,500</u>	<u>(3,000)</u>
<i>Expenditures</i>				
Current				
Instruction	21,608	21,608	1,510	20,098
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>21,608</u>	<u>21,608</u>	<u>1,510</u>	<u>20,098</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(18,608)</u>	<u>(17,108)</u>	<u>(10)</u>	<u>17,098</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	18,608	17,108	-	(17,108)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>18,608</u>	<u>17,108</u>	<u>-</u>	<u>(17,108)</u>
<i>Net change in fund balance</i>	-	-	(10)	(10)
<i>Fund balance - beginning of year</i>	-	-	17,108	17,108
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,098</u>	<u>\$ 17,098</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (10)
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ (10)</u>

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

## STATE OF NEW MEXICO

Statement B-11

Los Alamos Public Schools

Golden Apple Foundation Special Revenue Fund - 26163

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	3,000	3,000	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>3,000</u>	<u>3,000</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	3,000	3,000	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>3,000</u>	<u>3,000</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ -</u>

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

## STATE OF NEW MEXICO

Statement B-12

Los Alamos Public Schools

Keep New Mexico Beautiful, Inc. Special Revenue Fund - 26178  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	2,621	2,621	-	2,621
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,621</u>	<u>2,621</u>	<u>-</u>	<u>2,621</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,621)</u>	<u>(2,621)</u>	<u>-</u>	<u>2,621</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	2,621	2,621	-	(2,621)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,621</u>	<u>2,621</u>	<u>-</u>	<u>(2,621)</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	2,621	2,621
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,621</u>	<u>\$ 2,621</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ -</u>

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

## STATE OF NEW MEXICO

Statement B-13

Los Alamos Public Schools

Los Alamos Public School Foundation Special Revenue Fund - 26189

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	38,831	27,903	(10,928)
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>38,831</u>	<u>27,903</u>	<u>(10,928)</u>
<i>Expenditures</i>				
Current				
Instruction	-	48,725	31,952	16,773
Support services	3,229	32,229	5,263	26,966
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	15,082	25,000	(9,918)
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>3,229</u>	<u>96,036</u>	<u>62,215</u>	<u>33,821</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(3,229)</u>	<u>(57,205)</u>	<u>(34,312)</u>	<u>22,893</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	3,229	57,205	-	(57,205)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>3,229</u>	<u>57,205</u>	<u>-</u>	<u>(57,205)</u>
<i>Net change in fund balance</i>	-	-	(34,312)	(34,312)
<i>Fund balance - beginning of year</i>	-	-	57,205	57,205
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,893</u>	<u>\$ 22,893</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (34,312)
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ (34,312)</u>

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

## STATE OF NEW MEXICO

Statement B-14

Los Alamos Public Schools

Dual Credit Instructional Materials Special Revenue Fund - 27103  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	4,198	12,047	7,849
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>4,198</u>	<u>12,047</u>	<u>7,849</u>
<i>Expenditures</i>				
Current				
Instruction	-	4,198	29,533	(25,335)
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>4,198</u>	<u>29,533</u>	<u>(25,335)</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(17,486)</u>	<u>(17,486)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(17,486)	(17,486)
<i>Fund balance - beginning of year</i>	-	-	(11,059)	(11,059)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (28,545)</u>	<u>\$ (28,545)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (17,486)
Adjustments to revenues for state grants				(7,849)
No adjustments for expenditures				-
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ (25,335)</u>

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

## STATE OF NEW MEXICO

Statement B-15

Los Alamos Public Schools

2012 G.O. Bond Student Library Fund Special Revenue Fund - 27107

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	30,499	30,584	2,917	(27,667)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>30,499</u>	<u>30,584</u>	<u>2,917</u>	<u>(27,667)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	30,499	30,584	21,952	8,632
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>30,499</u>	<u>30,584</u>	<u>21,952</u>	<u>8,632</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(19,035)</u>	<u>(19,035)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(19,035)	(19,035)
<i>Fund balance - beginning of year</i>	-	-	(2,917)	(2,917)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (21,952)</u>	<u>\$ (21,952)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (19,035)
Adjustments for state grants				19,035
No adjustments for expenditures				-
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ -</u>

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



## STATE OF NEW MEXICO

Statement B-16

Los Alamos Public Schools

New Mexico Reads to Lead K-3 Reading Initiative Special Revenue Fund - 27114

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	130,000	130,000	85,698	(44,302)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>130,000</u>	<u>130,000</u>	<u>85,698</u>	<u>(44,302)</u>
<i>Expenditures</i>				
Current				
Instruction	128,987	128,987	129,432	(445)
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>130,000</u>	<u>130,000</u>	<u>129,432</u>	<u>568</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(43,734)</u>	<u>(43,734)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(43,734)	(43,734)
<i>Fund balance - beginning of year</i>	-	-	(20,484)	(20,484)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (64,218)</u>	<u>\$ (64,218)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (43,734)
Adjustments to revenues for state grants				43,735
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ 1</u>

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

## STATE OF NEW MEXICO

Statement B-17

Los Alamos Public Schools

2013 Statewide Robotics Special Revenue Fund - 27116

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	3,376	3,376	2,088	(1,288)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>3,376</u>	<u>3,376</u>	<u>2,088</u>	<u>(1,288)</u>
<i>Expenditures</i>				
Current				
Instruction	3,376	3,376	-	3,376
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>3,376</u>	<u>3,376</u>	<u>-</u>	<u>3,376</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>2,088</u>	<u>2,088</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	2,088	2,088
<i>Fund balance - beginning of year</i>	-	-	(2,088)	(2,088)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 2,088
Adjustments to revenues for state grants				(2,088)
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ -</u>

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

## STATE OF NEW MEXICO

Statement B-18

Los Alamos Public Schools

2013 School Bus Special Revenue Fund - 27178

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	85,003	-	(85,003)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>85,003</u>	<u>-</u>	<u>(85,003)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	85,003	85,003	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>85,003</u>	<u>85,003</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(85,003)</u>	<u>(85,003)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(85,003)	(85,003)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (85,003)</u>	<u>\$ (85,003)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (85,003)
Adjustments to revenues for state grants				85,003
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ -</u>

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

## STATE OF NEW MEXICO

Statement B-19

Los Alamos Public Schools

Early College High School Start-Up Special Revenue Fund - 27180  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	(4,906)	(4,906)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,906)</u>	<u>\$ (4,906)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ -</u>

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

## STATE OF NEW MEXICO

Statement B-20

Los Alamos Public Schools

New Mexico Grown FVV Special Revenue Fund - 27183

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	3,725	-	(3,725)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>3,725</u>	<u>-</u>	<u>(3,725)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	3,725	-	3,725
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>3,725</u>	<u>-</u>	<u>3,725</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ -</u>

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

## STATE OF NEW MEXICO

Statement B-21

Los Alamos Public Schools

Zenas Boone Estate Memorial Special Revenue Fund - 29102  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	5,000	-	(5,000)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	723	723
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>5,000</u>	<u>723</u>	<u>(4,277)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	5,000	5,000	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(4,277)</u>	<u>(4,277)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(4,277)	(4,277)
<i>Fund balance - beginning of year</i>	-	-	250,254	250,254
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 245,977</u>	<u>\$ 245,977</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (4,277)
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ (4,277)</u>

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

## STATE OF NEW MEXICO

Statement B-22

Los Alamos Public Schools

Special Capital Outlay State Capital Projects 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

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	182,485	560,169	2,683	(557,486)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>182,485</u>	<u>560,169</u>	<u>2,683</u>	<u>(557,486)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	182,485	560,169	98,406	461,763
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>182,485</u>	<u>560,169</u>	<u>98,406</u>	<u>461,763</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(95,723)</u>	<u>(95,723)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(95,723)	(95,723)
<i>Fund balance - beginning of year</i>	-	-	(2,683)	(2,683)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (98,406)</u>	<u>\$ (98,406)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (95,723)
Adjustments to revenues for state grants				95,869
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ 146</u>

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

## STATE OF NEW MEXICO

Statement B-23

Los Alamos Public Schools

Bond Building Capital Projects 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

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	9,061	9,061
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>9,061</u>	<u>9,061</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Capital outlay	4,005,752	5,201,212	767,673	4,433,539
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>4,005,752</u>	<u>5,201,212</u>	<u>767,673</u>	<u>4,433,539</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(4,005,752)</u>	<u>(5,201,212)</u>	<u>(758,612)</u>	<u>4,442,600</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	4,005,752	5,201,212	-	(5,201,212)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond premiums	-	-	-	-
Bond proceeds	-	-	8,200,000	8,200,000
<i>Total other financing sources (uses)</i>	<u>4,005,752</u>	<u>5,201,212</u>	<u>8,200,000</u>	<u>2,998,788</u>
<i>Net change in fund balance</i>	-	-	7,441,388	7,441,388
<i>Fund balance - beginning of year</i>	-	-	5,201,212	5,201,212
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,642,600</u>	<u>\$ 12,642,600</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 7,441,388
Adjustments to revenues for state grants				283,441
Adjustments to expenditures for capital outlay expenditures				(462,518)
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ 7,262,311</u>

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



## STATE OF NEW MEXICO

Statement B-24

Los Alamos Public Schools

Capital Improvements HB-33 Capital Projects 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

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ 2,190,606	\$ 2,190,606
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	13,068	13,068
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>2,203,674</u>	<u>2,203,674</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	23,000	21,906	1,094
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	5,064,871	5,560,514	1,296,417	4,264,097
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>5,064,871</u>	<u>5,583,514</u>	<u>1,318,323</u>	<u>4,265,191</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(5,064,871)</u>	<u>(5,583,514)</u>	<u>885,351</u>	<u>6,468,865</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	5,064,871	5,583,514	-	(5,583,514)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>5,064,871</u>	<u>5,583,514</u>	<u>-</u>	<u>(5,583,514)</u>
<i>Net change in fund balance</i>	-	-	885,351	885,351
<i>Fund balance - beginning of year</i>	-	-	5,583,514	5,583,514
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,468,865</u>	<u>\$ 6,468,865</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 885,351
Adjustments to revenues for state grants and property taxes				30,917
Adjustments to expenditures for capital outlay expenditures				(103,893)
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ 812,375</u>

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

## STATE OF NEW MEXICO

Statement B-25

Los Alamos Public 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

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ 5,994,259	\$ 5,994,259	\$ 5,769,471	\$ (224,788)
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	1,311	1,311
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>5,994,259</u>	<u>5,994,259</u>	<u>5,770,782</u>	<u>(223,477)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	59,943	59,943	57,695	2,248
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	9,377,183	10,635,884	5,050,000	5,585,884
Interest	903,773	903,773	971,674	(67,901)
Bond issuance cost	-	-	69,750	(69,750)
<i>Total expenditures</i>	<u>10,340,899</u>	<u>11,599,600</u>	<u>6,149,119</u>	<u>5,450,481</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(4,346,640)</u>	<u>(5,605,341)</u>	<u>(378,337)</u>	<u>5,227,004</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	4,346,640	5,605,341	-	(5,605,341)
Bond premium	-	-	299,096	299,096
<i>Total other financing sources (uses)</i>	<u>4,346,640</u>	<u>5,605,341</u>	<u>299,096</u>	<u>(5,306,245)</u>
<i>Net change in fund balance</i>	-	-	(79,241)	(79,241)
<i>Fund balance - beginning of year</i>	-	-	5,605,341	5,605,341
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,526,100</u>	<u>\$ 5,526,100</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (79,241)
Adjustments to revenues for property taxes				80,346
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ 1,105</u>

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

**GENERAL FUND**

## STATE OF NEW MEXICO

Statement C-1

Los Alamos Public Schools  
 Combining Balance Sheet  
 General Fund  
 June 30, 2016

	<b>Operational Fund 11000, 58000, 61000</b>	<b>Transportation Fund 13000</b>	<b>Instructional Materials Fund 14000</b>	<b>Total</b>
<i>Assets</i>				
Cash and cash equivalents	\$ 1,764,619	\$ 328	\$ 214,580	\$ 1,979,527
Receivables:				
Property taxes receivable	6,298	-	-	6,298
Other receivables	23,140	-	-	23,140
Inventory	194,579	-	-	194,579
Due from other funds	713,446	-	-	713,446
<i>Total assets</i>	<u>\$ 2,702,082</u>	<u>\$ 328</u>	<u>\$ 214,580</u>	<u>\$ 2,916,990</u>
<i>Liabilities</i>				
Accounts payable	\$ 62,060	\$ -	\$ -	\$ 62,060
Accrued payroll	681,244	1,645	-	682,889
Due to special revenue funds	30,870	-	-	30,870
<i>Total liabilities</i>	<u>774,174</u>	<u>1,645</u>	<u>-</u>	<u>775,819</u>
<i>Deferred inflows of resources</i>				
Unavailable revenue - property taxes	1,302	-	-	1,302
<i>Total deferred inflows of resources</i>	<u>1,302</u>	<u>-</u>	<u>-</u>	<u>1,302</u>
<i>Fund balances</i>				
Nonspendable:				
Inventory	194,579	-	-	194,579
Spendable:				
Restricted for:				
Instructional materials	-	-	214,580	214,580
Committed for:				
Subsequent year's expenditures	1,732,027	-	-	1,732,027
Unassigned	-	(1,317)	-	(1,317)
<i>Total fund balances</i>	<u>1,926,606</u>	<u>(1,317)</u>	<u>214,580</u>	<u>2,139,869</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 2,702,082</u>	<u>\$ 328</u>	<u>\$ 214,580</u>	<u>\$ 2,916,990</u>

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

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
General Fund  
For the Year Ended June 30, 2016

Statement C-2

	<b>Operational Fund 11000, 58000, 61000</b>	<b>Transportation Fund 13000</b>	<b>Instructional Materials Fund 14000</b>	<b>Total</b>
<i>Revenues</i>				
Property taxes	\$ 248,379	\$ -	\$ -	\$ 248,379
Intergovernmental revenue				
Federal direct	8,247,470	-	-	8,247,470
Local sources	15,423	-	-	15,423
State direct	26,650,018	-	253,559	26,903,577
Transportation distribution	-	625,985	-	625,985
Charges for services	91,303	-	-	91,303
Investment income	13,788	-	-	13,788
Miscellaneous	252,853	-	-	252,853
<i>Total revenues</i>	<u>35,519,234</u>	<u>625,985</u>	<u>253,559</u>	<u>36,398,778</u>
<i>Expenditures</i>				
Current				
Instruction	21,263,876	-	429,843	21,693,719
Support services - students	4,013,257	-	-	4,013,257
Support services - instruction	1,599,775	-	-	1,599,775
Support services - general administration	740,747	-	-	740,747
Support services - school administration	2,021,743	-	-	2,021,743
Central services	1,727,858	-	-	1,727,858
Operation and maintenance of plant	4,988,904	-	-	4,988,904
Student transportation	331,635	695,420	-	1,027,055
Community services operations	98,872	-	-	98,872
Capital outlay	12,523	-	-	12,523
<i>Total expenditures</i>	<u>36,799,190</u>	<u>695,420</u>	<u>429,843</u>	<u>37,924,453</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,279,956)</u>	<u>(69,435)</u>	<u>(176,284)</u>	<u>(1,525,675)</u>
<i>Other financing sources (uses)</i>				
Proceeds from sale of capital assets	-	8,600	-	8,600
Transfers in	80,922	64,762	-	145,684
Transfers (out)	(1,121,736)	-	-	(1,121,736)
<i>Total other financing sources (uses)</i>	<u>(1,040,814)</u>	<u>73,362</u>	<u>-</u>	<u>(967,452)</u>
<i>Net change in fund balances</i>	(2,320,770)	3,927	(176,284)	(2,493,127)
<i>Fund balances - beginning</i>	<u>4,247,376</u>	<u>(5,244)</u>	<u>390,864</u>	<u>4,632,996</u>
<i>Fund balances - ending</i>	<u>\$ 1,926,606</u>	<u>\$ (1,317)</u>	<u>\$ 214,580</u>	<u>\$ 2,139,869</u>

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

## STATE OF NEW MEXICO

Statement C-3

Los Alamos Public Schools

Operational Fund - 11000, 55000, 58000, 61000

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ 242,089	\$ 242,089	\$ 244,664	\$ 2,575
Intergovernmental revenue				
Federal direct	8,129,449	8,133,976	8,230,334	96,358
Local grants	-	-	63,777	63,777
State flowthrough	-	-	-	-
State direct	26,287,318	26,685,263	26,680,888	(4,375)
Transportation distribution	-	-	-	-
Charges for services	58,371	58,371	90,531	32,160
Investment income	10,000	10,000	13,788	3,788
Miscellaneous	42,837	42,837	249,256	206,419
<i>Total revenues</i>	<u>34,770,064</u>	<u>35,172,536</u>	<u>35,573,238</u>	<u>400,702</u>
<i>Expenditures</i>				
Current				
Instruction	22,336,709	22,739,181	21,329,541	1,409,640
Support services	8,519,489	8,519,489	8,353,570	165,919
Central services	1,811,571	1,811,571	1,740,290	71,281
Operation and maintenance of plant	5,627,799	6,156,386	4,997,260	1,159,126
Student transportation	328,094	328,094	331,418	(3,324)
Community services operations	92,264	103,150	99,647	3,503
Capital outlay	74,295	166,775	12,523	154,252
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>38,790,221</u>	<u>39,824,646</u>	<u>36,864,249</u>	<u>2,960,397</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(4,020,157)</u>	<u>(4,652,110)</u>	<u>(1,291,011)</u>	<u>3,361,099</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	4,020,157	4,652,110	-	(4,652,110)
Transfers in	-	-	80,922	80,922
Transfers (out)	-	-	(1,121,736)	(1,121,736)
<i>Total other financing sources (uses)</i>	<u>4,020,157</u>	<u>4,652,110</u>	<u>(1,040,814)</u>	<u>(5,692,924)</u>
<i>Net change in fund balances</i>	-	-	(2,331,825)	(2,331,825)
<i>Fund balances - beginning of year</i>	-	-	4,145,814	4,145,814
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,813,989</u>	<u>\$ 1,813,989</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (2,331,825)
Adjustments to revenues for changes in state revenues and property taxes				(54,004)
Adjustments to expenditures for materials, other charges, and accrued payroll				65,059
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (2,320,770)</u>

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

## STATE OF NEW MEXICO

Statement C-4

Los Alamos Public Schools

Transportation Fund - 13000

Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	8,600	8,600
Transportation distribution	680,964	690,746	625,985	(64,761)
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>680,964</u>	<u>690,746</u>	<u>634,585</u>	<u>(56,161)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	680,964	690,746	695,781	(5,035)
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>680,964</u>	<u>690,746</u>	<u>695,781</u>	<u>(5,035)</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(61,196)</u>	<u>(61,196)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	64,762	64,762
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>64,762</u>	<u>64,762</u>
<i>Net change in fund balances</i>	-	-	3,566	3,566
<i>Fund balances - beginning of year</i>	-	-	(4,802)	(4,802)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,236)</u>	<u>\$ (1,236)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 3,566
No adjustments to revenues				-
Adjustments to expenditures for transportation expenditures				361
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 3,927</u>

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

## STATE OF NEW MEXICO

Statement C-5

Los Alamos Public Schools

Instructional Materials Fund - 14000

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	191,737	253,559	253,559	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>191,737</u>	<u>253,559</u>	<u>253,559</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	660,099	644,423	429,843	214,580
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>660,099</u>	<u>644,423</u>	<u>429,843</u>	<u>214,580</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(468,362)</u>	<u>(390,864)</u>	<u>(176,284)</u>	<u>214,580</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	468,362	390,864	-	(390,864)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>468,362</u>	<u>390,864</u>	<u>-</u>	<u>(390,864)</u>
<i>Net change in fund balances</i>	-	-	(176,284)	(176,284)
<i>Fund balances - beginning of year</i>	-	-	390,864	390,864
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 214,580</u>	<u>\$ 214,580</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (176,284)
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (176,284)</u>

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



## **PROPRIETARY FUNDS**

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## STATE OF NEW MEXICO

Exhibit D-1

Los Alamos Public Schools

Food Services Fund - 21000

Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	46,601	94,551	105,934	11,383
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	92,367	144,902	145,409	507
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>138,968</u>	<u>239,453</u>	<u>251,343</u>	<u>11,890</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	144,870	266,556	259,599	6,957
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>144,870</u>	<u>266,556</u>	<u>259,599</u>	<u>6,957</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(5,902)</u>	<u>(27,103)</u>	<u>(8,256)</u>	<u>18,847</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	5,902	27,103	-	(27,103)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>5,902</u>	<u>27,103</u>	<u>-</u>	<u>(27,103)</u>
<i>Net change in fund balance</i>	-	-	(8,256)	(8,256)
<i>Fund balance - beginning of year</i>	-	-	27,103	27,103
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,847</u>	<u>\$ 18,847</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (8,256)
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Change in net position (GAAP Basis)</i>				<u>\$ (8,256)</u>

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

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## **SUPPORTING SCHEDULES**

**STATE OF NEW MEXICO**  
Los Alamos Schools  
Schedule of Deposits and Investment Accounts  
June 30, 2016

**Primary Government**

Bank Name/Account Name	Account Type	Bank Balance	Deposits in Transit	Outstanding Checks	Book Balance
<b>First National Bank</b>					
Operational MM	MM	\$ 1,224,637	\$ -	\$ -	\$ 1,224,637
Bond Building	MM	3,384,704	-	-	3,384,704
HB-33 CAP IMP	MM	3,886,453	-	-	3,886,453
Lease Facilities	MM	4,549,923	-	-	4,549,923
Zenus Boone Estate	CD	250,977	-	-	250,977
Leased FAC	CD	1,014,614	-	-	1,014,614
HB-33 CD	CD	2,528,922	-	-	2,528,922
Leased FAC	CD	531,896	-	-	531,896
Leased FAC	CD	228,051	-	-	228,051
Leased FAC	CD	228,051	-	-	228,051
Leased FAC	CD	228,051	-	-	228,051
Leased FAC	CD	228,051	-	-	228,051
Total First National Bank		18,284,330	-	-	18,284,330
<b>Los Alamos National Bank</b>					
Insurance Clearing	Checking	649,419	-	-	649,419
AP Clearing	Checking	367,809	-	428,550	(60,741)
Payroll Clearing	Checking	940,750	-	509,262	431,488
Operational	Checking	635,975	-	-	635,975
Athletics Concession	Checking	19,376	-	724	18,652
LAMS Student Act	Checking	6,574	-	20	6,554
Bond Building	Checking	7,607,360	-	-	7,607,360
Debt Service	Checking	5,526,100	-	-	5,526,100
Land Sale Escrow	Checking	68,759	-	-	68,759
Total Los Alamos National Bank		15,822,122	-	938,556	14,883,566
<b>New Mexico Bank &amp; Trust</b>					
Land Sale	Checking	85,578	-	-	85,578
Bond Building	Checking	1,147,036	-	-	1,147,036
Leased FAC	MM	1,514,794	-	-	1,514,794
LAHS Activity fund	Checking	91,403	-	1,679	89,724
Imprests Accounts	Checking	872	-	-	872
Total New Mexico Bank & Trust		2,839,683	-	1,679	2,838,004

See Independent Auditors' Report.

<b>Bank Name/Account Name</b>	<b>Account Type</b>	<b>Bank Balance</b>	<b>Deposits in Transit</b>	<b>Outstanding Checks</b>	<b>Book Balance</b>
<b>Charles Schwab</b>					
General Account MMS	MM	3,500	-	-	3,500
General Account	MM	250,000	-	-	250,000
General Account	MM	250,000	-	-	250,000
Total Charles Schwab		<u>503,500</u>	<u>-</u>	<u>-</u>	<u>503,500</u>
<i>Total deposits and investments</i>		<u>\$ 37,449,635</u>	<u>\$ -</u>	<u>\$ 940,235</u>	<u>\$ 36,509,400</u>

Deposits and investments per financial statements:

Cash and cash equivalents - Exhibit A-1	\$ 25,879,862
Restricted cash and cash equivalents - Exhibit A-1	5,526,100
Investments - Exhibit A-1	4,987,636
Statement of Fiduciary Assets and Liabilities Agency Funds - Exhibit D-1	<u>115,802</u>
<i>Total deposits and investments</i>	<u>\$ 36,509,400</u>

See Independent Auditors' Report.

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**STATE OF NEW MEXICO**  
Los Alamos Schools Foundation  
Schedule of Deposits and Investment Accounts  
June 30, 2016

Schedule III  
Page 2 of 2

**Component Unit**

Bank Name/Account Name	Account Type	Bank Balance	Deposits in Transit	Outstanding Checks	Book Balance
<b>Los Alamos National Bank</b>					
LANB- Regular	Checking	\$ 8,808	\$ -	\$ 9,941	\$ (1,133)
LANB- LAPSF	Savings	30,826	235	3	31,058
LANB- Restricted	Savings	144,060	-	-	144,060
Total Los Alamos National Bank		<u>183,694</u>	<u>235</u>	<u>9,944</u>	<u>173,985</u>
<b>Los Alamos Schools Credit Union</b>					
LASCU- Regular	Checking	1,075	-	-	1,075
Total Los Alamos Schools Credit Union		<u>1,075</u>	<u>-</u>	<u>-</u>	<u>1,075</u>
<b>Charles Schwab</b>					
Deposit accounts	Investment	31,589	-	-	31,589
Fixed income securities	Investment	10,000	-	-	10,000
Other assets	Investment	141,694	-	-	141,694
Total Charles Schwab		<u>183,283</u>	<u>-</u>	<u>-</u>	<u>183,283</u>
<b>Trinity Capital Corporation</b>	Investment	<u>25,524</u>	<u>-</u>	<u>-</u>	<u>25,524</u>
<i>Total deposits and investments</i>		<u>\$ 393,576</u>	<u>\$ 235</u>	<u>\$ 9,944</u>	<u>383,867</u>
Petty Cash					<u>8</u>
					<u>\$ 383,875</u>
Deposits and investments per financial statements:					
Cash and cash equivalents - Exhibit A-1					\$ 31,009
Restricted cash and cash equivalents - Exhibit A-1					144,059
Investments - Exhibit A-1					11,371
Restricted investments - Exhibit A-1					<u>197,436</u>
<i>Total deposits and investments</i>					<u>\$ 383,875</u>

See Independent Auditors' Report.

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Cash Reconciliation  
For the Year Ended June 30, 2016

	<b>Operational 11000</b>	<b>Transportation 13000</b>	<b>Instructional Materials 14000</b>	<b>Food Services 21000</b>
Audited Cash				
June 30, 2015	\$ 5,148,988	\$ -	\$ 390,864	\$ 27,103
Total cash June 30, 2015	<u>5,148,988</u>	<u>-</u>	<u>390,864</u>	<u>27,103</u>
Add:				
2015-2016 revenues	35,576,671	634,585	253,559	251,343
Repayment of prior year loans	147,227	-	-	-
Cash transfers	-	64,762	-	-
Loans from other funds	-	-	-	-
Total cash available	<u>40,872,886</u>	<u>699,347</u>	<u>644,423</u>	<u>278,446</u>
Less:				
2015-2016 expenditures	36,863,099	695,781	429,843	259,599
Payroll liabilities	552,764	3,566	-	-
Repayment of prior year loans	-	-	-	-
Cash transfers	1,038,668	-	-	-
Loans to other funds	713,446	-	-	-
<i>Net cash</i>	<u>\$ 1,704,909</u>	<u>\$ -</u>	<u>\$ 214,580</u>	<u>\$ 18,847</u>
Plus: Held checks at June 30, 2016	<u>59,710</u>	<u>328</u>	<u>-</u>	<u>-</u>
<i>Audited cash June 30, 2016</i>	<u>\$ 1,764,619</u>	<u>\$ 328</u>	<u>\$ 214,580</u>	<u>\$ 18,847</u>

See Independent Auditors' Report.

<b>Athletics 22000</b>	<b>Non-Instructional Support 23000</b>	<b>Federal Flowthrough 24000</b>	<b>Federal Direct 25000</b>	<b>Local Grants 26000</b>	<b>State Flowthrough 27000</b>
\$ 158,822	\$ 763,417	\$ -	\$ -	\$ 76,934	\$ -
158,822	763,417	-	-	76,934	-
81,105	595,247	756,658	10,236	29,782	102,750
-	-	-	-	-	-
-	31,262	-	-	-	-
-	-	414,139	1,529	-	199,372
239,927	1,389,926	1,170,797	11,765	106,716	302,122
111,884	576,176	1,053,256	10,821	66,725	265,920
-	2,602	10,485	60	-	1,189
-	-	108,507	884	-	35,153
-	-	-	-	-	-
-	-	-	-	-	-
\$ 128,043	\$ 811,148	\$ (1,451)	\$ -	\$ 39,991	\$ (140)
-	14	1,451	-	-	140
\$ 128,043	\$ 811,162	\$ -	\$ -	\$ 39,991	\$ -

See Independent Auditors' Report.

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Cash Reconciliation  
For the Year Ended June 30, 2016

	<b>State Direct 28000</b>	<b>Local/State 29000</b>	<b>Bond Building 31100</b>	<b>Public School Capital Outlay 31200</b>
Audited Cash				
June 30, 2015	\$ -	\$ 250,254	\$ 5,201,212	\$ -
Total cash June 30, 2015	-	250,254	5,201,212	-
Add:				
2015-2016 revenues	-	723	8,209,061	-
Repayment of prior year loans	-	-	-	-
Cash transfers	-	-	-	-
Loans from other funds	-	-	-	-
Total cash available	-	250,977	13,410,273	-
Less:				
2015-2016 expenditures	-	5,000	767,673	-
Payroll liabilities	-	-	-	-
Repayment of prior year loans	-	-	-	-
Cash transfers	-	-	-	-
Loans to other funds	-	-	-	-
<i>Net cash</i>	<u>\$ -</u>	<u>\$ 245,977</u>	<u>\$ 12,642,600</u>	<u>\$ -</u>
Plus: Held checks at June 30, 2016	-	-	-	-
<i>Audited cash June 30, 2016</i>	<u>\$ -</u>	<u>\$ 245,977</u>	<u>\$ 12,642,600</u>	<u>\$ -</u>

See Independent Auditors' Report.

<b>Capital Improvements SB-9 31400</b>	<b>Energy Efficiency Act 31500</b>	<b>Capital Improvements HB-33 31600</b>	<b>Debt Service 41000</b>	<b>Total</b>
\$ -	\$ -	\$ 5,583,514	\$ 5,605,341	\$ 23,206,449
-	-	5,583,514	5,605,341	23,206,449
2,683	-	2,203,673	6,069,878	54,777,954
-	-	-	-	147,227
-	-	-	-	96,024
98,406	-	-	-	713,446
101,089	-	7,787,187	11,675,219	78,941,100
98,406	-	1,318,322	6,149,119	48,671,624
-	-	-	-	570,666
2,683	-	-	-	147,227
-	-	-	-	1,038,668
-	-	-	-	713,446
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,468,865</u>	<u>\$ 5,526,100</u>	<u>\$ 27,799,469</u>
-	-	-	-	61,643
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,468,865</u>	<u>\$ 5,526,100</u>	<u>\$ 27,861,112</u>
			plus Leased Facilities	8,532,486
			plus Activity Funds	115,802
				<u>\$ 36,509,400</u>

See Independent Auditors' Report.

**STATE OF NEW MEXICO**  
 Los Alamos Public Schools  
 Schedule of Collateral Pledged by Depository for Public Funds  
 June 30, 2016

Schedule V

Name of Depository	Description of Pledged Collateral	Maturity	CUSIP Number	Fair Market Value June 30, 2016
<b>First National Bank</b>				
	FHLMC- Pool #J18402	3/1/2027	3128PYKP8	\$ 1,765,729
	FNMA- Pool # AE0676	1/1/2026	31419AXE2	923,178
	FNMA ARM-Pool # AL4282	4/1/2041	3138ELXL2	2,525,282
	FNMA Series 2012-134 Class	5/25/2042	3136AATT2	3,897,275
	FNMA Series 2013-94 Class	8/25/2038	3136AGJV5	719,578
	FHLMC-Pool #C91710	6/1/2033	3128P73T8	298,551
	GHLMC SERIES 4302 Class DA	7/15/2039	313788DE4	1,859,775
				<u>11,989,368</u>
	Name and location of safekeeper for above pledged collateral: Vining Sparks, Memphis TN			
<b>Los Alamos National Bank</b>				
	FHLMC Pool #849288	1/1/2038	31300MJ95	546,803
	FHLMC Pool #849288	1/1/2038	31300MJ95	1,093,607
	FHLMC Pool #1Q1647	9/1/2040	3128S5ZL1	4,364,600
	FHLB Bullet	9/9/2016	313370TW8	1,002,988
	FHLB Bullet	9/9/2016	313370TW8	2,005,976
	FHMS K027 A2	1/25/2023	3137B1UG5	1,583,218
	FHMS K052 A2	11/25/2025	3137BMTX4	5,432,319
	GNR 2014-172 AD	1/16/2046	38378XA43	4,711,360
				<u>20,740,871</u>
	Name and location of safekeeper for above pledged collateral: Federal Home Loan Bank Dallas, TX			
<b>New Mexico Bank and Trust</b>				
	METROPOLITAN TRANSN AUTH N Y R	11/15/2033	S9259Y6R5	3,005,642
				<u>3,005,642</u>
	Name and location of safekeeper for above pledged collateral: Suntrust Bank, Atlanta			
	<i>Total Pledged Collateral</i>			<u>\$ 35,735,881</u>

See Independent Auditors' Report.

**STATE OF NEW MEXICO**

Schedule VI

Los Alamos Public Schools

Schedule of Changes in Fiduciary Assets and Liabilities - Agency Funds

For the Year Ended June 30, 2016

	<u>July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2016</u>
High School Activity Fund	\$ 70,792	\$ 156,079	\$ 137,146	\$ 89,725
High School Activity Fund Imprest Account	872	12	12	872
High School Athletics Concessions Fund	5,303	32,320	18,971	18,652
Middle School Activity Fund	<u>3,901</u>	<u>39,115</u>	<u>36,463</u>	<u>6,553</u>
<i>Totals</i>	<u>\$ 80,868</u>	<u>\$ 227,526</u>	<u>\$ 192,592</u>	<u>\$ 115,802</u>

See Independent Auditors' Report.

**STATE OF NEW MEXICO**  
 Los Alamos Public Schools  
 Schedule of Vendor Information for Purchases Exceeding \$60,000 (excluding GRT)  
 For the Year Ended June 30, 2016

Prepared by: Los Alamos Public Schools

RFB/ RFP #	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract*	\$ Amount of Amended Contract**
	COOPERATIVE PRICING AGREEMENT	COOPERATIVE EDUCATIONAL SVCS. - Mick Rich Contractors	\$1,261,343.62	
	COOPERATIVE PRICING AGREEMENT	COOPERATIVE EDUCATIONAL SVCS.	\$823,450.66	
	COOPERATIVE PRICING AGREEMENT	COOPERATIVE EDUCATIONAL SVCS.	\$325,000.00	
	NM STATE PRICE AGREEMENT	ADVANCED NETWORK MANAGEMENT, INC.	\$305,024.97	
ITB 16 B 05	ITB	STAR PAVING COMPANY	\$245,745.63	\$265,745.63
RFP 15 B 02	RFP	SOUTHWEST FOODSERVICE EXCELLENCE, LLC	\$236,000.00	\$231,759.93
	COOPERATIVE PRICING AGREEMENT (TCPN)	TRANE	\$226,072.00	\$29,124.75
	COOPERATIVE PRICING AGREEMENT (CES)	CDW-G (CES)	\$198,570.00	\$198,570.00

See Independent Auditors' Report.



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
CES Vendors that provided bids:	Yes	N/A	High School Music Bldg Renovation
Mick Rich Contractors 8401 Firestone Lane NE Albuquerque, NM 87113	Yes	N/A	High School Music Bldg Renovation
R and M Construction LLC highway 68 Bldg 15 Alcalde, NM 87511	Yes	N/A	High School Music Bldg Renovation
Brycon Corporation 8400 Firestone Lane NE Albuquerque, NM 87113	Yes	N/A	High School Music Bldg Renovation
LLR Construction, LLC 1000 Cordova Pl #91 Santa Fe, NM 87505	Yes	N/A	High School Music Bldg Renovation
ESA Construction 3435 Girard Blvd. NE Albuquerque, NM 87107 thru Cooperative Educational Services of NM P O Box 92223 Albuquerque, NM 87544	Yes	N/A	Middle School Kitchen Renovation
Mick Rich Contractors 8401 Firestone Lane NE Albuquerque, NM 87113	Yes	N/A	Middle School Kitchen Renovation
Brycon Corporation 8400 Firestone Lane NE Albuquerque, NM 87113	Yes	N/A	Middle School Kitchen Renovation
Brycon Corporation 8400 Firestone Lane NE Albuquerque, NM 87113 thru Cooperative Educational Services of NM P O Box 92223 Albuquerque, NM 87544	Yes	N/A	High School E-wing Remodel
Advanced Network Management, Inc 4601 Columbine Avenue NE Albuquerque, NM 87113	N/A	N/A	Server Virtualization Project
Star Paving Company 3109 Love Rd. SW Albuquerque, NM 87121	Yes	Yes	PARKING LOT REPLACEMENT
Desert Fox , LLC P O Box 1499 Peralta, NM 87042	Yes	Yes	PARKING LOT REPLACEMENT
Albuquerque Asphalt, Inc. P O Box 66450 Albuquerque, NM 87193	Yes	Yes	PARKING LOT REPLACEMENT
SOUTHWEST FOODSERVICE EXCELLENCE 2135 Violeta Circle SE Rio Rancho, NM 87124		N/A - involves federal funding	FOOD SERVICE MGMT COMPANY
Summit Food Service 1751 County Road B West, Suite 300 Roseville, MN 55113	No	N/A - involves federal funding	FOOD SERVICE MGMT COMPANY
Trane (Service) 5501 San Diego Ave NE Albuquerque, NM 87113	N/A	N/A	High School E-wing HVAC
CDW-G 230 N Milwaukee Vernon Hills, IL 60061 thru Cooperative Educational Services of NM P O Box 92223 Albuquerque, NM 87544	N/A	N/A	Technology Equipment - Chromebooks

See Independent Auditors' Report.

**STATE OF NEW MEXICO**  
 Los Alamos Public Schools  
 Schedule of Vendor Information for Purchases Exceeding \$60,000 (excluding GRT)  
 For the Year Ended June 30, 2016

Prepared by: Los Alamos Public Schools

RFB/ RFP #	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract*	\$ Amount of Amended Contract**
	SHARED APS AGREEMENT	APPLE INC.	\$156,434.00	\$156,434.00
	COOPERATIVE PRICING AGREEMENT	COOPERATIVE EDUCATIONAL SVCS.	\$144,861.70	\$144,859.70
	COOPERATIVE PRICING AGREEMENT	COOPERATIVE EDUCATIONAL SVCS.	\$140,726.86	\$140,726.85
	E RATE	PLATEAU TELECOMMUNICATIONS INC.	\$128,284.32	\$125,793.60
	COOPERATIVE PRICING AGREEMENT	CDW-G (CES)	\$112,500.00	\$112,500.00
ITB 16-B-04	ITB	STAR PAVING COMPANY	\$103,839.87	
	GOVT	NEW MEXICO HIGHLANDS UNIV MASTERS DEGREE	\$100,000.00	\$101,278.19
	COOPERATIVE PRICING AGREEMENT	COOPERATIVE EDUCATIONAL SVCS.	\$54,665.63	\$98,612.51
RFP 12-B-09	RFP	TROUT, ELAINE	\$94,000.00	\$94,358.54
RFP 12-B-09	RFP	TOP ECHELON CONTRACTING, INC.	\$90,000.00	\$76,097.30
RFP 12-B-09	RFP	SOLIANT HEALTH	\$70,000.00	\$72,661.62

See Independent Auditors' Report.

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
Apple, Inc. P O Box 149116 Austin, TX 78714-9116	N/A	N/A	Technology Equipment
Century Club Construction thru Cooperative Educational Services of NM P O Box 92223 Albuquerque, NM 87544	Yes	N/A	Mountain Elementary Drainage
Grancor thru Cooperative Educational Services of NM P O Box 92223 Albuquerque, NM 87544	Yes	N/A	Mountain Elementary Asbestos Abatement
Plateau Telecommunications Inc. 7111 North Prince Clovis, NM 88101	N/A	N/A	INTERNET/ETHERNET SERVICE
CDW-G 230 N Milwaukee Vernon Hills, IL 60061 thru Cooperative Educational Services of NM P O Box 92223 Albuquerque, NM 87544	N/A	N/A	Technology Equipment - Chromebooks
Star Paving Company 3109 Love Rd. SW Albuquerque, NM 87121	Yes	Yes	PARKING LOT REPAIR
Desert Fox , LLC P O Box 1499 Peralta, NM 87042	Yes	Yes	PARKING LOT REPAIR
Albuquerque Asphalt, Inc. P O Box 66450 Albuquerque, NM 87193	Yes	Yes	PARKING LOT REPAIR
NM Highlands Univ Masters Degree P O Box 9000 Rodgers Admin Bldg Las Vegas, NM 87701	Yes	N/A	Masters Degree Program Tuition and Fees
FBT Architects thru Cooperative Educational Services of NM P O Box 92223 Albuquerque, NM 87544	Yes	N/A	Design Services for High School Music Building
Elaine Trout 226 Venado Street Los Alamos, NM 87544	Yes	N/A - involves federal funding	Professional services for student services
Top Echelon Contracting, Inc 800 Market Avenue North Canton, OH 44702		N/A - involves federal funding	Professional services for student services
Soliant 1979 Lakeside Parkway, Suite 800 Tucker, GA 30084		N/A - involves federal funding	Professional services for student services
SLP School Staffing 4960 Wilshire Lane Suwanee, GA 30024			
Unlimited Teletherapy, LLC 6550 Denim Dr Colorado Springs, CO 80919			
360 Degree Customer Inc. 4423 Fortran Dr Suite #144 San Jose, CA 95134			
Hill Rehabilitation Services 5208 Imperial Place Rancho Cucamonga, CA 91739			
Prime HealthCare Staffing 27240 Haggerty Road Suite E-15 Farmington Hills, MI 48331			
Learn It Systems 2201 Old Court Rd Pikesville, MD 21208			

See Independent Auditors' Report.

**STATE OF NEW MEXICO**  
 Los Alamos Public Schools  
 Schedule of Vendor Information for Purchases Exceeding \$60,000 (excluding GRT)  
 For the Year Ended June 30, 2016

Prepared by: Los Alamos Public Schools

RFB/ RFP #	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract*	\$ Amount of Amended Contract**
	COOPERATIVE PRICING AGREEMENT	COOPERATIVE EDUCATIONAL SVCS.	\$89,297.23	\$91,374.00
	NM STATE PRICE AGREEMENT	ADVANCED NETWORK MANAGEMENT, INC.	\$90,648.64	
	COOPERATIVE PRICING AGREEMENT	COOPERATIVE EDUCATIONAL SVCS.	\$88,497.96	\$63,202.95
	COOPERATIVE PRICING AGREEMENT	COOPERATIVE EDUCATIONAL SVCS.	\$85,003.20	\$85,003.20
RFP 12-B-08	RFP	SHERISSE J. SMITH, PT, LLC	\$86,000.00	\$77,970.04
RFP 12-B-08	RFP	MCDOWELL, PETRA	\$80,000.00	\$78,285.81

See Independent Auditors' Report.

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
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Ardor Health Solutions 830 Coral Ridge Drive Suite 120 Coral Springs, FL 33076  
 Mediscan Staffing Services 21050 Califa Street Woodland Hills, CA 91367  
 ProCare Therapy 8001 N Lincoln, 8th Floor Skokie, IL 60077

Invo HealthCare Associates, Inc 1780 Kendarbren Drive Jamison, PA 18929  
 Core Medical Group 2 Keewaydin Drive Salem, NH 03079

Easi Therapy and Diagnostic Services 5200 Copper NE Albuquerque NM 87108  
 Soliant 1979 Lakeside Parkway, Suite 800 Tucker, GA 30084

LLR Construction, LLC thru Cooperative Educational Services of NM P O Box 92223 Albuquerque, NM 87544 Yes  
 Advanced Network Management, Inc 4601 Columbine Avenue NE Albuquerque, NM 87113 N/A

Dekker/Perich/Sabatini Architects, thru Cooperative Educational Services of NM P O Box 92223 Albuquerque, NM 87544 Yes

Summitt Truck Group, thru Cooperative Educational Services of NM P O Box 92223 Albuquerque, NM 87544 Yes  
 Sherisse Smith

Petra McDowell 4315 Arizona Ave Los Alamos, NM 87544

MTX Therapy Services 6973 East Fowler Avenue Tampa, FL 33617  
 Soliant 1979 Lakeside Parkway, Suite 800 Tucker, GA 30084

ProCare Therapy 8001 N Lincoln, 8th Floor Skokie, IL 60077

Core Medical Group 2 Keewaydin Drive Salem, NH 03079

Prime HealthCare Staffing 27240 Haggerty Road Suite E-15 Farmington Hills, MI 48331  
 Invo HealthCare Associates, Inc 1780 Kendarbren Drive Jamison, PA 18929

See Independent Auditors' Report.

**STATE OF NEW MEXICO**  
 Los Alamos Public Schools  
 Schedule of Vendor Information for Purchases Exceeding \$60,000 (excluding GRT)  
 For the Year Ended June 30, 2016

Prepared by: Los Alamos Public Schools

RFB/ RFP #	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract*	\$ Amount of Amended Contract**
RFP 12-B-06 RFP		EASi THERAPY AND DIAGNOSTIC SERVICES INC	\$62,278.69	\$52,241.28
RFP 12-B-06 RFP		LEARNING CENTER OF TESUQUE HILLS, LLC	\$75,773.07	\$77,690.62
	COOPERATIVE PRICING AGREEMENT	COOPERATIVE EDUCATIONAL SVCS.	\$73,176.29	\$67,748.62
	COOPERATIVE PRICING AGREEMENT	WESTCON GROUP NORTH AMERICA, INC	\$71,159.67	\$61,459.76
RFP 12-B-10 RFP		META, INC.	\$89,500.00	\$88,463.05
RFP 12-B-10 RFP		SOLIANT HEALTH	\$66,500.00	\$63,064.50
RFP 12-B-07 RFP		SOLIANT HEALTH	\$84,919.98	\$84,919.98
RFP 12-B-07 RFP		MCCRORY, MARLENE	\$67,000.00	\$68,949.33
RFP 12-B-07 RFP		EASi THERAPY AND DIAGNOSTIC SERVICES INC	\$65,000.00	\$54,510.22
RFP 12-B-07 RFP		STAUFFER, ELIZABETH MARIE	\$65,000.00	\$68,008.39

See Independent Auditors' Report.

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
--	--	---	--

NTS Staffing P O Box 27028 Des Moines, IA 50317 Easi Therapy and Diagnostic Services 5200 Copper NE Albuquerque NM 87108 Top Echelon Contracting, Inc 800 Market Avenue North Canton, OH 44702			
Mediscan Staffing Services 21050 Califa Street Woodland Hills, CA 91367			
Easi Therapy and Diagnostic Services 5200 Copper NE Albuquerque NM 87108		N/A - involves federal funding	Professional services for student services
Learning Center of Tesuque Hills, LLC 31 Lomas De Tesuque Santa Fe, NM 87506		N/A - involves federal funding	Professional services for student services
Soliant 1979 Lakeside Parkway, Suite 800 Tucker, GA 30084		N/A - involves federal funding	Professional services for student services
Honeywell Building Solutions thru Cooperative Educational Services of NM P O Box 92223 Albuquerque, NM 87544	Yes	N/A	Annual Service Contract
Westcon Group North America, Inc P O Box 512573 Philadelphia, PA 19175	No	N/A	Technology - Webfilter
Meta, Inc. P O Box 531 Corrales, NM 87048		N/A - involves federal funding	Professional services for student services
Soliant 1979 Lakeside Parkway, Suite 800 Tucker, GA 30084		N/A - involves federal funding	Professional services for student services
Mediscan Staffing Services 21050 Califa Street Woodland Hills, CA 91367			
ProCare Therapy 8001 N Lincoln, 8th Floor Skokie, IL 60077			
Easi Therapy and Diagnostic Services 5200 Copper NE Albuquerque NM 87108			
Soliant 1979 Lakeside Parkway, Suite 800 Tucker, GA 30084		N/A - involves federal funding	Professional services for student services
Marlene McCrory 1333 Sage Loop Los Alamos, NM 87544		N/A - involves federal funding	Professional services for student services
Easi Therapy and Diagnostic Services 5200 Copper NE Albuquerque NM 87108		N/A - involves federal funding	Professional services for student services
Betsy Stauffer 25 Bennett Lane Jemez Springs, NM 87025		N/A - involves federal funding	Professional services for student services
Top Echelon Contracting, Inc 800 Market Avenue North Canton, OH 44702			
Invo HealthCare Associates, Inc 1780 Kendarbren Drive Jamison, PA 18929			

See Independent Auditors' Report.

**STATE OF NEW MEXICO**  
 Los Alamos Public Schools  
 Schedule of Vendor Information for Purchases Exceeding \$60,000 (excluding GRT)  
 For the Year Ended June 30, 2016

Prepared by: Los Alamos Public Schools

<b>RFB/ RFP #</b>	<b>Type of Procurement</b>	<b>Awarded Vendor</b>	<b>\$ Amount of Awarded Contract*</b>	<b>\$ Amount of Amended Contract**</b>
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PSFA ERATE	ADVANCED NETWORK MANAGEMENT, INC.	\$62,520.65	
COOPERATIVE PRICING AGREEMENT	COOPERATIVE EDUCATIONAL SVCS.	\$61,639.90	\$36,596.12

See Independent Auditors' Report.



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
--	--	---	--

NTS Staffing P O Box 27028 Des Moines, IA 50317  
 Mediscan Staffing Services 21050 Califa Street Woodland Hills, CA 91367  
 Prime HealthCare Staffing 27240 Haggerty Road Suite E-15 Farmington Hills, MI 48331  
 Core Medical Group 2 Keewaydin Drive Salem, NH 03079

ProCare Therapy 8001 N Lincoln, 8th Floor Skokie, IL 60077

MTX Therapy Services 6973 East Fowler Avenue Tampa, FL 33617

Jill Bement 3541 Arizona Ave Los Alamos, NM 87544  
 Ardor Health Solutions 5830 Coral Ridge Dr Suite 120 Coral Springs, FL 33076

Melissa Bartlett 380 Rim Road Los Alamos, NM 87544  
 Josephine Prerovsky 820 Calle Torreador Santa Fe, NM 87505

Terry Izraelevitz 660 Totavi Los Alamos, NM 87544

Advanced Network Management, Inc 4601 Columbine Avenue NE Albuquerque, NM 87113

Advanced Network Management thru Cooperative Educational Services of NM P O Box 92223 Albuquerque, NM 87544

N/A

Technology - upgrades

N/A

Technology - UC Upgrade Project

See Independent Auditors' Report.

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## **COMPLIANCE SECTION**

**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***

**INDEPENDENT AUDITORS' REPORT**

Timothy Keller  
New Mexico State Auditor  
The Office of Management and Budget  
The Board of Education  
Los Alamos Public Schools  
Los Alamos, 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, business-type activities, the discretely presented component unit, each major fund, the aggregate remaining fund information and the budgetary comparisons of the general fund and major special revenue fund of Los Alamos Public Schools (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 fund statements and related budgetary comparisons of the District presented as supplemental information, and have issued our report thereon dated October 27, 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. However, material weaknesses 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 of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

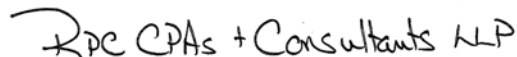
We noted a certain matter that is required to be reported per section 12-6-5 NMSA 1978 that we have described in the accompanying schedule of Section 12-6-5 NMSA 1978 Findings as item NM 2016-001.

## **The District's Response 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 result of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



RPC CPAs + Consultants, LLP  
Albuquerque, NM  
October 27, 2016

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**FEDERAL FINANCIAL ASSISTANCE**

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

**INDEPENDENT AUDITORS' REPORT**

Timothy Keller  
New Mexico State Auditor  
The Office of Management and Budget  
The Board of Education  
Los Alamos Public Schools  
Los Alamos, New Mexico

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

We have audited Los Alamos Public School's (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2016. The District's major federal programs are identified in the summary of auditors' 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.

**Auditors' 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.



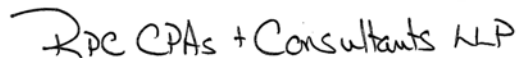
## Report on Internal Control Over Compliance

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 of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



RPC CPAs + Consultants, LLP  
Albuquerque, NM  
October 27, 2016

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2016

<b>Federal Grantor/Pass Through Grantor/Program Title</b>	<b>Pass Thru Number</b>	<b>Federal C.F.D.A. Number</b>	<b>Expenditures</b>	<b>Funds Provided to Subrecipients</b>	<b>Noncash Assistance</b>
<b>U.S. Department of Energy</b>					
<i>Direct United States Department of Energy</i>					
		Public Law 108-			
DOE Assistance Grant	* 11000	375	\$ 8,000,000	\$ -	\$ -
Total U.S. Department of Energy			<u>8,000,000</u>	<u>-</u>	<u>-</u>
<b>U.S. Department of Defense</b>					
<i>Direct United States Department of Defense</i>					
NJROTC	11000	12.XXX	17,136	-	-
Total U.S. Department of Defense			<u>17,136</u>	<u>-</u>	<u>-</u>
<b>U.S. Department of Education</b>					
<i>Passthrough - State of NM Public Education Department</i>					
Impact Aid - General Fund	* 11000	84.041	225,807	-	-
Title I IASA	24101	84.01	84,309	-	-
IDEA-B Entitlement	24106	84.027 (1)	792,653	-	-
IDEA-B Preschool	24109	84.173 (1)	15,168	-	-
IDEA-B Early Intervention Services	24112	84.027 (1)	109,945	-	-
IDEA-B "Risk Pool"	24120	84.027 (1)	605	-	-
Improving Teacher Quality	24154	84.367A	50,234	-	-
Carl D Perkins Secondary- Current	24174	84.048	-	-	-
Indian Education Formula Grant	25184	84.060A	10,820	-	-
Total U.S. Department of Education Passthrough			<u>1,289,541</u>	<u>-</u>	<u>-</u>
<b>U.S. Department of Agriculture</b>					
<i>Passthrough - State of NM Public Education Department</i>					
Forest Reserve	11000	10.672	4,527	-	-
Child Nutrition Cluster		10.553 &			
National School Lunch Act	21000	10.555	259,599	-	11,383
Total U.S. Department of Agriculture Passthrough			<u>264,126</u>	<u>-</u>	<u>11,383</u>
<i>Total Federal Financial Assistance</i>			<u>\$ 9,570,803</u>	<u>\$ -</u>	<u>\$ 11,383</u>

\* Major program  
( ) Denotes cluster

See Independent Auditors' Report.  
See accompanying notes to schedule of expenditures of federal awards.

**Notes to Schedule of Expenditures of Federal Awards**

**Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of Los Alamos Public Schools (The District) and is presented on the accrual basis of accounting, which is the same basis as was used to prepare the financial statements. The information in this schedule is presented in accordance with the requirements of *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

**Loans**

The District did not expend federal awards related to loans or loan guarantees during the year.

**10% de minimus Indirect Cost Rate**

The District did not elect to use the allowed 10% indirect cost rate.

**Federally Funded Insurance**

The District has no federally funded insurance.

**Reconciliation of Schedule of Expenditures of Federal Awards to Financial Statements:**

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 9,570,803
Total expenditures funded by other sources	<u>41,751,600</u>
<i>Total expenditures</i>	<u><u>\$ 50,116,038</u></u>

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**STATE OF NEW MEXICO**  
 Los Alamos Public Schools  
 Schedule of Findings and Questioned Costs  
 June 30, 2016

**A. SUMMARY OF AUDITORS' RESULTS**

*Financial Statements:*

- |  |            |
|--|------------|
| 1. Type of auditors' report issued   | Unmodified |
| 2. Internal control over financial reporting:                                    |            |
| a. Material weaknesses identified?   | None noted |
| b. Significant deficiencies identified not considered to be material weaknesses? | None noted |
| c. Noncompliance material to the financial statements noted?                     | None noted |

*Federal Awards:*

- |   |            |
|---|------------|
| 1. Type of auditors' report issued on compliance for major programs   | Unmodified |
| 2. Internal control over major programs:  |            |
| a. Material weaknesses identified?  | None noted |
| b. Significant deficiencies identified not considered to be material weaknesses?                              | None noted |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? | None noted |

4. Identification of major programs:

CFDA Number	Federal Program
Public Law 108-375 84.041	DOE Assistance Grant Impact Aid Program

- |   |           |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$750,000 |
| 6. Auditee qualified as low-risk auditee?                                   | No        |

**STATE OF NEW MEXICO**  
 Los Alamos Public Schools  
 Schedule of Findings and Questioned Costs  
 June 30, 2016

**B. FINDINGS-FINANCIAL STATEMENT AUDIT**

**No financial statement findings noted**

**C. FINDINGS-SECTION 12-6-5 NMSA 1978 FINDINGS**

**NM 2016-001 – Budgetary Controls– Other Noncompliance**

*Condition:* The District has over expended its budget in the following funds:

<b>Major Fund</b>	
Transportation Fund-1300	\$ <u>5,035</u>
 <b>Nonmajor Fund</b>	
Los Alamos Public School Foundation- Capital Outlay	\$ 9,918
Dual Credit Instructional Material - Instruction	25,335
New Mexico Reads to Lead K-3 Reading Initiative - Instruction	<u>445</u>
 Total Governmental Funds	 \$ <u>35,698</u>

*Criteria:* NMAC 6.20.2.10 state that all District funds, with the exception of agency funds, are to be budgeted by the local governing body and submitted to the State of New Mexico Public Education Department for approval. Once adopted, any claims or warrants in excess of budget are a violation of New Mexico State Statute 6-6-6, 1978 Compilation.

*Effect:* The internal controls established by adherence to budgets has been compromised, and excess spending could result

*Cause:* The District did not request the budget adjustments at year end to alleviate these budget overruns.

*Auditors' Recommendations:* We recommend that the District monitor its budgets closely and prepare budget adjustments as necessary.

*Agency's Response:* The Chief Financial Officer and Comptroller will both monitor the District's budget to ensure that all needed budget adjustment requests are submitted to the Public Education Department prior to their deadline at year end.

**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Schedule of Findings and Questioned Costs  
June 30, 2016

**D. FEDERAL AWARD FINDINGS**

No federal award findings noted

**E. PRIOR YEAR AUDIT FINDINGS**

**FS 2014-001 – Internal Control Structure Standards–Material Weakness – Resolved**

**FS 2014-003 – Consumable Inventory–Significant Deficiency – Resolved**

**FS 2014-005 – Cash Appropriations in Excess of Available Cash Balances–Other Matter – Resolved**

**FS 2015-001 – Disaster Recovery Plan and Off Site Storage–Significant Deficiency – Resolved**

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**STATE OF NEW MEXICO**  
Los Alamos Public Schools  
Other Disclosures  
June 30, 2016

**OTHER DISCLOSURES**

**Exit Conference**

An exit conference was held on October 27, 2016. In attendance were the following:

**Representing Los Alamos Public Schools:**

Kurt Steinhaus, Superintendent  
Diane, Katzenmeyer- Delgado, Assistant Superintendent  
Lisa Montoya, CFO  
Teresa Gatewood, Comptroller  
Joanna Gillespie, Los Alamos Public Schools Foundation  
Lorraine Hartway, CPA, Los Alamos Public School Foundation and Audit Committee  
Andrea Cunningham, Board of Education

**Representing RPC CPAs + Consultants, LLP**

Robert Cordova, CPA, Partner

**Auditor Prepared Financial Statements**

RPC CPAs + Consultants, LLP prepared the GAAP-basis financial statements and footnotes of Los Alamos Public Schools from the original books and records provided to them by the management of the District. The responsibility for the financial statements remains with the District.