

State of New Mexico
Los Lunas Schools

Financial Statements

June 30, 2015



AXIOM

*Certified Public Accountants
and Business Advisors LLC*

**ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2015
TABLE OF CONTENTS**

	Exhibit	Page
INTRODUCTORY SECTION		
Table of Contents		1-3
Official Roster		4
FINANCIAL SECTION		
Independent Auditors' Report		5-7
Management's Discussion and Analysis		8-25
Basic Financial Statements:		
Statement of Net Position	A-1	26-27
Statement of Activities	A-2	28-29
Fund Financial Statements:		
Balance Sheet - Governmental Funds	B-1	30-31
Reconciliation of the Balance Sheet to the Statement of Net Position		32
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	B-2	33-34
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities		35
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – General Fund (11000)	C-1	36
Transportation Fund (13000)	C-2	37
Instructional Materials Fund (14000)	C-3	38
Title I IASA Special Revenue Fund (24101)	C-4	39
Statement of Fiduciary Assets and Liabilities - Agency Funds	D-1	40
Notes to the Financial Statements		41-72
REQUIRED SUPPLEMENTARY INFORMATION		
Schedule of the District's Proportionate Share of the Net Pension Liability	I	73
Schedule of District Contributions	II	74
Notes to Required Supplementary Information		75
SUPPLEMENTARY INFORMATION		
Combining and Individual Fund Statements and Schedules:		
Combining Balance Sheet – Nonmajor Governmental Funds	A-1	76
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	A-2	77
Special Revenue Funds Description		78-82
Combining Balance Sheet – Nonmajor Governmental Funds	B-1	83-93
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	B-2	94-104

**ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2015
TABLE OF CONTENTS (Continued)**

	Statement/ Schedule	Page
SUPPLEMENTARY INFORMATION (CONTINUED)		
Statement of Revenues, Expenditures, and Changes in Fund Balance -		
Budget (Non-GAAP Budgetary Basis) and Actual:		
Food Service Special Revenue Fund (21000)	B-3	105
Athletics Special Revenue Fund (22000)	B-4	106
Non-Instructional Support Special Revenue Fund (23000)	B-5	107
IDEA-B Entitlement Special Revenue Fund (24106)	B-6	108
IDEA-B Competitive Special Revenue Fund (24108)	B-7	109
Preschool IDEA-B Special Revenue Fund (24109)	B-8	110
Education of Homeless Special Revenue Fund (24113)	B-9	111
IDEA-B "Risk Pool" Special Revenue Fund (24120)	B-10	112
Enhancing Ed Thru Tech Special Revenue Fund (24133)	B-11	113
Comprehensive School Reform Special Revenue Fund (24135)	B-12	114
ELL Title III Incentive Awards Special Revenue Fund (24143)	B-13	115
English Language Acquisition Special Revenue Fund (24153)	B-14	116
Teacher / Principal Training / Recruiting Special Revenue Fund (24154)	B-15	117
Safe & Drug Free Schools & Community Special Revenue Fund (24157)	B-16	118
Title I School Improvement Special Revenue Fund (24162)	B-17	119
Carl D Perkins Secondary Current Special Revenue Fund (24174)	B-18	120
USDA 2010 Equipment Special Revenue Fund (24183)	B-19	121
Preschool IDEA-B Federal Stimulus Special Revenue Fund (24209)	B-20	122
Impact Aid Special Education Revenue Fund (25145)	B-21	123
Impact Aid Indian Education Special Revenue Fund (25147)	B-22	124
Title XIX Medicaid 3 / 21 Years Special Revenue Fund (25153)	B-23	125
Child Care Block Grant CYFD Special Revenue Fund (25157)	B-24	126
Indian Ed Formula Grants Special Revenue Fund (25184)	B-25	127
Gear Up NM Initiatives Special Revenue Fund (25205)	B-26	128
Gear Up USDE Special Revenue Fund (25211)	B-27	129
Smaller Learning Communities Special Revenue Fund (25217)	B-28	130
Dual Credit Instructional Materials (27103)	B-29	131
2012 G.O. Bond Student Library (SB66) Fund Special Revenue Fund (27107)	B-30	132
New Mexico Reads to Lead K-3 Special Revenue Fund (27114)	B-31	133
Robot Systems for Math Competitions Special Revenue Fund (27115)	B-32	134
Teacher School Leader Stipends Special Revenue Fund (27122)	B-33	135
Pre K Initiative Special Revenue Fund (27149)	B-34	136
Indian Education Act Special Revenue Fund (27150)	B-35	137
Breakfast for Elementary Students Special Revenue Fund (27155)	B-36	138
Legislative Appropriations of 2007 Special Revenue Fund (27165)	B-37	139
Kindergarten Three Plus Special Revenue Fund (27166)	B-38	140
School Buses Special Revenue Fund (27178)	B-39	141
Library Book Special Revenue Fund (27549)	B-40	142
Office of Cultural Affairs Special Revenue Fund (28177)	B-41	143
GRADS Childcare Special Revenue Fund (28189)	B-42	144
GRADS Instruction Special Revenue Fund (28190)	B-43	145
GRADS - Plus Special Revenue Fund (28203)	B-44	146

**ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2015
TABLE OF CONTENTS (Continued)**

	Statement/ Schedule	Page
SUPPLEMENTARY INFORMATION (CONTINUED)		
Capital Projects Funds Descriptions		147
Combining Balance Sheet – Nonmajor Capital Projects Funds	C-1	148
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds	C-2	149
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual:		
Bond Building Capital Project Fund (31100)	C-3	150
Special Capital Outlay - State Capital Project Fund (31400)	C-4	151
Capital Improvements HB-33 Capital Project Fund (31600)	C-5	152
Capital Improvements SB-9 Capital Project Fund (31700)	C-6	153
Debt Service Fund (41000)	D-1	154
SUPPORTING SCHEDULES		
Schedule of Changes in Fiduciary Assets and Liabilities - Agency Funds	I	155
Schedule of Collateral Pledged by Depository for Public Funds	II	156
Schedule of Cash and Temporary Investment Accounts	III	157
Cash Reconciliation	IV	158-161
Schedule of Vendors	V	162
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 <i>Government Auditing Standards</i>		163-164
FEDERAL FINANCIAL ASSISTANCE		
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133		165-166
Schedule of Expenditures of Federal Awards		167-168
Schedule of Findings and Questioned Costs		169-170
Summary Schedule of Prior Year Audit Findings		171
Exit Conference		172

STATE OF NEW MEXICO

LOS LUNAS SCHOOLS

Official Roster

June 30, 2015

Board of Education

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

School Officials

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

INDEPENDENT AUDITOR'S REPORT

To the District Board
Los Lunas Schools

and Mr. Timothy Keller
New Mexico State Auditor

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of Los Lunas School District (the "District") as of and for the year ended June 30, 2015, 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, and the budgetary comparisons for the major capital project fund, debt service fund, and all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2015, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2015, and the respective changes in financial position and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the District as of June 30, 2015, and the respective changes in financial position and the respective budgetary comparisons for the major capital project fund, debt service fund and all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 18 to the financial statements, in 2015 the District adopted new accounting guidance, *GASB Statement No. 68*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the District's financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The Schedule of Expenditures of federal awards as required by Office of Management and Budget *Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, and the other schedules required by Section 2.2.2 NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2015 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Albuquerque, New Mexico
November 13, 2015

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

The Management Discussion and Analysis is a required part of the School District's financial reporting and is an objective and easily readable discussion of the School District's financial activities. The reader will see two statements, a Statement of Net Position and a Statement of Activities. These statements provide the overall view of the financial activities of the School District. This discussion and analysis will provide a review of the School District's *overall* financial activities, using the accrual basis of accounting, for the year ending June 30, 2015. Fund financial statements are reported on a modified accrual basis of accounting. Rather than looking at specific areas of performance, this discussion and analysis focuses on the financial performance of the School District, as a whole. Whenever possible this discussion and analysis will provide the reader multi-year pictures of financial performance and other pertinent information through the use of tables and other graphics information.

This annual report consists of a series of detailed, audited financial statements and the notes to those statements. Also included is the Independent Auditor's Report; Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements performed in accordance with Government Auditing Standards; Report on Compliance with Requirements Applicable to each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133; and the Schedule of Findings and Questioned Costs.

LOS LUNAS SCHOOLS ACCOUNTING AND FINANCE

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

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

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

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

SIGNIFICANT FINANCIAL HIGHLIGHTS FOR THE YEAR ENDING JUNE 30, 2015

- The District received an award in May 2012 from the Public School Capital Outlay Council (PSCOC). The award is for a major renovation to Los Lunas High School. We received approval for a \$65 million dollar renovation at that site, with the help of the State PSCOC our local match is \$13 million dollars or 20% of the project. We will work the project into two major construction phases so we can build up our cash in the bond fund for our portion of our match for this project and keep the students in a safe and usable facility as construction is going on. Construction began in June 2012. We are expecting to complete the project by December 2015.
- The voters approved a \$25,000,000 bond election in February 2012. The voter approval was over 80%. The money will be used for funding the next wave of bond projects, which includes various site improvement projects. During that same election, we also passed an existing 3mil levy tax for the next six years. The 3mil generates roughly 2.1 million dollars a year. The 3mil money is utilized to support the upkeep of our district technology needs.
- Capital Outlay expenses increased from \$19,144,515 in the year ending June 30, 2014 to \$26,875,323 for the year ending June 30, 2015. This increase represents an increase in major construction projects. We have prioritized several smaller site improvement projects district wide. Despite lowered bond sales, the district is still going to apply for money from the Public School Capital Outlay funds to match our local dollars to maximize the construction dollars available to the school district. Our current match from the Public School Facility Authority (PSFA) is 76%. The means we only pay 24% of the dollars allocated to capital projects approved by the PSFA. Projects we have participated in include a Classroom Addition at Katherine Gallegos Elementary, Sundance Elementary, renovation for Bosque Farms Elementary, and renovation for Los Lunas High School. Expenditures in capital outlay are expected to rise, as new projects are identified.
- As shown in the three-year comparison of the Statement of Net Position, total net position decreased from \$132,429,064 in the year ending June 30, 2014 to \$61,527,158 in the year ending June 30, 2015. The overall decrease in net position of \$70,901,906 is due to the newly added liability from GASB 68 of \$81,324,343 not accounted for in the previous year(s) otherwise net position would have seen an increase.
- The overall adjusted fund balance shown in the Statement of Revenues and Expenditures and Changes in Fund Balances (GAAP), increased from \$27,247,311 for the year ending June 30, 2014 to \$30,882,871 for the period ending June 30, 2015. During the period ending June 30, 2015, the overall Fund Balance increased by \$3,635,560 to \$30,882,871. This increase is due another year of effort to increase our fund balances by adding to our reserves. The Fund Balance of the General (Operations) Fund increased from \$6,209,901 to \$8,844,190 during the same period.

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

**SIGNIFICANT FINANCIAL HIGHLIGHTS FOR THE YEAR ENDING JUNE 30, 2015
(CONTINUED)**

- The State Equalization Guarantee Formula Unit Value increased overall by \$190.20 for the fiscal year ending June 30, 2015. Revenues from the State Equalization Guarantee Formula (SEG) for the fiscal year ending June 30, 2014 were \$56,544,701; revenues for the fiscal year ending June 30, 2015 were \$59,100,395. The reason revenue did not increase in proportion to the unit value increase is due to the decrease in other factors that go into that formula. For example, Training and Experience index were down in 2014/2015.
- Total expenditures, *inclusive of all capital expenditures from general obligation bond proceeds*, increased from \$95,462,555 for the year ending June 30, 2014 to \$109,013,080 for the year ending June 30, 2015, representing a 14.2% increase.
- The School District's overall cash assets increased from \$26,539,983 on June 30, 2014 to \$30,503,852 on June 30, 2015. The largest cash balances were reflected in Debt Service (41000), Operational (11000), Bond Building (31100), and HB-33 (31600).
- The Operations Emergency Reserve was \$1,775,000 during the 2013/2014 fiscal year. This reserve account was increased to \$1,785,000 for the 2014/2015 fiscal year. An effort has been made to increase the reserve, the District will try to continue to work to maintain a healthy level of emergency reserves, and cash balance in the operational account.
- This was the sixth year in a row that the Operational budget had to supplement the transportation budget to avoid a negative balance. The District Transportation budget continues to not able to sustain itself without the support of operational funding. The District has taken several measures to reduce the expenditures in Transportation including operating a New Eastside Transportation Dept., reducing bus routes, and reducing bus driver contracts.

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

GOVERNMENT WIDE FINANCIAL STATEMENTS

STATEMENT OF NET POSITION

This statement shows that as of June 30, 2015, the School District has total net position of \$61,527,158 as compared to net position of \$132,429,064 as of June 30, 2014, and \$117,521,736 as of June 30, 2013. The School District had \$35,881,848 in cash and current assets on hand as of June 30, 2015 compared to \$32,186,166 as of June 30, 2014, and accounts payable/current liabilities and current long-term debt of \$9,271,502 compared to \$9,075,855 as of June 30, 2014. Cash Assets increased by \$3,963,869 while Other Current Assets decreased by \$268,187. Long-term liabilities have increased from \$41,370,740 as of June 30, 2014 to \$123,828,573 as of June 30, 2015.

The School District retains maximum allowable levels of debt related to its assessed valuation; therefore, the increase in long-term liabilities is due to a relatively stagnant valuation. Net Assets totaling \$18,749,675 are "restricted" for debt service and capital projects.

	June 30, 2013	June 30, 2014	June 30, 2015
Assets			
Cash Assets	\$ 23,217,310	\$ 26,539,983	\$ 30,503,852
Other Current Assets	\$ 5,575,815	\$ 5,646,183	\$ 5,105,258
Bond Issuance Costs	\$	\$	\$
Capital Assets	\$ 200,787,524	\$ 219,198,239	\$ 222,643,688
Depreciation	\$ (63,826,973)	\$ (68,508,746)	\$ (61,052,736)
Total Assets	\$ 165,753,676	\$ 182,875,659	\$ 197,200,062
Liabilities			
Accounts Payable	\$ 1,156,839	\$ 1,318,858	\$ 1,110,075
Other Current Liabilities	\$ 1,204,113	\$ 2,811,997	\$ 3,033,555
Current Portion/Long Term	\$ 5,580,000	\$ 4,945,000	\$ 5,127,872
Long Term Liabilities	\$ 40,290,988	\$ 41,370,740	\$ 123,861,445
Total Liabilities	\$ 48,231,940	\$ 50,446,595	\$ 133,132,947
Net Position			
Invested in Capital Assets	\$ 91,260,551	\$ 104,569,493	\$ 114,111,591
Restricted	\$ 21,211,291	\$ 20,441,709	\$ 22,115,176
Unrestricted	\$ 5,049,894	\$ 7,417,862	\$ (74,699,609)
Total Net Position	\$ 117,521,736	\$ 132,429,064	\$ 61,527,158

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

GOVERNMENT WIDE FINANCIAL STATEMENTS (CONTINUED)

STATEMENT OF ACTIVITIES

The Statement of (Governmental) Activities is also a statement required by GASB 34, and is prepared using the accrual method of accounting. This report compliments the Statement of Net Assets by showing the overall change in the School District's net assets for the fiscal year ending June 30, 2015. As of June 30, 2015, the School District had net assets of \$61,527,158 as compared to net assets of \$132,429,064 as of June 30, 2014 and \$117,521,736 as of June 30, 2013.

	June 30, 2013	June 30, 2014	June 30, 2015
Governmental Activities			
Total Governmental Activities	\$ 74,632,287	\$ 76,370,461	\$ 89,678,186
Less Charges for Services	\$ (917,738)	\$ (788,874)	\$ (756,864)
Less Operating Grants and Contributions	\$ (13,497,157)	\$ (15,522,350)	\$ (15,504,219)
Less Capital Grants and Contributions	\$ (12,203,684)	\$ (8,590,759)	\$ (17,101,864)
Net (expenses) Revenues	\$ (48,013,708)	\$ (51,468,478)	\$ (56,315,239)
General Revenues			
Taxes-General, Debt Service, Capital Projects	\$ 9,919,116	\$ 9,748,778	\$ 10,364,113
State Aid not Restricted to Specific Purposes (State Equalization Guarantee - SEG)	\$ 54,717,711	\$ 56,544,701	\$ 59,100,395
Interest and Earnings in Investments	\$ 0	\$ 0	\$ 0
Miscellaneous	\$ (202,142)	\$ 82,327	\$ 112,904
Subtotal, General Revenues	\$ 64,434,685	\$ 66,375,806	\$ 69,577,412
Changes in Net Position			
Restatement	\$ 1,077,792	\$ 0	\$ (84,164,079)
Net Position Beginning	\$ 100,022,967	\$ 117,521,736	\$ 132,429,064
Net Position Ending	\$ 117,521,736	\$ 132,429,064	\$ 61,527,158

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

FUND FINANCIAL STATEMENTS

STATEMENT OF REVENUES AND EXPENDITURES AND CHANGES IN FUND BALANCES

Fund financial statements are based on a *modified accrual* basis of accounting. The Statement of Revenues and Expenditures and Changes in Fund Balances is *not a* new statement to the School District's annual financial reports. This report guides the reader to a meaningful, overall, view of the District's revenues, expenditures and fund balance and changes to the fund balance. This report also shows the revenue and expenditure activities of each major fund and the total of all "other" Governmental Funds. Total revenues from State, Local and Federal sources were \$102,819,368. With the addition of \$ 9,829,272 in general obligation bond proceed. Total revenues increase to \$ 112,648,640 Total expenditures for the School District was \$109,013,080. The total ending Fund Balance was \$30,882,871; an increase of \$3,635,560 from the prior year.

MULTI-YEAR DISTRICT REVENUES AND EXPENDITURES

During the 2014/2015 fiscal year, revenues as shown in the chart below increased from prior year balances, revenue, increased by \$4,992,140 and expenditures increased by 13,556,166. This revenue increase is mainly due to a increase in State Grants (SEG) and increase in proceeds from bond issues. The increase in expenditures is a direct relation to an increase in capital outlay projects.

Year	Total Revenues *	Increase %	Total Expenditures*	Increase %
1997/1998	\$ 49,732,514	22%	\$ 49,218,771	16%
1998/1999	\$ 50,954,992	29%	\$ 53,870,029	9%
1999/2000	\$ 60,492,174	19%	\$ 56,085,681	4%
2000/2001	\$ 66,373,486	10%	\$ 65,727,785	17%
2001/2002	\$ 70,314,391	6%	\$ 72,028,003	10%
2002/2003	\$ 76,605,597	9%	\$ 76,347,148	6%
2003/2004	\$ 75,436,662	(1.5%)	\$ 74,842,654	(2.0)%
2004/2005 **	\$ 87,325,182	15.7%	\$ 86,718,047	15.9%
2005/2006	\$ 84,438,528	(3.31%)	\$ 84,541,105	(2.0)%
2006/2007***	\$ 99,216,680	17.5%	\$ 93,995,800	11.18%
2007/2008	\$ 101,792,107	2.6%	\$ 103,883,263	10.52%
2008/2009	\$ 105,507,566	4.0%	\$ 103,874,640	(.008%)
2009/2010	\$ 93,006,003	(11.8%)	\$ 93,872,062	(11%)
2010/2011	\$ 94,237,137	1.3%	\$ 89,898,017	(4.35%)
2011/2012	\$ 100,074,994	6.2%	\$ 91,700,954	2.0%
2012/2013	\$ 96,377,306	(3.7%)	\$ 96,279,388	5.0%
2013/2014	\$ 97,832,869	1.5%	\$ 95,462,555	(.85%)
2014/2015	\$ 102,819,368	5%	\$ 109,013,080	14%

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

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

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

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

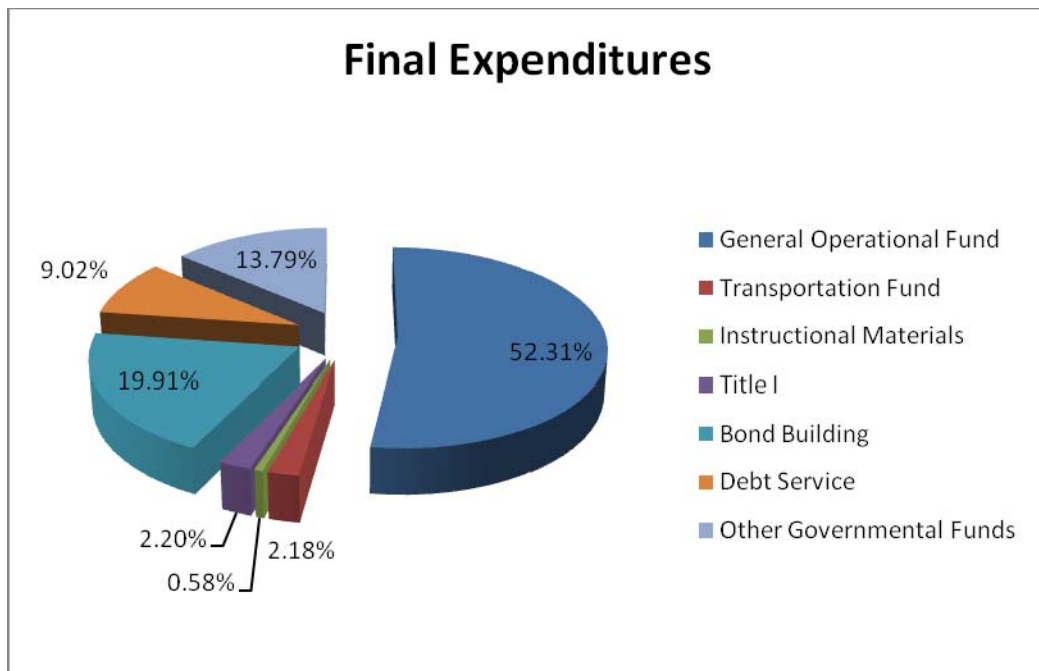
THE BUDGET

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

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

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

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



**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

THE BUDGET (CONTINUED)

The reader will note that the Operations Fund Final Expenditures represents 52.31% of the total fund dollar amount compared to 57.17% in FY 2013/2014. This fund provides the salary and benefits for the significant majority of the Instructional, Instructional Support and School Support, Maintenance and Administrative staff as well as classroom materials, special education consulting staff and fixed utility costs. Revenue from this fund is substantially derived from the State Equalization Guarantee, which is the funding formula appropriated for education by the State Legislature. The Operations Fund is explored later in the Management Discussion and Analysis.

The following table examines the summary budget performance of the major funds for the fiscal year ending June 30, 2015. Detail budget performance is examined through the Statement of Revenues and Expenditures, Budget and Actual for each major and non-major fund.

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

FUND TYPE	FINAL BUDGET	ACTUAL	VARIANCE
Operations (11000)	\$ 64,347,956	\$ 57,190,726	\$ 7,157,230
Transportation (13000)	\$ 2,382,357	\$ 2,382,357	\$ 0
Instructional Materials (14000)	\$ 1,022,849	\$ 638,114	\$ 384,735
Title I (24101)	\$ 2,616,350	\$ 2,375,370	\$ 240,980

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

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

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

THE BUDGET (CONTINUED)

The General (Operations) Fund

The Operations Fund serves as the School District General (Operations) Fund and is the largest Fund. Because the Operations Fund revenues represent \$59,757,469 of the total \$112,648,640 of School District revenues (inclusive of bond proceeds), the significant impact of this fund on School District Operations must be kept in context.

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

GENERAL (OPERATIONS) FUND REVENUES

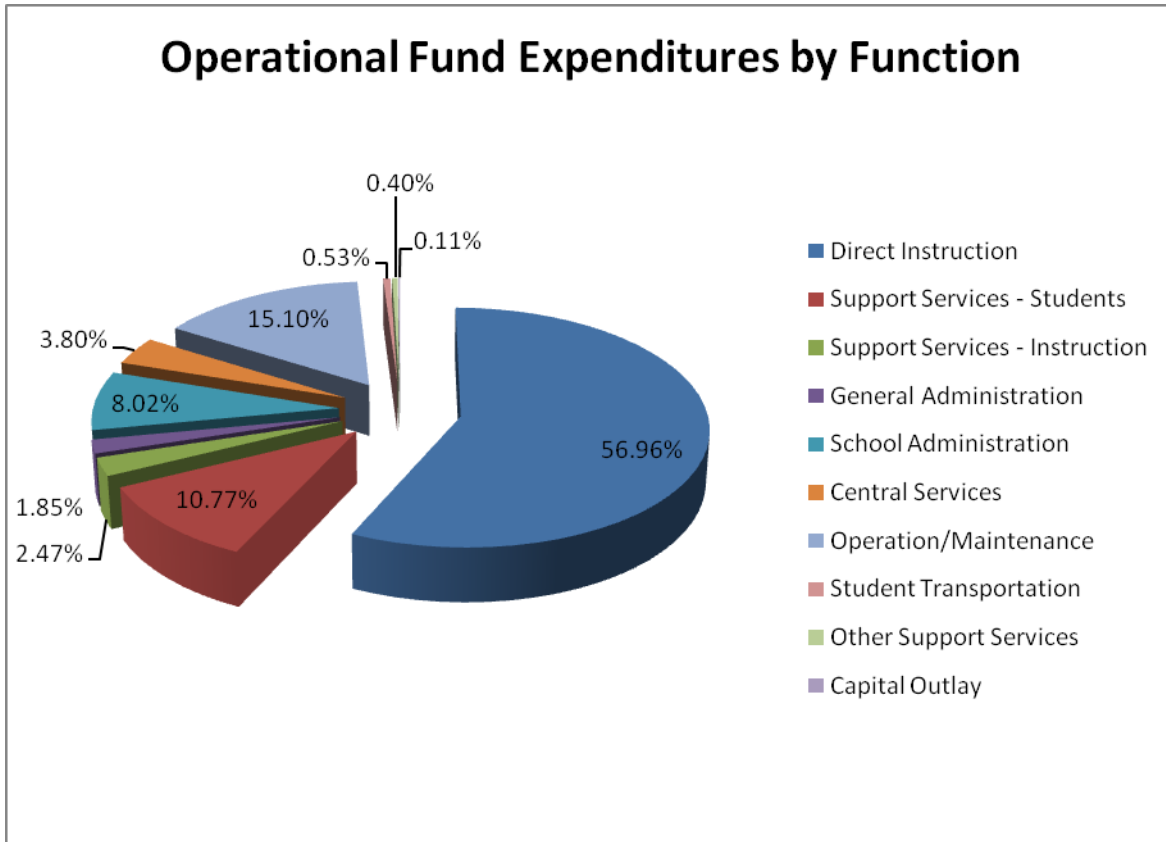
YEAR	REVENUES	INCREASE %
1998/1999	\$ 36,791,198	16%
1999/2000	\$ 38,648,467	5%
2000/2001	\$ 42,095,896	9%
2001/2002	\$ 46,826,574	11%
2002/2003	\$ 46,398,919	(1%)
2003/2004	\$ 48,454,893	4.4%
2004/2005	\$ 50,430,536	4.1%
2005/2006	\$ 54,254,563	7.6%
2006/2007	\$ 58,216,044	7.3%
2007/2008	\$ 62,026,642	6.5%
2008/2009	\$ 62,138,555	.182%
2009/2010	\$ 54,295,485	(14%)
2010/2011	\$ 54,991,153	1.2%
2011/2012	\$ 55,887,434	1.6%
2012/2013	\$ 55,340,239	(1%)
2013/2014	\$ 57,116,226	3.3%
2014/2015	\$ 59,757,469	4.6%

Because the General (Operations) Fund is the main fund in which expenditures are significantly related to the educational process, \$57,025,181 was expended in the year ending June 30, 2015. The most significant inter-fund expense was for the function noted as "Instruction" (Direct Instruction). This expenditure was \$32,478,789 or 56.96% of all General (Operations) Fund expenditures, compared with fiscal year 2013/2014 of \$31,015,237 (56.83%). Expenditures included in this function are Regular Education, Special Education and Early Childhood Education teachers and educational assistants, benefits, payroll taxes, school supplies, training and miscellaneous instructional related contract services. Approximately 83% of all General (Operations) Fund expenditures are for employee salaries, payroll taxes and benefits.

**STATE OF NEW MEXICO
 LOS LUNAS SCHOOLS
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 JUNE 30, 2015**

THE BUDGET (CONTINUED)

The General (Operations) Fund (Continued)



The following discussion on the General (Operations) Fund budget will relate functional expenditures for the year ending June 30, 2015, exclusive of Capital Outlay expenditures, for the Operations Fund. Direct Instruction represents 56.96% of all General (Operations) Fund expenditures. This represents a .13% increase compared to the year fiscal ending June 30, 2014. Direct Instruction expenditures account for regular education, vocational education, bilingual education, special education and kindergarten teachers and educational assistants' salaries, payroll taxes and benefits.

**STATE OF NEW MEXICO
 LOS LUNAS SCHOOLS
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 JUNE 30, 2015**

THE BUDGET (CONTINUED)

The General (Operations) Fund (Continued)

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

Year	Direct Instruction Cost	Actual Expenditures	%
2003/2004	\$ 28,126,543	\$ 48,076,841	58.5%
2004/2005	\$ 30,404,078	\$ 51,081,357	59.4%
2005/2006	\$ 31,909,199	\$ 53,742,851	59.4%
2006/2007	\$ 34,342,180	\$ 58,308,781	58.9%
2007/2008	\$ 36,685,109	\$ 62,703,997	58.8%
2008/2009	\$ 36,735,064	\$ 63,474,138	57.9%
2009/2010	\$ 32,264,185	\$ 54,618,319	59.1%
2010/2011	\$ 29,949,683	\$ 52,901,522	56.6%
2011/2012	\$ 31,014,174	\$ 54,367,566	57.0%
2012/2013	\$ 30,300,881	\$ 53,694,034	56.4%
2013/2014	\$ 31,015,237	\$ 54,572,031	56.8%
2014/2015	\$ 32,478,789	\$ 57,025,181	56.9%

The table above has been included to convey to the reader the School District's budgetary commitment to maximize expenditures in the "classroom". The table shows that expenditures in the area of Direct Instruction average 57.98% since the 2003/2004 year.

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

THE BUDGET (CONTINUED)

The General (Operations) Fund (Continued)

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

Function	Final Budget	Expenditure	Variance	Percentage (Expenditure) ^{Note 1}
Instruction (Direct)	\$ 34,403,892	\$ 32,644,334	\$ 1,759,558	57.08%
Support Services				
Students	\$ 6,610,532	\$ 6,140,681	\$ 469,851	10.74%
Instruction	\$ 1,641,875	\$ 1,409,839	\$ 232,036	2.47%
General Administration	\$ 1,307,416	\$ 1,052,346	\$ 255,070	1.84%
School Administration	\$ 4,974,619	\$ 4,571,729	\$ 402,890	7.99%
Central Services	\$ 2,647,250	\$ 2,165,999	\$ 481,251	3.79%
Operations and Maintenance	\$ 9,705,860	\$ 8,611,683	\$ 1,094,177	15.06%
Other Support Services	\$ 2,023,419	\$ 229,039	\$ 1,794,380	0.53%
Transportation	\$ 963,093	\$ 300,733	\$ 662,360	.40%
Capital Outlay	\$ 70,000	\$ 64,343	\$ 5,657	.11%
Total	\$ 64,347,956	\$ 57,190,726	\$ 7,157,230	100.00%

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

Instructional Support represents 23.04% (compared to 21.38% last fiscal year 2013/2014) of General (Operations) Fund expenditures, and accounts for expenditures for school principals, program coordinators, counselors, school nursing staff, librarians, special education ancillary staff and significant support to special education programs through contract ancillary support staff and contract programs. The Office of the Superintendent and the Business Office represent the overhead support for the entire operations of the School District; these programs combined represent 3.79% of the total General (Operations) Fund. Maintenance and Operations account for 15.06% of the General (Operations) Fund expenditures. Included in the Maintenance and Operations expenditures are salaries and benefits for maintenance staff, school custodians, fixed utility costs, maintenance and repairs, maintenance supplies/equipment, school custodial supplies/equipment, and safety and security staff and equipment. Because of the expansion/addition of school facilities and increases to the utility costs, this functional expenditure will need to be increased to meet school needs. Additional support for maintenance supplies and projects comes from the voter approved Two-Mill Levy Fund, which is also given a state matching grant. The General (Operations) Fund also supports expenditures for school athletics and student activities and Transportation.

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

OPERATIONS BUDGET RESERVE FUNDS

The School District maintains a Non-Operating function within the General (Operations) Fund as a reserve against unexpected emergency expenses or unexpected and unpredicted reductions in revenues. Most unexpected emergency expenses are those related to legal settlements or facility repairs. Facility issues can be addressed through the School District Two-Mill Levy Fund or insurance coverage that lessens the need for the School District to maintain a high Operations Fund reserve. The budget for the 2014/2015 fiscal year reflects a reserve fund of \$1,785,000. The budget for the 2013/2014 school year reflected a reserve amount of \$1,775,000. This is a budget increase of \$10,000.

CAPITAL ASSETS

GASB 34 requires public entities to depreciate capital assets. As of June 30, 2015, the School District capital assets were valued at \$161,590,952 after depreciation. This statement includes total accumulated depreciation of the School District's capital assets in the amount of \$61,052,736. The School District utilizes a "straight line" depreciation method in all cases and standardized lifetime tables in calculating this depreciation. Utilization of depreciation concepts by public entities allows the reader to know if the entity is replacing its assets at a rate in which they are being used. In accordance with State Statute, State Regulations and School Board Policy, all assets with a value in excess of \$5,000 are capitalized.

Because of past student growth and certain aging facilities, the School District has taken a planned and focused approach towards investing in equipment, and building new facilities as well as adding to and maintaining existing facilities. This effort is evidenced by the substantial and continuous investment in the "Capital Outlay" account. This planning includes applications for additional capital funding support from the Public School Capital Outlay Council (PSCOC). In addition to construction, the School District continued planned efforts to replace old vehicles, enhance technology, and replace outdated school furnishings and equipment. In order to assure that aged equipment and vehicles are replaced on a routine basis, the Board of Education enacted a policy mandating that the replacement of equipment be funded, yearly, as a matter of routine. Schedules for equipment replacement will be included in future G.O. Bond elections and/or the Two Mill Levy.

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

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

CAPITAL ASSETS (CONTINUED)

CAPITAL ASSETS

Asset Type	Balance June 30, 2013	Balance June 30, 2014	Balance June 30, 2015
Land and Land Improvements	\$ 11,989,948	\$ 12,011,169	10,345,710
Buildings and Building Improvements	\$ 153,813,361	\$ 158,897,586	\$ 143,526,842
Furniture, Fixtures and Equipment	\$ 4,587,046	\$ 4,888,531	\$ 4,791,511
Vehicles	\$ 7,288,197	\$ 7,406,785	\$ 8,134,068
Construction in Progress	\$ 23,108,972	\$ 35,994,168	\$ 55,845,557
Total Assets	\$ 200,787,524	\$ 219,198,239	\$ 222,643,688
Less Accumulated Depreciation	\$ (63,826,973)	\$ (68,508,746)	\$ (61,052,736)
Capital Assets - Net	\$ 136,960,551	\$ 150,689,493	\$ 161,590,952
Net Change in Assets	\$ 17,549,117	\$ 13,728,942	\$ 10,901,459

This table shows that the School District is, despite operational decreases and loss of students, still diligently replacing assets and building facilities to accommodate the student needs. As indicated with an increase in the net change in Capital Assets in the amount of \$10,901,459 as of June 30, 2015 which was mainly due to an increase in the Construction in Progress which includes Los Lunas High School Phase II.

GENERAL LONG-TERM DEBT

Article IX, Section 11 of the New Mexico Constitution limits the powers of a school district to incur general obligation debt beyond a school year. The School District can incur such debt for “the purpose of erecting, remodeling, making additions, and furnishing buildings or purchasing or improving school grounds or purchasing computer software or hardware for student use in public classrooms or any combination of these purposes”. The approval of the debt is subject to a vote of the local electors and may not exceed 6% of the assessed valuation of the taxable property within the School District. Currently, long-term debt may not exceed \$47,664,888. Total Long-Term Debt, on June 30, 2015 was \$47,315,000.

The School District has maintained a level of indebtedness to the maximum extent allowed. The policy to maintain this amount of debt is largely due to the need to add additional facilities in order to meet student population requirements upgrade and expand existing facilities, and to leverage additional funds available from Public School Capital Outlay. Public School Capital Outlay Fund awards give higher funding priorities to school districts with lower assessed valuations and higher levels of indebtedness. The most recent general obligation bond election was held on February 7, 2012 in which the School District’s voters approved a \$25.0 million, four-year, General Obligation Bond initiative by a margin exceeding 80%.

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

GENERAL LONG-TERM DEBT (CONTINUED)

During the fiscal year ending June 30, 2015, the School District made one sale of General Obligation Bonds in the amount of \$6,100,000 in September 2014. The sale included \$6,100,000 for new debt and \$3,565,000 of General Obligation Refunding Bonds. This bond sale was the third issuance of the 2012 General Obligation Bond election. As a result, of action taken by the 2002 legislature, a statute was enacted to allow school districts to complete sales of Bond Anticipation Notes (BANs). This legislation allows school districts to enter into short-term borrowing agreements and make repayments with the proceeds of future general obligation bond sales. Borrowing may not be longer than a one-year term and limited to the amount of the principal retirement for that year. The district did not enter into any BAN agreements for the fiscal year 2014/2015.

The School District maintained an A1 underlying rating for the September 2014 bond sale. Effective July 1, 2003 School District bonds also carry the *enhanced* State of New Mexico bond rating of Aa1. This action was authorized in Senate Bill 847. The effect of this bill will be to reduce the risk to bond holders and, as a consequence, reduce the interest costs to the taxpayer. The School District has never defaulted on any of its debt or other obligations. Listed below is the School District's total general obligation debt as of June 30, 2015.

YEAR ENDED JUNE 30	PRINCIPAL	INTEREST	TOTAL
2016	\$ 5,095,000	\$ 1,210,282	\$ 6,305,282
2017	\$ 4,435,000	\$ 1,113,227	\$ 5,548,227
2018	\$ 4,605,000	\$ 1,038,275	\$ 5,643,275
2019	\$ 4,935,000	\$ 929,725	\$ 5,864,725
2020	\$ 4,435,000	\$ 807,875	\$ 5,242,875
2021-2025	\$19,160,000	\$ 2,076,139	\$21,236,139
2026-2028	\$ 4,650,000	\$ 198,325	\$ 4,848,325
Total	\$47,315,000	\$ 7,373,848	\$ 54,688,848

The School District recommends the Official Statement, dated September 16, 2014 to a reader desiring to know more about the School District's long-term debt and community demographics. This Official Statement may be obtained by visiting our web site at www.llschools.net under the Business Office tab, or by contacting:

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

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

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

AGENCY FUNDS

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

While each school site is responsible for the administration of the agency funds, the custody and use of these funds are in accordance with Public Education Department Regulations and School District Policy. The management of these funds is in accordance with Business Office procedures and all banking is performed through School District accounts. The funds are also subject to annual review by the School District's Independent Auditor. The year ending June 30, 2015 states the accumulated balance of all agency funds was \$755,841.

FUTURE TRENDS

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

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

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

FUTURE TRENDS (CONTINUED)

VALUATION TABLE

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

*Note: Preliminary Assessment

* Source: Official Statement Dated September 16, 2014

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

Community Growth: In the past year, the community has seen a minimal number of residential growth in our district. Most of the growth and homebuilding is focused on the West side of the District. We expect this trend to continue for the upcoming 2015/2016 fiscal year due to the current economic conditions in NM and the nation in general. All near future projections are expected to include, lower projected gas and oil revenues, a flat growth pattern in assessed valuation of taxable property within the School District, slight growth in student population and a cautious eye toward future bond and Mill Levy initiatives for the next two-five years.

District Master Planning: The District has contracted with Greer Stafford/SJCF Inc. to provide master planning for the Los Lunas School District. Because of the potential for student population growth, the School is undertaking a master planning process to look at future student population projections and existing school utilization for a five-year period. This project will help the District plan new school locations and provide analytical data for use by the District and the Public Schools Capital Outlay Council that will affect future capital funding needs. The District's current Master Plan is good through 2011-2016. The School district did receive School Board approval in November 2011.

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

Contacting the Los Lunas Schools

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

Dana Sanders
Interim Superintendent
Los Lunas Schools
PO Drawer 1300
Los Lunas, NM 87031
dsanders@llschools.net

or

Claire Cieremans
Chief Financial Officer
Los Lunas Schools
PO Drawer 1300
Los Lunas NM 87031
ccieremans@llschools.net

BASIC FINANCIAL STATEMENTS

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
STATEMENT OF NET POSITION
June 30, 2015**

Exhibit A-1
(Page 1 of 2)

	<u>Governmental Activities</u>
ASSETS	
Current assets	
Cash and cash equivalents	\$ 30,503,852
Receivables (net of allowance for uncollectibles)	5,105,258
Inventory and other assets	272,738
Total current assets	<u>35,881,848</u>
Noncurrent assets	
Capital assets, non-depreciable	
Land	2,476,610
Construction in progress	55,845,557
Total capital assets, non-depreciable	<u>58,322,167</u>
Capital assets, net of accumulated depreciation	
Land improvements	7,869,100
Buildings and building improvements	143,526,842
Furniture, fixtures and equipment	4,791,511
Vehicles	8,134,068
Less: accumulated depreciation	<u>(61,052,736)</u>
Total capital assets, net of accumulated depreciation	<u>103,268,785</u>
Total noncurrent assets	<u>161,590,952</u>
Total Assets	<u>197,472,800</u>
DEFERRED OUTFLOWS	
Pension related	<u>5,758,615</u>
Total deferred outflows	<u>\$ 5,758,615</u>

See Notes to Financial Statements.

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
STATEMENT OF NET POSITION
June 30, 2015**

Exhibit A-1
(Page 2 of 2)

	<u>Governmental Activities</u>
LIABILITIES	
Current liabilities	
Accounts payable	\$ 1,110,075
Accrued payroll expenses	1,999,700
Accrued compensated absences	458,223
Accrued interest	575,632
Current portion of long-term debt	5,127,872
Total current liabilities	<u>9,271,502</u>
Noncurrent liabilities	
Bonds due in more than one year	42,351,489
Compensated absences	152,741
Net pension liability	81,324,343
Total noncurrent liabilities	<u>123,828,573</u>
Total liabilities	<u>133,100,075</u>
DEFERRED INFLOWS	
Pension related	<u>8,604,182</u>
Total deferred inflows	<u>8,604,182</u>
NET POSITION	
Net investment in capital assets	114,111,591
Restricted for:	
Debt service	6,350,465
Capital projects	12,399,210
Special revenue funds	3,365,501
Unrestricted	<u>(74,699,609)</u>
Total net position	<u>\$ 61,527,158</u>

See Notes to Financial Statements.

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2015**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Service</u>
Primary government		
Governmental activities		
Instruction	\$ 44,010,902	\$ 289,315
Support Services		
Students	7,229,905	83,037
Instruction	1,569,645	-
General Administration	1,488,362	-
School Administration	5,561,613	-
Other Support Services	3,848,665	-
Central Services	2,363,708	-
Operation & Maintenance of Plant	8,784,561	-
Student Transportation	3,837,475	-
Food Services Operation	3,552,606	384,512
Loss on disposition of assets	5,933,505	-
Interest on long-term debt	1,497,239	-
Total Primary Government	\$ 89,678,186	\$ 756,864

See Notes to Financial Statements.

Program Revenues		Net
Operating	Capital	(Expenses)
Grants and	Grants and	Revenues and
Contributions	Contributions	Changes in
		Net Assets
\$ 9,575,974	\$ -	(34,145,613)
-	-	(7,146,868)
-	-	(1,569,645)
-	-	(1,488,362)
-	-	(5,561,613)
-	-	(3,848,665)
-	-	(2,363,708)
-	17,101,864	8,317,303
2,382,357	-	(1,455,118)
3,545,888	-	377,794
-	-	(5,933,505)
-	-	(1,497,239)
<u>\$ 15,504,219</u>	<u>\$ 17,101,864</u>	<u>(56,315,239)</u>

General Revenues:

Property taxes:

Levied for general purposes	320,558
Levied for debt service	6,365,098
Levied for capital projects	3,678,457
State Equalization Guarantee	59,100,395
Miscellaneous	112,904

Total general revenues	<u>69,577,412</u>
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Change in net position	13,262,173
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Net position - beginning	132,429,064
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Restatement (Note 20)	<u>(84,164,079)</u>
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Net position - beginning, restated	<u>48,264,985</u>
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Net position - ending	<u>\$ 61,527,158</u>
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See Notes to Financial Statements.

STATE OF NEW MEXICO
 LOS LUNAS SCHOOLS
 BALANCE SHEET - GOVERNMENTAL FUNDS
 June 30, 2015

	Operational Fund		
	General 11000	Transportation 13000	Instructional Materials 14000
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	\$ 8,876,398	\$ -	\$ 515,213
Accounts receivable			
Taxes	47,821	-	-
Due from other governments	-	-	-
Interfund receivables	2,116,591	-	-
Other	-	-	-
Prepaid expenditures	6,881	-	833
Inventory	-	40,035	-
<i>Total assets</i>	<u>\$ 11,047,691</u>	<u>\$ 40,035</u>	<u>\$ 516,046</u>
LIABILITIES AND FUND BALANCES			
<i>Current Liabilities</i>			
Accounts payable	\$ 250,771	\$ -	-
Accrued payroll liabilities	1,910,113	11,339	-
Interfund payables	-	-	-
<i>Total liabilities</i>	<u>2,160,884</u>	<u>11,339</u>	<u>-</u>
DEFERRED INFLOWS - PROPERTY TAXES			
Unearned revenue - property taxes	42,617	-	-
Unearned revenue - other	-	-	-
<i>Total Deferred Inflows</i>	<u>42,617</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities and Deferred Outflows</i>	<u>2,203,501</u>	<u>11,339</u>	<u>-</u>
<i>Fund balances</i>			
Fund Balance			
Nonspendable	6,881	28,696	833
Restricted	-	-	515,213
Committed	-	-	-
Assigned	-	-	-
Unassigned	8,837,309	-	-
<i>Total fund balance</i>	<u>8,844,190</u>	<u>28,696</u>	<u>516,046</u>
<i>Total liabilities and fund balance</i>	<u>\$ 11,047,691</u>	<u>\$ 40,035</u>	<u>\$ 516,046</u>

See Notes to Financial Statements.

Title I IASA 24101	Bond Building 31100	Debt Service 41000	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 8,566,412	\$ 6,174,469	\$ 6,371,360	\$ 30,503,852
-	-	1,322,941	802,019	2,172,781
786,908	-	-	2,145,569	2,932,477
-	-	-	-	2,116,591
-	-	-	-	-
4,607	-	-	23,875	36,196
-	-	-	196,507	236,542
<u>\$ 791,515</u>	<u>\$ 8,566,412</u>	<u>\$ 7,497,410</u>	<u>\$ 9,539,330</u>	<u>\$ 37,998,439</u>
\$ 4,389	\$ 733,767	\$ -	\$ 121,148	\$ 1,110,075
22,085	-	-	56,163	1,999,700
786,908	-	-	1,329,683	2,116,591
<u>813,382</u>	<u>733,767</u>	<u>-</u>	<u>1,506,994</u>	<u>5,226,366</u>
-	-	1,146,945	699,640	1,889,202
-	-	-	-	-
-	-	1,146,945	699,640	1,889,202
<u>813,382</u>	<u>733,767</u>	<u>1,146,945</u>	<u>2,206,634</u>	<u>7,115,568</u>
4,607	-	-	197,258	238,275
-	-	-	7,234,950	7,750,163
-	-	-	-	-
-	-	-	-	-
<u>(26,474)</u>	<u>7,832,645</u>	<u>6,350,465</u>	<u>(99,512)</u>	<u>22,894,433</u>
<u>(21,867)</u>	<u>7,832,645</u>	<u>6,350,465</u>	<u>7,332,696</u>	<u>30,882,871</u>
<u>\$ 791,515</u>	<u>\$ 8,566,412</u>	<u>\$ 7,497,410</u>	<u>\$ 9,539,330</u>	<u>\$ 37,998,439</u>

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
GOVERNMENTAL FUNDS
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
For the Year Ended June 30, 2015**

Exhibit B-1
(Page 2 of 2)

	<u>Governmental Funds</u>
Amounts reported for governmental activities in the statement of net position are different because:	
Fund balances - total governmental funds	\$ 30,882,871
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	161,590,952
Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.	5,758,615
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:	
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities	1,889,202
Accrued Interest	(575,632)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	
Accrued compensated absences	(610,964)
General obligation bonds	(47,479,361)
Net pension liability	(81,324,343)
Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(8,604,182)</u>
Net Position-total Governmental Activities	\$ <u>61,527,158</u>

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended June 30, 2015

	Operational Fund		
	General 11000	Transportation 13000	Instructional Materials 14000
<i>Revenues</i>			
Property taxes	\$ 199,567	\$ -	\$ -
State grants	59,100,395	2,382,357	583,519
Federal grants	391,311	-	-
Charges for service	11,436	-	-
Miscellaneous	52,745	-	-
Interest	2,015	-	-
	<u>59,757,469</u>	<u>2,382,357</u>	<u>583,519</u>
<i>Expenditures</i>			
Current			
Instruction	32,478,789	-	637,281
Support Services			
Students	6,140,681	-	-
Instruction	1,409,839	-	-
General Administration	1,052,346	-	-
School Administration	4,571,729	-	-
Central Services	2,165,999	-	-
Operation & Maintenance of Plant	8,611,683	-	-
Student Transportation	300,733	2,379,554	-
Other Support Services	229,039	-	-
Food Services Operations	-	-	-
Community Service	-	-	-
Capital outlay	64,343	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
	<u>57,025,181</u>	<u>2,379,554</u>	<u>637,281</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>2,732,288</u>	<u>2,803</u>	<u>(53,762)</u>
<i>Other financing sources (uses)</i>			
Operating transfers	(97,999)	-	-
Proceeds from bond issues	-	-	-
<i>Total other financing sources (uses)</i>	<u>(97,999)</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>2,634,289</u>	<u>2,803</u>	<u>(53,762)</u>
<i>Fund balances, beginning of year</i>	<u>6,209,901</u>	<u>25,893</u>	<u>569,808</u>
<i>Fund balances (deficit), end of year</i>	<u>\$ 8,844,190</u>	<u>\$ 28,696</u>	<u>\$ 516,046</u>

See Notes to Financial Statements.

Title I IASA 24101	Bond Building 31100	Debt Service 41000	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 6,365,098	\$ 3,678,457	\$ 10,243,122
-	15,243,016	-	3,767,806	81,077,093
2,379,193	-	-	7,858,881	10,629,385
-	-	-	745,428	756,864
-	-	-	46,030	98,775
-	11,078	6	1,030	14,129
<u>2,379,193</u>	<u>15,254,094</u>	<u>6,365,104</u>	<u>16,097,632</u>	<u>102,819,368</u>
1,968,435	-	-	3,513,624	38,598,129
23,674	-	-	1,049,785	7,214,140
-	-	-	147,788	1,557,627
180,568	-	63,951	187,030	1,483,895
228,187	-	-	750,996	5,550,912
-	-	-	-	2,165,999
-	-	-	-	8,611,683
-	-	-	754,805	3,435,092
-	-	-	-	229,039
-	-	-	3,526,643	3,526,643
-	-	-	-	-
-	21,705,264	-	5,105,716	26,875,323
-	-	8,470,000	-	8,470,000
-	-	1,294,598	-	1,294,598
<u>2,400,864</u>	<u>21,705,264</u>	<u>9,828,549</u>	<u>15,036,387</u>	<u>109,013,080</u>
<u>(21,671)</u>	<u>(6,451,170)</u>	<u>(3,463,445)</u>	<u>1,061,245</u>	<u>(6,193,712)</u>
-	(3,608,060)	3,608,060	97,999	-
-	9,829,272	-	-	9,829,272
-	6,221,212	3,608,060	97,999	9,829,272
<u>(21,671)</u>	<u>(229,958)</u>	<u>144,615</u>	<u>1,159,244</u>	<u>3,635,560</u>
<u>(196)</u>	<u>8,062,603</u>	<u>6,205,850</u>	<u>6,173,452</u>	<u>27,247,311</u>
<u>\$ (21,867)</u>	<u>\$ 7,832,645</u>	<u>\$ 6,350,465</u>	<u>\$ 7,332,696</u>	<u>\$ 30,882,871</u>

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2015**

Exhibit B-2
(Page 2 of 2)

	<u>Governmental Funds</u>
Amounts reported for governmental activities in the statement of activities are different because:	
Net Change in fund balances - total governmental funds	\$ 3,635,560
Change in net pension liability	(5,831)
Capital Outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeds capital outlays for the period.	
Depreciation expense	(5,518,139)
Capital Outlays	22,353,014
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	120,991
The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:	
Change in accrued interest payable	(202,641)
Change in accrued compensated absences	171,996
Bond proceeds	(9,829,272)
Principal payments on bonds	8,470,000
Loss on disposition of fixed assets	<u>(5,933,505)</u>
Change in Net Position-total Governmental Activities	<u>\$ 13,262,173</u>

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
GENERAL FUND - 11000

Exhibit C-1

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL
For the Year Ended June 30, 2015

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues</i>				
Property taxes	\$ 198,075	\$ 198,075	\$ 199,567	\$ 1,492
State grants	59,092,362	59,092,362	59,100,395	8,033
Federal grants	182,951	183,550	392,952	209,402
Charges for service	-	-	11,436	11,436
Miscellaneous	12,501	12,501	52,745	40,244
Interest	1,500	1,500	2,015	515
<i>Total revenues</i>	<u>59,487,389</u>	<u>59,487,988</u>	<u>59,759,110</u>	<u>271,122</u>
<i>Expenditures</i>				
Current:				
Instruction	33,678,674	34,403,892	32,644,334	1,759,558
Support Services				
Students	6,395,532	6,610,532	6,140,681	469,851
Instruction	1,541,875	1,641,875	1,409,839	232,036
General Administration	903,915	1,307,416	1,052,346	255,070
School Administration	4,901,119	4,974,619	4,571,729	402,890
Central Services	2,519,250	2,647,250	2,165,999	481,251
Operation & Maintenance of Plant	9,595,860	9,705,860	8,611,683	1,094,177
Student Transportation	1,003,093	963,093	300,733	662,360
Other Support Services	913,419	2,023,419	229,039	1,794,380
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	70,000	70,000	64,343	5,657
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total Expenditures</i>	<u>61,522,737</u>	<u>64,347,956</u>	<u>57,190,726</u>	<u>7,157,230</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(2,035,348)</u>	<u>(4,859,968)</u>	<u>2,568,384</u>	<u>7,428,352</u>
<i>Other financing sources (uses):</i>				
Designated cash	2,035,348	4,859,968	-	(4,859,968)
Operating transfers	-	-	(97,999)	(97,999)
<i>Total other financing sources (uses)</i>	<u>2,035,348</u>	<u>4,859,968</u>	<u>(97,999)</u>	<u>(4,957,967)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>2,470,385</u>	<u>2,470,385</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>8,522,604</u>	<u>8,522,604</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,992,989</u>	<u>\$ 10,992,989</u>
<i>Reconciliation to GAAP Basis</i>				
Adjustments to revenues			\$ (1,641)	
Adjustments to expenditures			165,545	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 2,634,289</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
TRANSPORTATION FUND - 13000
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Exhibit C-2

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	2,267,947	2,382,357	2,382,357	-
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>2,267,947</u>	<u>2,382,357</u>	<u>2,382,357</u>	<u>-</u>
<i>Expenditures</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	2,267,947	2,382,357	2,382,357	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total Expenditures</i>	<u>2,267,947</u>	<u>2,382,357</u>	<u>2,382,357</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			<u>2,803</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 2,803</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
INSTRUCTIONAL MATERIALS FUND - 14000
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Exhibit C-3

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	421,973	577,581	583,519	5,938
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>421,973</u>	<u>577,581</u>	<u>583,519</u>	<u>5,938</u>
<i>Expenditures</i>				
<i>Current:</i>				
Instruction	867,241	1,022,849	638,114	384,735
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total Expenditures</i>	<u>867,241</u>	<u>1,022,849</u>	<u>638,114</u>	<u>384,735</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(445,268)</u>	<u>(445,268)</u>	<u>(54,595)</u>	<u>390,673</u>
<i>Other financing sources (uses):</i>				
Designated cash	445,268	445,268	-	(445,268)
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>445,268</u>	<u>445,268</u>	<u>-</u>	<u>(445,268)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(54,595)</u>	<u>(54,595)</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>569,808</u>	<u>569,808</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 515,213</u>	<u>\$ 515,213</u>
<i>Reconciliation to GAAP Basis</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			833	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ (53,762)</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
TITLE I IASA SPECIAL REVENUE FUND - 24101
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement C-4

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	2,431,418	2,616,350	3,079,295	462,945
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>2,431,418</u>	<u>2,616,350</u>	<u>3,079,295</u>	<u>462,945</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	1,959,367	2,142,031	1,942,941	199,090
Support Services				
Students	24,315	28,558	23,674	4,884
Instruction	-	-	-	-
General Administration	186,773	187,584	180,568	7,016
School Administration	260,963	258,177	228,187	29,990
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total Expenditures</i>	<u>2,431,418</u>	<u>2,616,350</u>	<u>2,375,370</u>	<u>240,980</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>703,925</u>	<u>703,925</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>703,925</u>	<u>703,925</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>(1,490,833)</u>	<u>(1,490,833)</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (786,908)</u>	<u>\$ (786,908)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (700,102)	
Adjustments to expenditures			(25,494)	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ (21,671)</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
AGENCY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
June 30, 2015

Exhibit D-1

	Agency Funds
	<u> </u>
ASSETS	
<i>Current Assets</i>	
Cash	\$ <u> 755,841</u>
<i>Total assets</i>	\$ <u><u> 755,841</u></u>
LIABILITIES	
<i>Current Liabilities</i>	
Deposits held in trust for others	\$ <u> 755,841</u>
<i>Total liabilities</i>	\$ <u><u> 755,841</u></u>

See Notes to Financial Statements.

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

NOTE 1. NATURE OF ORGANIZATION

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

The School Board operates sixteen schools within the School District with a total enrollment of approximately 8,500 pupils. In conjunction with the regular educational programs, some of these schools offer special education. In addition, the School Board provides transportation and school food services for the students.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Financial Reporting Entity

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

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements

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

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

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

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

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

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

Ad valorem taxes (property taxes), franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales and use taxes are classified as derived tax revenues

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

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

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

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

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

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

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

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

General Funds:

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

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

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

Other Funds Presented as Major Funds:

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

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

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

Additionally, the District reports the following agency fund:

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

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

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

D. Assets, Liabilities, and Net Position

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

State statutes authorize the District to invest in Certificates of Deposit, obligations of the U.S. Government, and the State Treasurer's Investment Pool.

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

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

The District receives monthly income from a tax levy in Valencia County. The funds are collected by the County Treasurer and are remitted to the School District the following month. Under the modified accrual method of accounting, the amount remitted by the Valencia County Treasurer in July and August 2015 is considered ‘measurable and available’ and, accordingly, is recorded as revenue during the year ended June 30, 2015.

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

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

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

Inventory: Inventory is valued at lower of cost (first-in, first-out) or market. Inventory in the General Fund consists of expendable supplies held for consumption. Inventory in the Special Revenue Funds consists of U.S.D.A. commodities and other purchased food and non-food supplies. The cost of purchased food is recorded as an expenditure at the time individual inventory items are consumed. The U.S.D.A. commodities are recorded at year-end by audit adjusting entries. Commodities consumed during the year are reported as revenues and expenditures; unused commodities are reported as inventories and deferred revenue. Non-commodity inventories are equally offset by a fund balance reserve, which indicates that they do not constitute “available spendable resources” even though they are a component of net current assets. No deferred revenue was recorded for unused commodity inventory as of June 30, 2015. Inventories in the Transportation Fund consisted of related supplies.

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Capital Assets: Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 per Section 12-6-10 NMSA 1978, and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets, (retroactive to 1979) are to be included as part of the governmental capital assets reported in the government wide statements. However, infrastructure assets have not been included in the June 30, 2015 financial statements of Los Lunas School District, since the District did not own any infrastructure assets as of June 30, 2015. Information technology equipment, including software, is being capitalized and included in furniture and equipment as the District did not maintain internally developed software. The District expenses the cost of library books when purchased. Donated capital assets are recorded at estimated fair value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction during the year ended June 30, 2015.

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

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

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

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

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

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

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

Pensions: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

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

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

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

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

The Government-wide Statement of Net Position reports \$22,115,176 of restricted net position of which \$12,399,210 is restricted by enabling legislation.

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

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

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

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

E. Revenues

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

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$59,100,395 in state equalization guarantee distributions during the year ended June 30, 2015.

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

The District records only the portion of the taxes considered to be 'measurable' and 'available'. The District recognized \$10,243,122 in tax revenues during the year ended June 30, 2015. Descriptions of the individual debt service and capital outlay funds contained in these financial statements include information regarding the authority for the collection and use of these taxes.

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

Transportation Distribution: School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$2,382,357 in transportation distributions during the year ended June 30, 2015.

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Revenues (Continued)

Instructional Materials: The New Mexico Public Education Department (PED) receives federal material leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, fifty percent is restricted to the requisition of materials listed in the State Board of Education "State Adopted Instructional Material" list, while the other fifty percent of each allocation is available for purchases directly from vendors. Allocations received from the State for the year ended June 30, 2015 totaled \$583,519.

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

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

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

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

Money in the fund shall be disbursed by warrant of the Department of Finance and Administration on vouchers signed by the Secretary of Finance and Administration following certification by the council that the application has been approved. During the year ended June 30, 2015, the District received \$15,243,016 in capital outlay funds.

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

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Revenues (Continued)

multiplying the product obtained by the rate imposed in the District under the Public School Capital Improvements Act. The distribution shall be made by December 1, of each year that the tax is imposed in accordance with Section 22-25-3 NMSA 1978. Provided, however, in the event that sufficient funds are not available in the public school capital improvement funds to make the state distribution provided for in this section, the dollar per program unit figure shall be reduced as necessary.

During the year ended June 30, 2015 the District received \$1,858,848 in funds for state SB-9 matching.

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

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

NOTE 3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

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

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

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

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

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

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

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

1. In April or May, the local school board submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department a proposed operating budget for the ensuing fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the State of New Mexico Public Education Department (PED) by the District shall contain headings and details as described by law and have been approved by the Public Education Department.
2. In May or June of each year, the proposed "operating" budget will be reviewed and approved by the DBPU and certified and approved by the local school board at a public hearing of which notice has been published by the local school board which fixes the estimated budget for the school district for the ensuing fiscal year.
3. The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called.
4. The "operating" budget will be used by the District until they have been notified that the budget has been approved by the DBPU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the DBPU.
5. The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Public Education Department.
6. Budget change requests are processed in accordance with Supplement 1 (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the SBPU.
7. Legal budget control for expenditures is by fund.
8. Appropriations lapse at fiscal yearend. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget of Los Lunas Schools has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

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

9. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds.
10. Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Encumbrances are treated the same way for GAAP purposes and for budget purposes.

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

The accompanying Statements of Revenues, Expenditures and Changes in Fund Balance – Budget (Non- GAAP Budgetary Basis) and Actual present comparisons of the legally adopted budget with actual data on a budgetary basis.

NOTE 4. CASH AND CASH EQUIVALENTS

State statutes authorize the investment of District funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the District properly followed State investment requirements as of June 30, 2015.

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

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

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

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

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

NOTE 4. CASH AND CASH EQUIVALENTS (CONTINUED)

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

Deposits

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

	US Bank	Wells Fargo	Total
Total amount of deposits	\$ 34,587,506	\$ 1,017,762	\$ 35,605,268
FDIC coverage	(500,000)	(250,000)	(750,000)
Total uninsured public funds	<u>\$ 34,087,506</u>	<u>\$ 767,762</u>	<u>\$ 34,855,268</u>
Pledged collateral held by pledging bank's trust department or agent in agency's name	\$ 36,000,000	\$ 868,775	\$ 36,868,775
Collateral requirement (50% of uninsured public funds)	\$ 17,043,753	\$ 383,881	\$ 17,427,634
Pledged Security	<u>36,000,000</u>	<u>868,775</u>	<u>36,868,775</u>
Total over (under) collateralized	<u>\$ 18,956,247</u>	<u>\$ 484,894</u>	<u>\$ 19,441,141</u>

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2015, none of the District's bank balance of \$35,605,268 was exposed to custodial credit risk as the amount uninsured was collateralized and the collateral was held by the pledging bank's trust department in the District's name. None of the District's bank balance was uninsured and uncollateralized. At June 30, 2014, the carrying amount of these deposits was \$26,539,983.

Reconciliation of Cash and Cash Equivalents

Governmental Funds-Balance Sheet

Cash and cash equivalents per Exhibit A-1	\$ 30,503,852
Statement of Fiduciary Net Assets – cash per Exhibit D-1	755,841
Add: outstanding checks and other reconciling items	<u>4,348,308</u>
Less: petty cash	<u>(2,733)</u>
Bank balance of deposits	<u>\$ 35,605,268</u>

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

NOTE 5. RECEIVABLES

Receivables as of June 30, 2015 are as follows:

	General	Title I IASA	Debt Service	Other Governmental Funds	Total
Property taxes	\$ 47,821	\$ -	\$ 1,322,941	\$ 802,019	\$ 2,172,781
Intergovernmental grants	-	786,908	-	2,145,569	2,932,477
Other	-	-	-	-	-
Totals	\$ 47,821	\$ 786,908	\$ 1,322,941	\$ 2,947,588	\$ 5,105,258

The above receivables are deemed 100% collectible. In accordance with GASB 33, property tax receivables are presented net of unearned revenues in the amount of \$1,889,202 on the governmental fund financial statements.

NOTE 6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

“Interfund balances” have primarily been recorded when funds overdraw their share of pooled cash when the District is waiting for grant reimbursements. The composition of interfund balances as of June 30, 2015 is as follows:

GOVERNMENTAL ACTIVITIES	Interfund Receivables	Interfund Payables
Major Funds:		
General	\$ 2,116,591	\$ -
Title I-IASA		786,908
Nonmajor Funds:		
IDEA-B Entitlement		330,590
IDEA-B Preschool		51
Education of Homeless		14,863
IDEA-B “Risk Pool”		1,840
English Language Acquisition		29,731
Teacher/Principal Training & Recruiting		136,976
Carl D. Perkins Secondary-Current		65,849
USDA 2010 Equipment		15,414
Indian Ed Formula Grant		7,617
GEAR UP NM State Initiatives		89,554
Dual Credit Instructional Materials		1,737
2012 G.O. Bond Student Library Fund (SB1)		1,596
PreK Initiative		230,842
Indian Education Act		18,715
Kindergarten Three Plus		327,936
Special Capital Outlay-State		56,372
Total Governmental Activities	\$ 2,116,591	\$ 2,116,591

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

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

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

<u>Governmental Funds</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund (11000)	\$ -	\$ 97,999
Bond Building Fund (31100)	-	3,608,060
Debt Service Fund (41000)	3,608,060	-
IDEA-B Entitlement (24106)	33,103	-
Enhancing Ed Thru Tech (24133)	6,912	-
Comprehensive School Reform (24135)	21,931	-
ELL Title III Incentive Awards (24143)	5,597	-
Title I School Improvement (24162)	30,445	-
IDEA-B Federal Preschool Stimulus	11	-
Total	<u>\$ 3,706,059</u>	<u>\$ 3,706,059</u>

NOTE 7. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2015, including those changes pursuant to the implementation of GASB Statement No. 34, follows:

	<u>Balance June 30, 2014</u>	<u>Additions</u>	<u>Deletions/ Adjustments</u>	<u>Balance June 30, 2015</u>
Capital Assets used in Governmental Activities				
<i>Assets not depreciated:</i>				
Land	\$ 2,476,610	\$ -	\$ -	\$ 2,476,610
Construction in progress	35,994,168	19,881,958	(30,569)	55,845,557
Subtotal, assets not depreciated	<u>38,470,778</u>	<u>19,881,958</u>	<u>(30,569)</u>	<u>58,322,167</u>
<i>Assets depreciated:</i>				
Land improvements	9,534,559	375,162	(2,040,621)	7,869,100
Building & building improvements	158,897,586	588,988	(15,959,732)	143,526,842
Furniture, fixtures, and equipment	4,888,531	431,634	(528,654)	4,791,511
Vehicles	7,406,785	1,075,272	(347,989)	8,134,068
Subtotal, assets depreciated	<u>180,727,461</u>	<u>2,471,056</u>	<u>(18,876,996)</u>	<u>164,321,521</u>
<i>Less accumulated depreciation:</i>				
Land improvements	(4,634,482)	(412,872)	1,093,700	(3,953,654)
Buildings & building improvements	(53,767,645)	(4,398,040)	11,003,770	(47,161,915)
Furniture, fixtures, and equipment	(4,138,708)	(245,865)	528,744	(3,855,829)
Vehicles	(5,967,911)	(461,362)	347,935	(6,081,338)
Subtotal, accumulated depreciation	<u>(68,508,746)</u>	<u>(5,518,139)</u>	<u>12,974,149</u>	<u>(61,052,736)</u>
Net assets being depreciated	<u>112,218,715</u>	<u>(3,047,083)</u>	<u>(5,902,847)</u>	<u>103,268,785</u>
Total net capital assets	<u>\$ 150,689,493</u>	<u>\$ 16,834,875</u>	<u>\$ (5,933,416)</u>	<u>\$ 161,590,952</u>

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

NOTE 7. CAPITAL ASSETS (CONTINUED)

Depreciation expense for the year ended June 30, 2015 was charged to governmental activities as follows:

Instruction	\$	1,058,814
Support Services – Students		15,376
Support Services – Instruction		11,889
Support Services – General Administration		4,399
Support Services – School Administration		10,182
Other Support Services		3,619,608
Central Services		197,502
Operations and Management of Plant		172,379
Student Transportation		402,196
Food Services Operation		25,794
Total	\$	<u>5,518,139</u>

NOTE 8. LONG-TERM DEBT

During the year ended June 30, 2015, the following changes occurred in the liabilities reported in the government-wide statement of net position:

	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015	Due Within One Year
General Obligation Bonds	\$ 46,120,000	\$ 9,665,000	\$ (8,470,000)	\$ 47,315,000	\$ 5,095,000
Bond Premium	-	164,361	-	164,361	32,872
Compensated Absences	782,960	641,603	(813,599)	610,964	522,927
Total	<u>\$ 46,902,960</u>	<u>\$ 10,470,964</u>	<u>\$ (9,283,599)</u>	<u>\$ 48,090,325</u>	<u>\$ 5,650,799</u>

Interest expense paid on long-term debt totaled \$1,497,239 on the Statement of Activities for the year ended June 30, 2015.

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

GRT Refunding Revenue Bonds Series 2015B: On October 29, 2014, the District issued GO Bond Series 2015B at a par amount of \$3,565,000, a premium of \$91,449, and an interest rate of 2.00%. The net bond proceeds, after paying issuance costs of \$48,389, were used to currently refund the GO Bond Series 2005 and 2006. For the refunding, \$1,895,107 of bond proceeds were used to redeem the 2005 Series. \$1,712,954 of bond proceeds was deposited to Bank of Albuquerque, the Escrow Agent. The funds were held by the Escrow Agent in an irrevocable escrow account maintained on behalf of the District until the redemption date of July 15, 2015, at which point the Series 2006 redeemed principal and interest (\$1,713,550) became due and were paid from the escrow account. As a result of the refunding transaction, the District reduced its total debt service requirements by \$168,634, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$155,811.

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

NOTE 8. LONG-TERM DEBT (CONTINUED)

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

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2016	\$ 5,095,000	\$ 1,210,282	\$ 6,305,282
2017	4,435,000	1,113,227	5,548,227
2018	4,605,000	1,038,275	5,643,275
2019	4,935,000	929,725	5,864,725
2020	4,435,000	807,875	5,242,875
2021-2025	19,160,000	2,076,139	21,236,139
2026-2028	4,650,000	198,325	4,848,325
Totals	\$ <u>47,315,000</u>	\$ <u>7,373,848</u>	\$ <u>54,688,848</u>

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

Compensated Absences – Administrative employees of the District are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2015, compensated absences decreased \$171,996 over the prior year accrual. See Note 2 for more details.

Operating Leases – The District leases office equipment and storage units under short-term cancelable operating leases. Rental cost for the year ended June 30, 2015 was \$281,328.

NOTE 9. RISK MANAGEMENT

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

The NMPSIA provides coverage for up to a maximum of \$500,000,000 for each property damage claim with a \$750 deductible to each building. General liability coverage is afforded to all employees, volunteers and school board members and the limit is subject to the NMSA Tort Claims Act on a per occurrence basis. The automobile and property liability limit is subject to the provisions of the Tort Claims Act. The crime limit is \$250,000 per occurrence for Faithful Performance. A limit of \$250,000 applies to Depositor's Forgery, Credit Card Forgery and Money Orders. A limit of \$100,000 applies to Money and Security, which includes a \$750 deductible.

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

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

NOTE 10. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

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

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

Major Funds:	
Title I-IASA (24101)	\$ (21,867)
Nonmajor Funds:	
IDEA-B Entitlement (24106)	(28,592)
English Language Acquisition (24153)	(8,431)
Indian Ed Formula Grant (25184)	(1,288)
Kindergarten Three Plus (27166)	(4,829)
Special Capital Outlay – State (31400)	(56,372)
Total	\$ <u>(121,379)</u>

B. Excess expenditures over appropriations: Budgetary authority is at the function level. There were no funds with expenditures in excess of budgetary authority for the year ended June 30, 2015.

C. Designated cash appropriation in excess of available balances: There were no funds with designated cash in appropriations in excess of available balances for the year ended June 30, 2015.

NOTE 11. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

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

ERB issues a publicly available financial report and a comprehensive annual financial report that can be obtained at www.nmerb.org.

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

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

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

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

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

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

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

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.

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

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

Contributions: The contribution requirements of defined benefit plan members and Los Lunas Schools 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, 2014 employers contributed 13.15% 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 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Los Lunas Schools were \$5,658,917 for the year ended June 30, 2015.

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, 2014. At June 30, 2015, Los Lunas School District reported a liability of \$81,324,343 for its proportionate share of the net pension liability. Los Lunas School'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, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Los Lunas School's proportion was 1.42531%, which was an increase of 0.214% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, Los Lunas Schools recognized pension expense of \$5,664,748. At the June 30, 2015, Los Lunas Schools reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 1,211,445
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	7,392,737
Changes in proportion and differences between Los Lunas Schools contributions and proportionate share of contributions	99,698	-
Los Lunas Schools contributions subsequent to the measurement date	<u>5,658,917</u>	<u>-</u>
Total	<u>\$ 5,785,615</u>	<u>\$ 8,604,182</u>

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

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

\$5,658,917 reported as deferred outflows of resources related to pensions resulting from Los Lunas School’s contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. 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:		
2016	\$	2,234,215
2017		2,234,215
2018		2,187,892
2019		1,848,162
2020		-
Thereafter	\$	-

Actuarial assumptions: As described above, the total ERB pension liability and net pension liability are based on an actuarial valuation performed as of June 30, 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. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2014. Specifically, the liabilities measured as of June 30, 2014 incorporate the following assumptions:

1. All members with an annual salary of more than \$20,000 will contribute 10.10% during the fiscal year ending June 30, 2014 and 10.7% 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 ERB on April 26, 2013 in conjunction with the six-year experience study period ending June 30, 2012.

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

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

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

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

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

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

The long-term expected rate of return on pension plan investments is determined annually using a building-block approach that includes the following: 1) rate of return projections are the sum of current yield plus projected changes in price (valuation, defaults, etc.), 2) application of key economic projections (inflation, real growth, dividends, etc.), and 3) structural themes (supply and demand imbalances, capital flows, etc.). These items are developed for each major asset class. Best estimates of geometric real rates of return for each major asset class included in the Plan's target asset allocation for 2014 and 2013 for 30- year return assumptions are summarized in the following table:

Asset Class	2014 Long-Term Expected Real Rate of Return	2013 Long-Term Expected Real Rate of Return
Cash	1.50%	0.75%
Treasuries	2.00%	1.00%
IG Corp Credit	3.50%	3.00%
MBS	2.25%	2.50%
Core Bonds	2.53%	2.04%
TIPS	2.50%	1.50%
High Yield Bonds	4.50%	5.00%
Bank Loans	5.00%	5.00%
Global Bonds (Unhedged)	1.25%	0.75%
Global Bonds (Hedged)	1.38%	0.93%
EMD External	5.00%	4.00%
EMD Local Currency	5.75%	5.00%
Large Cap Equities	6.25%	6.75%
Small/Mid Cap	6.25%	7.00%
International Equities (Unhedged)	7.25%	7.75%
International Equities (Hedged)	7.50%	8.00%
Emerging International Equities	9.50%	9.75%
Private Equity	8.75%	9.00%
Private Debt	8.00%	8.50%
Private Real Assets	7.75%	8.00%
Real Estate	6.25%	6.00%
Commodities	5.00%	5.00%
Hedge Funds Low Vol	5.50%	4.75%
Hedge Funds Mod Vol	5.50%	6.50%

Discount rate: A single discount rate of 7.75% was used to measure the total ERB pension liability as of June 30, 2014 and June 30, 2013. 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,

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

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

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 Los Lunas School’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.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Los Lunas School’s proportionate share of the net pension liability	\$ 110,651,150	81,324,345	56,828,340

Pension plan fiduciary net position: Detailed information about the ERB’s fiduciary net position is available in the separately issued audited financial statements as of and for June 30, 2014 and 2013 which are publicly available at www.nmerb.org.

Payables to the pension plan: Los Lunas Schools accrued \$1,599,435 in ERB benefits at June 30,2015 for employees with 10 month contracts.

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

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

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.

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

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

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.

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2015, the statutes required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2015, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act. Los Lunas School's contributions to the RHCA for the years ended June 30, 2015, 2014 and 2013 were \$811,446, \$756,551 and \$736,256, respectively, which equal the required contributions for each year.

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

NOTE 13. CONTINGENT LIABILITIES

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

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

NOTE 14. BUDGETED ACTIVITY FUNDS

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

NOTE 15. JOINT POWERS AGREEMENTS

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

NOTE 16. COMMITMENTS

Los Lunas Schools contracts with outside vendors for construction and renovation of various facilities. At June 30, 2015, contracts outstanding for capital projects totaled \$240,670.

NOTE 17. RELATED PARTY TRANSACTIONS

During the year ended June 30, 2015, Los Lunas Schools contracted services from related parties. Expenditures related to the vendors totaled \$33,671.

NOTE 18. RECENT AND NEW ACCOUNTING PRONOUNCEMENTS

Recent Accounting Pronouncements

In August 2012, the GASB issued Statement No.68, *Accounting and Financial Reporting for Pensions — an amendment of GASB Statement 27*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

NOTE 18. RECENT AND NEW ACCOUNTING PRONOUNCEMENTS (CONTINUED)

provided by state and local governmental employers about financial support for pensions that is provided by other entities. The District provides substantially all of its employees with pension benefits through the state's multiple employer cost-sharing defined-benefit retirement plan administered by the Educational Retirement Board (ERB). GASB Statement 68 requires cost-sharing employers participating in the ERB program, such as the District, to record their proportionate share, as defined in GASB Statement 68, of District's unfunded pension liability. The District has no legal obligation to fund this shortfall nor does it have any ability to affect funding, benefit, or annual required contribution decisions made by ERB. GASB Statement 68 is effective for periods beginning after June 15, 2014. The District adopted GASB Statement No.68 during fiscal year 2015. The requirement of GASB Statement 68 to record a portion of ERB's unfunded liability has negatively impacted the District's unrestricted net position. Information regarding ERB's current funding status can be found in their financial report.

In January 2013, the GASB issued statement No. 69, *Government Combinations and Disposals of Government Operations*. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term government combination includes a variety of transactions referred to as mergers, acquisitions, and transfers of operations. This Statement improves the decision usefulness of financial reporting by requiring that disclosures be made by governments about combination arrangements in which they engage and for disposals of government operations. GASB Statement 69 is effective for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013 and should be applied on a prospective basis. The District was not a party to any combinations or disposals in the current year and therefore the adoption of GASB Statement 69 does not have any impact on the District's financial statements.

In November 2013, the GASB issued statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. Statement No. 68 requires a state or local government employer to recognize a net pension liability measured as of the measurement date, no earlier than the end of its prior fiscal year. If a state or local government employer makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement No. 68 requires that the government recognize its contribution as a deferred outflow of resources. If it is not practical to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, contributions made after the measurement date of the beginning net pension liability could not have been reported as deferred outflows of resources at transition. Accordingly, Statement No. 71 amends paragraph 137 of Statement No. 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. The District adopted GASB Statement No.71 during fiscal year 2015.

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

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

NOTE 18. RECENT AND NEW ACCOUNTING PRONOUNCEMENTS (CONTINUED)

statements of state and local governments entities in conformity with U.S. GAAP, as well as the framework for selecting those principles. The District adopted GASB Statement No. 76 during fiscal year 2015, with no significant impact to the District's financial statements.

New Accounting Pronouncements

The following GASB pronouncements have been issued, but are not yet effective at June 30, 2015.

GASB Statement No. 72, Fair Value Measurement and Application

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

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

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

NOTE 19. GOVERNMENTAL FUND BALANCE

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

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

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

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

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

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

NOTE 19. GOVERNMENTAL FUND BALANCE (CONTINUED)

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

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

Detail relating to the fund balance classifications is displayed below:

	<u>Operational Fund</u>	<u>Transportation Fund</u>	<u>Instructional Materials Fund</u>	<u>Title I IASA Fund</u>
Fund Balances:				
Nonspendable:				
Inventory	\$ -	\$ 28,696	\$ -	\$ -
Prepaid expenditures	6,881	-	833	4,607
Restricted for:				
Student instruction	-	-	515,213	-
Capital projects	-	-	-	-
Food service	-	-	-	-
Student support	-	-	-	-
Committed to:				
Assigned to:	-	-	-	-
Unassigned:	<u>8,837,309</u>	<u>-</u>	<u>-</u>	<u>(26,474)</u>
Total fund balances	\$ <u>8,844,190</u>	\$ <u>28,696</u>	\$ <u>516,046</u>	\$ <u>(21,867)</u>
	<u>Bond Building Fund</u>	<u>Debt Service Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Fund Balances:				
Nonspendable:				
Inventory	\$ -	\$ -	\$ 196,507	\$ 225,203
Prepaid expenditures	-	-	751	13,072
Restricted for:				
Student instruction	-	-	1,410,586	1,925,799
Capital projects	-	-	4,622,937	4,622,937
Food service	-	-	1,115,883	1,115,883
Student support	-	-	85,544	85,544
Committed to:				
Assigned to:	-	-	-	-
Unassigned:	<u>7,832,645</u>	<u>6,350,465</u>	<u>(99,512)</u>	<u>22,894,433</u>
Total fund balances	\$ <u>7,832,645</u>	\$ <u>6,350,465</u>	\$ <u>7,332,696</u>	\$ <u>30,882,871</u>

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2015**

NOTE 20. PRIOR PERIOD ADJUSTMENT

Statement of Activities: Net position at June 30, 2015 was restated in the amount of \$84,164,079. This restatement was due to the implementation of GASB 68.

REQUIRED SUPPLEMENTARY INFORMATION

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
New Mexico Educational Retirement Board Pension Plan Schedule of Ten Year Tracking Data* (Dollars in Thousands)										
District's Proportion of the Net Pension Liability (Asset)	1.43%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 81,324	-	-	-	-	-	-	-	-	-
District's Covered-Employee Payroll	\$ 39,287	-	-	-	-	-	-	-	-	-
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
SCHEDULE OF DISTRICT CONTRIBUTIONS
June 30, 2015**

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

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

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 8,504	5	\$ 2,234	2,234	2,234	2,188	1,848	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-
	\$ 8,504		\$ 2,234	2,234	2,234	2,188	1,848	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2015**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

1. Changes of Benefit Terms

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

2. Changes of Assumptions

ERB conducts an actuarial experience study for the Plan on a biennial basis. Based on the six-year actuarial experience study presented to the Board of Trustees on April 26, 2013, ERB implemented the following changes in assumptions for fiscal years 2014 and 2013.

1. Fiscal year 2014 and 2013 valuation assumptions that changed based on this study:
 - a. Lower wage inflation from 4.75% to 4.25%
 - b. Lower payroll growth from 3.75% to 3.50%
 - c. Minor changes to demographic assumptions
 - d. Population growth per year from 0.75% to 0.50%
2. Assumptions that were not changed:
 - a. Investment return will remain at 7.75%
 - b. Inflation will remain at 3.00%

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

SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
June 30, 2015

Statement A-1

	SPECIAL REVENUE	CAPITAL PROJECTS	TOTAL
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	\$ 2,649,156	\$ 3,722,204	\$ 6,371,360
Accounts receivable			
Taxes	-	802,019	802,019
Due from other governments	1,273,311	872,258	2,145,569
Interfund receivables	-	-	-
Other	-	-	-
Prepaid expenditures	751	23,124	23,875
Inventory	196,507	-	196,507
	<u> </u>	<u> </u>	<u> </u>
<i>Total assets</i>	<u>\$ 4,119,725</u>	<u>\$ 5,419,605</u>	<u>\$ 9,539,330</u>
LIABILITIES AND FUND BALANCES			
<i>Current Liabilities</i>			
Accounts payable	\$ 24,120	\$ 97,028	\$ 121,148
Accrued payroll liabilities	56,163	-	56,163
Interfund payables	1,273,311	56,372	1,329,683
	<u> </u>	<u> </u>	<u> </u>
<i>Total liabilities</i>	<u>1,353,594</u>	<u>153,400</u>	<u>1,506,994</u>
DEFERRED INFLOWS - PROPERTY TAXES			
Unearned revenue - property taxes	-	699,640	699,640
Unearned revenue - other	-	-	-
	<u> </u>	<u> </u>	<u> </u>
<i>Total Deferred Inflows</i>	<u>-</u>	<u>699,640</u>	<u>699,640</u>
	<u> </u>	<u> </u>	<u> </u>
<i>Total Liabilities and Deferred Outflows</i>	<u>1,353,594</u>	<u>853,040</u>	<u>2,206,634</u>
<i>Fund balances</i>			
Fund Balance			
Nonspendable	197,258	-	197,258
Restricted	2,612,013	4,622,937	7,234,950
Committed	-	-	-
Assigned	-	-	-
Unassigned	(43,140)	(56,372)	(99,512)
	<u> </u>	<u> </u>	<u> </u>
<i>Total fund balance</i>	<u>2,766,131</u>	<u>4,566,565</u>	<u>7,332,696</u>
	<u> </u>	<u> </u>	<u> </u>
<i>Total liabilities and fund balance</i>	<u>\$ 4,119,725</u>	<u>\$ 5,419,605</u>	<u>\$ 9,539,330</u>

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2015

Statement A-2

	SPECIAL REVENUE	CAPITAL PROJECTS	TOTAL
<i>Revenues</i>			
Property taxes	\$ -	\$ 3,678,457	\$ 3,678,457
State grants	1,908,958	1,858,848	3,767,806
Federal grants	7,858,881	-	7,858,881
Charges for service	745,428	-	745,428
Miscellaneous	-	46,030	46,030
Interest	-	1,030	1,030
<i>Total revenues</i>	<u>10,513,267</u>	<u>5,584,365</u>	<u>16,097,632</u>
<i>Expenditures</i>			
<i>Current</i>			
Instruction	3,513,624	-	3,513,624
Support Services			
Students	1,049,785	-	1,049,785
Instruction	147,788	-	147,788
General Administration	150,047	36,983	187,030
School Administration	750,996	-	750,996
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	754,805	-	754,805
Other Support Services	-	-	-
Food Services Operations	3,526,643	-	3,526,643
Community Service	-	-	-
Capital outlay	-	5,105,716	5,105,716
Debt service	-	-	-
Principal	-	-	-
Interest	-	-	-
	<u>9,893,688</u>	<u>5,142,699</u>	<u>15,036,387</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>619,579</u>	<u>441,666</u>	<u>1,061,245</u>
<i>Other financing sources (uses)</i>			
Operating transfers	97,999	-	97,999
<i>Total other financing sources (uses)</i>	<u>97,999</u>	<u>-</u>	<u>97,999</u>
<i>Net change in fund balances</i>	<u>717,578</u>	<u>441,666</u>	<u>1,159,244</u>
<i>Fund balances, beginning of year</i>	<u>2,048,553</u>	<u>4,124,899</u>	<u>6,173,452</u>
<i>Fund balances, end of year</i>	<u>\$ 2,766,131</u>	<u>\$ 4,566,565</u>	<u>\$ 7,332,696</u>

See Notes to Financial Statements.

SPECIAL REVENUE FUNDS

**STATE OF NEW MEXICO
LOS LUNAS SCHOOL DISTRICT
SPECIAL REVENUE FUNDS DESCRIPTIONS
June 30, 2015**

SPECIAL REVENUE FUNDS

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

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

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

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

IDEA-B Entitlement (24106), IDEA-B Competitive (24108), and IDEA-B “Risk Pool” (24120) – To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Program funding authorized by Individuals with Disabilities Education Act, Part B, Section 611-620, as amended, Public Laws 91- 230, 93-380, 94-142, 98-199, 99-457, 100,639, and 101-476, 20 U.S.C. 1411-1420.

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

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

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

**STATE OF NEW MEXICO
LOS LUNAS SCHOOL DISTRICT
SPECIAL REVENUE FUNDS DESCRIPTIONS
June 30, 2015**

SPECIAL REVENUE FUNDS (CONTINUED)

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

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

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

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

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

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

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

**STATE OF NEW MEXICO
LOS LUNAS SCHOOL DISTRICT
SPECIAL REVENUE FUNDS DESCRIPTIONS
June 30, 2015**

SPECIAL REVENUE FUNDS (CONTINUED)

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

Title XIX MEDICAID 3/21 Years (25153) – To account for a program providing school-based screening, diagnostic services and other related health services and administrative activities in conformance with the approved Medicaid State Plan in order to improve health and developmental outcomes for children. Program funding is authorized by Social Security Act, Title XIX, as amended.

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

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

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

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

**STATE OF NEW MEXICO
LOS LUNAS SCHOOL DISTRICT
SPECIAL REVENUE FUNDS DESCRIPTIONS
June 30, 2015**

SPECIAL REVENUE FUNDS (CONTINUED)

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

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

New Mexico Reads to Lead K-3 (27114) – To account for funds received to 1) increase the quality of reading instruction; 2) provide a screening assessment for use in planning data-driven instruction; 3) provide quality professional development for administrators, reading coaches, and teachers; 4) ensure that districts/charter schools have a comprehensive plan for addressing literacy instruction; and 5) reach out to parents and families with free resources in English and Spanish to support children's reading at home. Authority for the creation of this fund is New Mexico House Bill 2.

Robot Systems for Math Competitions (27115) – This grant is intended to help plan, design, purchase, and install robot systems to equip students for science, technology, engineering, and math competitions at public schools statewide. These funds were available through House Bill 191, Laws of 2012, Chapter 64, Section 8.

Teacher School Leader Stipends (27122) – The purpose of the Teacher Stipends Serving At-Risk funding is to provide stipends to teachers that increase the proportion of their students receiving college credit for their courses through their AP test scores.

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

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

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

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

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

**STATE OF NEW MEXICO
LOS LUNAS SCHOOL DISTRICT
SPECIAL REVENUE FUNDS DESCRIPTIONS
June 30, 2015**

SPECIAL REVENUE FUNDS (CONTINUED)

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

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

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

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

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

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
June 30, 2015**

	Food Service 21000	Athletics 22000	Non-Instructional Support 23000
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	\$ 1,140,815	\$ 22,333	\$ 63,437
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	-	-
Interfund receivables	-	-	-
Other	-	-	-
Prepaid expenditures	-	-	-
Inventory	196,507	-	-
<i>Total assets</i>	<u>\$ 1,337,322</u>	<u>\$ 22,333</u>	<u>\$ 63,437</u>
LIABILITIES AND FUND BALANCES			
<i>Current Liabilities</i>			
Accounts payable	\$ 7,729	\$ -	\$ -
Accrued payroll liabilities	17,203	-	226
Interfund payables	-	-	-
<i>Total liabilities</i>	<u>24,932</u>	<u>-</u>	<u>226</u>
DEFERRED INFLOWS - PROPERTY TAXES			
Unearned revenue - property taxes	-	-	-
Unearned revenue - other	-	-	-
<i>Total Deferred Inflows</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities and Deferred Outflows</i>	<u>24,932</u>	<u>-</u>	<u>226</u>
<i>Fund balances</i>			
Fund Balance			
Nonspendable	196,507	-	-
Restricted	1,115,883	22,333	63,211
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<i>Total fund balance</i>	<u>1,312,390</u>	<u>22,333</u>	<u>63,211</u>
<i>Total liabilities and fund balance</i>	<u>\$ 1,337,322</u>	<u>\$ 22,333</u>	<u>\$ 63,437</u>

See Notes to Financial Statements.

IDEA-B Entitlement 24106	IDEA-B Competitive 24108	IDEA-B Preschool 24109	Education of Homeless 24113	IDEA-B "Risk Pool" 24120
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
330,590	-	51	14,863	1,840
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>330,590</u>	<u>-</u>	<u>51</u>	<u>14,863</u>	<u>1,840</u>
\$ 11,919	\$ -	\$ -	\$ -	\$ -
16,673	-	-	-	-
<u>330,590</u>	<u>-</u>	<u>51</u>	<u>14,863</u>	<u>1,840</u>
<u>359,182</u>	<u>-</u>	<u>51</u>	<u>14,863</u>	<u>1,840</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>359,182</u>	<u>-</u>	<u>51</u>	<u>14,863</u>	<u>1,840</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>(28,592)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(28,592)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>330,590</u>	<u>-</u>	<u>51</u>	<u>14,863</u>	<u>1,840</u>

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
June 30, 2015**

	Enhancing Ed Thru Tech (E2T2-f) 24133	Comprehensive School Reform 24135	ELL Title III Incentive Awards 24143
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	\$ -	\$ -	\$ -
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	-	-
Interfund receivables	-	-	-
Other	-	-	-
Prepaid expenditures	-	-	-
Inventory	-	-	-
	<u> </u>	<u> </u>	<u> </u>
<i>Total assets</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES			
<i>Current Liabilities</i>			
Accounts payable	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	-	-
Interfund payables	-	-	-
	<u> </u>	<u> </u>	<u> </u>
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS - PROPERTY TAXES			
Unearned revenue - property taxes	-	-	-
Unearned revenue - other	-	-	-
	<u> </u>	<u> </u>	<u> </u>
<i>Total Deferred Inflows</i>	<u>-</u>	<u>-</u>	<u>-</u>
	<u> </u>	<u> </u>	<u> </u>
<i>Total Liabilities and Deferred Outflows</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>			
Fund Balance			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
	<u> </u>	<u> </u>	<u> </u>
<i>Total fund balance (deficit)</i>	<u>-</u>	<u>-</u>	<u>-</u>
	<u> </u>	<u> </u>	<u> </u>
<i>Total liabilities and fund balance</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Notes to Financial Statements.

English Language Acquisition 24153	Teacher/Principal Training & Recruiting 24154	Safe & Drug Free Schools & Community 24157	Title I School Improvement 24162	Carl D Perkins Secondary Current 24174
\$ -	\$ -	\$ 206	\$ -	\$ -
29,731	136,976	-	-	65,849
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>29,731</u>	<u>136,976</u>	<u>206</u>	<u>-</u>	<u>65,849</u>
\$ -	\$ -	\$ -	\$ -	\$ -
8,431	-	-	-	-
29,731	136,976	-	-	65,849
<u>38,162</u>	<u>136,976</u>	<u>-</u>	<u>-</u>	<u>65,849</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>38,162</u>	<u>136,976</u>	<u>-</u>	<u>-</u>	<u>65,849</u>
-	-	-	-	-
-	-	206	-	-
-	-	-	-	-
-	-	-	-	-
(8,431)	-	-	-	-
<u>(8,431)</u>	<u>-</u>	<u>206</u>	<u>-</u>	<u>-</u>
\$ <u>29,731</u>	\$ <u>136,976</u>	\$ <u>206</u>	\$ <u>-</u>	\$ <u>65,849</u>

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
June 30, 2015**

	USDA 2010 Equipment 24183	IDEA-B Federal Preschool Stimulus 24209	Impact Aid Special Education 25145
	<u>24183</u>	<u>24209</u>	<u>25145</u>
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	\$ -	\$ -	\$ 60,379
Accounts receivable			
Taxes	-	-	-
Due from other governments	15,414	-	-
Interfund receivables	-	-	-
Other	-	-	-
Prepaid expenditures	-	-	199
Inventory	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total assets</i>	<u>\$ 15,414</u>	<u>\$ -</u>	<u>\$ 60,578</u>
LIABILITIES AND FUND BALANCES			
<i>Current Liabilities</i>			
Accounts payable	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	-	-
Interfund payables	15,414	-	-
	<u>15,414</u>	<u>-</u>	<u>-</u>
<i>Total liabilities</i>	<u>15,414</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS - PROPERTY TAXES			
Unearned revenue - property taxes	-	-	-
Unearned revenue - other	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Deferred Inflows</i>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>15,414</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities and Deferred Outflows</i>	<u>15,414</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>			
Fund Balance			
Nonspendable	-	-	199
Restricted	-	-	60,379
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total fund balance (deficit)</i>	<u>-</u>	<u>-</u>	<u>60,578</u>
<i>Total liabilities and fund balance</i>	<u>\$ 15,414</u>	<u>\$ -</u>	<u>\$ 60,578</u>

See Notes to Financial Statements.

Impact Aid Indian Education 25147	Title XIX Medicaid 3/21 Years 25153	Child Care Block Grant CYFD 25157	Indian Ed Formula Grant 25184	GEAR UP NM Sate Initiatives 25205
\$ 39,600	\$ 1,308,756	\$ 6,368	\$ -	\$ -
-	-	-	-	-
-	-	-	7,617	89,554
-	-	-	-	-
552	-	-	-	-
-	-	-	-	-
<u>\$ 40,152</u>	<u>\$ 1,308,756</u>	<u>\$ 6,368</u>	<u>\$ 7,617</u>	<u>\$ 89,554</u>
\$ -	\$ 4,472	\$ -	\$ -	\$ -
-	7,513	-	1,288	-
-	-	-	7,617	89,554
<u>-</u>	<u>11,985</u>	<u>-</u>	<u>8,905</u>	<u>89,554</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	11,985	-	8,905	89,554
552	-	-	-	-
39,600	1,296,771	6,368	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	(1,288)	-
<u>40,152</u>	<u>1,296,771</u>	<u>6,368</u>	<u>(1,288)</u>	<u>-</u>
<u>\$ 40,152</u>	<u>\$ 1,308,756</u>	<u>\$ 6,368</u>	<u>\$ 7,617</u>	<u>\$ 89,554</u>

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
June 30, 2015**

	GEAR UP USDE 25211	Smaller Learning Communities 25217	Dual Credit Instructional Materials 27103
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	\$ 6,398	\$ 183	\$ -
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	-	1,737
Interfund receivables	-	-	-
Other	-	-	-
Prepaid expenditures	-	-	-
Inventory	-	-	-
	<u> </u>	<u> </u>	<u> </u>
<i>Total assets</i>	<u>\$ 6,398</u>	<u>\$ 183</u>	<u>\$ 1,737</u>
LIABILITIES AND FUND BALANCES			
<i>Current Liabilities</i>			
Accounts payable	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	-	-
Interfund payables	-	-	1,737
	<u> </u>	<u> </u>	<u> </u>
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>1,737</u>
DEFERRED INFLOWS - PROPERTY TAXES			
Unearned revenue - property taxes	-	-	-
Unearned revenue - other	-	-	-
	<u> </u>	<u> </u>	<u> </u>
<i>Total Deferred Inflows</i>	<u>-</u>	<u>-</u>	<u>-</u>
	<u> </u>	<u> </u>	<u> </u>
<i>Total Liabilities and Deferred Outflows</i>	<u>-</u>	<u>-</u>	<u>1,737</u>
<i>Fund balances</i>			
Fund Balance			
Nonspendable	-	-	-
Restricted	6,398	183	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
	<u> </u>	<u> </u>	<u> </u>
<i>Total fund balance</i>	<u>6,398</u>	<u>183</u>	<u>-</u>
	<u> </u>	<u> </u>	<u> </u>
<i>Total liabilities and fund balance</i>	<u>\$ 6,398</u>	<u>\$ 183</u>	<u>\$ 1,737</u>

See Notes to Financial Statements.

2012 G.O. Bond Student Library Fund (SB1) 27107	New Mexico Reads to Lead K-3 27114	Robot Systems for Math Competitions 27115	Teacher School Leader Stipends 27122	PreK Initiative 27149
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
1,596	-	-	-	230,842
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>1,596</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>230,842</u>
\$ <u>1,596</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>230,842</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
1,596	-	-	-	230,842
<u>1,596</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>230,842</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
1,596	-	-	-	230,842
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>1,596</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>230,842</u>
\$ <u>1,596</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>230,842</u>

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
June 30, 2015**

	Indian Education Act 27150	Breakfast for Elementary Students 27155	Legislative Appropriations of 2007 27165
	<u>27150</u>	<u>27155</u>	<u>27165</u>
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	\$ -	\$ -	\$ 32
Accounts receivable			
Taxes	-	-	-
Due from other governments	18,715	-	-
Interfund receivables	-	-	-
Other	-	-	-
Prepaid expenditures	-	-	-
Inventory	-	-	-
<i>Total assets</i>	<u>\$ 18,715</u>	<u>\$ -</u>	<u>\$ 32</u>
LIABILITIES AND FUND BALANCES			
<i>Current Liabilities</i>			
Accounts payable	\$ -	\$ -	-
Accrued payroll liabilities	-	-	-
Interfund payables	18,715	-	-
<i>Total liabilities</i>	<u>18,715</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS - PROPERTY TAXES			
Unearned revenue - property taxes	-	-	-
Unearned revenue - other	-	-	-
<i>Total Deferred Inflows</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities and Deferred Outflows</i>	<u>18,715</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>			
Fund Balance			
Nonspendable	-	-	-
Restricted	-	-	32
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<i>Total fund balance (deficit)</i>	<u>-</u>	<u>-</u>	<u>32</u>
<i>Total liabilities and fund balance</i>	<u>\$ 18,715</u>	<u>\$ -</u>	<u>\$ 32</u>

See Notes to Financial Statements.

Kindergarten Three Plus 27166	School Bus 27178	2008 Library Book Fund 27549	Office of Cultural Affairs 28177	GRADS Child Care 28189
\$ -	\$ -	\$ 2	\$ 275	\$ 13
-	-	-	-	-
327,936	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>327,936</u>	<u>-</u>	<u>2</u>	<u>275</u>	<u>13</u>
\$ -	\$ -	\$ -	\$ -	\$ -
4,829	-	-	-	-
327,936	-	-	-	-
<u>332,765</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>332,765</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
-	-	2	275	13
-	-	-	-	-
-	-	-	-	-
(4,829)	-	-	-	-
<u>(4,829)</u>	<u>-</u>	<u>2</u>	<u>275</u>	<u>13</u>
\$ <u>327,936</u>	\$ <u>-</u>	\$ <u>2</u>	\$ <u>275</u>	\$ <u>13</u>

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
June 30, 2015

Statement B-1
(Page 6 of 6)

	GRADS - Instructional 28190	GRADS - Instructional 28203	Total
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	\$ 211	\$ 148	\$ 2,649,156
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	-	1,273,311
Interfund receivables	-	-	-
Other	-	-	-
Prepaid expenditures	-	-	751
Inventory	-	-	196,507
<i>Total assets</i>	<u>\$ 211</u>	<u>\$ 148</u>	<u>\$ 4,119,725</u>
LIABILITIES AND FUND BALANCES			
<i>Current Liabilities</i>			
Accounts payable	\$ -	\$ -	\$ 24,120
Accrued payroll liabilities	-	-	56,163
Interfund payables	-	-	1,273,311
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>1,353,594</u>
DEFERRED INFLOWS - PROPERTY TAXES			
Unearned revenue - property taxes	-	-	-
Unearned revenue - other	-	-	-
<i>Total Deferred Inflows</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities and Deferred Outflows</i>	<u>-</u>	<u>-</u>	<u>1,353,594</u>
<i>Fund balances</i>			
Fund Balance			
Nonspendable	-	-	197,258
Restricted	211	148	2,612,013
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	(43,140)
<i>Total fund balance (deficit)</i>	<u>211</u>	<u>148</u>	<u>2,766,131</u>
<i>Total liabilities and fund balance</i>	<u>\$ 211</u>	<u>\$ 148</u>	<u>\$ 4,119,725</u>

See Notes to Financial Statements.

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2015**

	Food Service 21000	Athletics 22000	Non-Instructional Support 23000
<i>Revenues</i>			
Property taxes	\$ -	\$ -	\$ -
State grants	-	-	-
Federal grants	3,545,888	-	-
Charges for service	384,512	83,037	277,879
Miscellaneous	-	-	-
Interest	-	-	-
<i>Total revenues</i>	<u>3,930,400</u>	<u>83,037</u>	<u>277,879</u>
<i>Expenditures</i>			
<i>Current</i>			
Instruction	-	97,838	324,754
Support Services			
Students	-	-	-
Instruction	-	-	-
General Administration	-	-	-
School Administration	-	-	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	3,511,229	-	-
Community Service	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
	<u>3,511,229</u>	<u>97,838</u>	<u>324,754</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>419,171</u>	<u>(14,801)</u>	<u>(46,875)</u>
<i>Other financing sources (uses)</i>			
Operating transfers	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>419,171</u>	<u>(14,801)</u>	<u>(46,875)</u>
<i>Fund balances, beginning of year</i>	<u>893,219</u>	<u>37,134</u>	<u>110,086</u>
<i>Fund balances, end of year</i>	<u>\$ 1,312,390</u>	<u>\$ 22,333</u>	<u>\$ 63,211</u>

See Notes to Financial Statements.

IDEA-B Entitlement 24106	IDEA-B Competitive 24108	IDEA-B Preschool 24109	Education of Homeless 24113	IDEA-B "Risk Pool" 24120
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
2,012,691	10,793	42,440	26,536	1,840
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>2,012,691</u>	<u>10,793</u>	<u>42,440</u>	<u>26,536</u>	<u>1,840</u>
1,111,854	10,793	29,587	25,093	1,774
326,330	-	878	1,443	-
-	-	-	-	-
77,647	-	1,577	-	66
446,058	-	10,398	-	-
-	-	-	-	-
-	-	-	-	-
43,738	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>2,005,627</u>	<u>10,793</u>	<u>42,440</u>	<u>26,536</u>	<u>1,840</u>
<u>7,064</u>	-	-	-	-
<u>33,103</u>	-	-	-	-
<u>33,103</u>	-	-	-	-
<u>40,167</u>	-	-	-	-
<u>(68,759)</u>	-	-	-	-
<u>\$ (28,592)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2015**

	Enhancing Ed Thru Tech (E2T2-f) 24133	Comprehensive School Reform 24135	ELL Title III Incentive Awards 24143
<i>Revenues</i>			
Property taxes	\$ -	\$ -	\$ -
State grants	-	-	-
Federal grants	-	-	-
Charges for service	-	-	-
Miscellaneous	-	-	-
Interest	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>			
Current			
Instruction	-	-	-
Support Services			
Students	-	-	-
Instruction	-	-	-
General Administration	-	-	-
School Administration	-	-	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	-	-	-
Community Service	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>			
Operating transfers	6,912	21,931	5,597
<i>Total other financing sources (uses)</i>	<u>6,912</u>	<u>21,931</u>	<u>5,597</u>
<i>Net change in fund balances</i>	<u>6,912</u>	<u>21,931</u>	<u>5,597</u>
<i>Fund balances, beginning of year</i>	<u>(6,912)</u>	<u>(21,931)</u>	<u>(5,597)</u>
<i>Fund balances (deficit), end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Notes to Financial Statements.

English Language Acquisition 24153	Teacher/Principal Training & Recruiting 24154	Safe & Drug Free Schools & Community 24157	Title I School Improvement 24162	Carl D Perkins Secondary Current 24174
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
80,234	508,338	-	-	83,358
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>80,234</u>	<u>508,338</u>	<u>-</u>	<u>-</u>	<u>83,358</u>
7,542	301,178	-	-	81,309
-	-	-	-	-
-	-	-	-	-
1,593	20,252	-	-	2,039
-	166,939	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>9,135</u>	<u>488,369</u>	<u>-</u>	<u>-</u>	<u>83,348</u>
<u>71,099</u>	<u>19,969</u>	<u>-</u>	<u>-</u>	<u>10</u>
-	-	-	30,445	-
-	-	-	30,445	-
<u>71,099</u>	<u>19,969</u>	<u>-</u>	<u>30,445</u>	<u>10</u>
<u>(79,530)</u>	<u>(19,969)</u>	<u>206</u>	<u>(30,445)</u>	<u>(10)</u>
<u>\$ (8,431)</u>	<u>\$ -</u>	<u>\$ 206</u>	<u>\$ -</u>	<u>\$ -</u>

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2015**

	USDA 2010 Equipment 24183	IDEA-B Federal Preschool Stimulus 24209	Impact Aid Special Education 25145
<i>Revenues</i>			
Property taxes	\$ -	\$ -	\$ -
State grants	-	-	-
Federal grants	15,414	-	44,321
Charges for service	-	-	-
Miscellaneous	-	-	-
Interest	-	-	-
<i>Total revenues</i>	<u>15,414</u>	<u>-</u>	<u>44,321</u>
<i>Expenditures</i>			
<i>Current</i>			
Instruction	-	-	29,295
Support Services			
Students	-	-	1,000
Instruction	-	-	-
General Administration	-	-	1,800
School Administration	-	-	30,724
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	15,414	-	-
Community Service	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
	<u>15,414</u>	<u>-</u>	<u>62,819</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(18,498)</u>
<i>Other financing sources (uses)</i>			
Operating transfers	-	11	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>11</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>11</u>	<u>(18,498)</u>
<i>Fund balances, beginning of year</i>	<u>-</u>	<u>(11)</u>	<u>79,076</u>
<i>Fund balances (deficit), end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,578</u>

See Notes to Financial Statements.

Impact Aid Indian Education 25147	Title XIX Medicaid 3/21 Years 25153	Child Care Block Grant CYFD 25157	Indian Ed Formula Grant 25184	GEAR UP NM Sate Initiatives 25205
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
38,306	1,120,754	35,073	62,839	207,110
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>38,306</u>	<u>1,120,754</u>	<u>35,073</u>	<u>62,839</u>	<u>207,110</u>
-	94,666	53,028	7,474	165,194
-	685,375	-	29,771	4,806
25,229	34,418	-	24,786	38,113
800	34,927	-	2,096	-
-	96,877	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>26,029</u>	<u>946,263</u>	<u>53,028</u>	<u>64,127</u>	<u>208,113</u>
<u>12,277</u>	<u>174,491</u>	<u>(17,955)</u>	<u>(1,288)</u>	<u>(1,003)</u>
-	-	-	-	-
-	-	-	-	-
<u>12,277</u>	<u>174,491</u>	<u>(17,955)</u>	<u>(1,288)</u>	<u>(1,003)</u>
<u>27,875</u>	<u>1,122,280</u>	<u>24,323</u>	<u>-</u>	<u>1,003</u>
\$ <u>40,152</u>	\$ <u>1,296,771</u>	\$ <u>6,368</u>	\$ <u>(1,288)</u>	\$ <u>-</u>

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2015**

	GEAR UP USDE 25211	Smaller Learning Communities 25217	Dual Credit Instructional Materials 27103
<i>Revenues</i>			
Property taxes	\$ -	\$ -	\$ -
State grants	-	-	11,582
Federal grants	-	22,946	-
Charges for service	-	-	-
Miscellaneous	-	-	-
Interest	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>22,946</u>	<u>11,582</u>
<i>Expenditures</i>			
<i>Current</i>			
Instruction	-	6,199	11,582
Support Services			
Students	-	-	-
Instruction	-	-	-
General Administration	-	-	-
School Administration	-	-	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	-	-	-
Community Service	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
	<u>-</u>	<u>6,199</u>	<u>11,582</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>16,747</u>	<u>-</u>
<i>Other financing sources (uses)</i>			
Operating transfers	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>16,747</u>	<u>-</u>
<i>Fund balances, beginning of year</i>	<u>6,398</u>	<u>(16,564)</u>	<u>-</u>
<i>Fund balances, end of year</i>	<u>\$ 6,398</u>	<u>\$ 183</u>	<u>\$ -</u>

See Notes to Financial Statements.

2012 G.O. Bond Student Library Fund (SB1) 27107	New Mexico Reads to Lead K-3 27114	Robot Systems for Math Competitions 27115	Teacher School Leader Stipends 27122	PreK Initiative 27149
\$ -	\$ -	\$ -	\$ -	\$ -
25,242	-	3,797	-	697,292
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>25,242</u>	<u>-</u>	<u>3,797</u>	<u>-</u>	<u>697,292</u>
-	-	-	-	535,042
-	-	-	-	-
25,242	-	-	-	-
-	-	-	-	7,250
-	-	-	-	-
-	-	-	-	-
-	-	-	-	155,000
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>25,242</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>697,292</u>
-	-	3,797	-	-
-	-	-	-	-
-	-	-	-	-
-	-	3,797	-	-
-	-	(3,797)	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2015**

	Indian Education Act 27150	Breakfast for Elementary Students 27155	Legislative Appropriations of 2007 27165
<i>Revenues</i>			
Property taxes	\$ -	\$ -	\$ -
State grants	18,910	-	-
Federal grants	-	-	-
Charges for service	-	-	-
Miscellaneous	-	-	-
Interest	-	-	-
<i>Total revenues</i>	<u>18,910</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>			
<i>Current</i>			
Instruction	18,778	-	-
Support Services			
Students	182	-	-
Instruction	-	-	-
General Administration	-	-	-
School Administration	-	-	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	-	-	-
Community Service	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
	<u>18,960</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(50)</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>			
Operating transfers	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>(50)</u>	<u>-</u>	<u>-</u>
<i>Fund balances, beginning of year</i>	<u>50</u>	<u>-</u>	<u>32</u>
<i>Fund balances (deficit), end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32</u>

See Notes to Financial Statements.

Kindergarten Three Plus 27166	School Bus 27178	2008 Library Book Fund 27549	Office of Cultural Affairs 28177	GRADS Child Care 28189
\$ -	\$ -	\$ -	\$ -	\$ -
594,955	525,246	-	-	6,000
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
594,955	525,246	-	-	6,000
568,717	-	-	-	6,000
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
30,821	525,246	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
599,538	525,246	-	-	6,000
(4,583)	-	-	-	-
-	-	-	-	-
-	-	-	-	-
(4,583)	-	-	-	-
(246)	-	2	275	13
\$ (4,829)	\$ -	\$ 2	\$ 275	\$ 13

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2015**

Statement B-2
(Page 6 of 6)

	GRADS - Instructional 28190	GRADS - Instructional 28203	Total
<i>Revenues</i>			
Property taxes	\$ -	\$ -	\$ -
State grants	10,500	15,434	1,908,958
Federal grants	-	-	7,858,881
Charges for service	-	-	745,428
Miscellaneous	-	-	-
Interest	-	-	-
<i>Total revenues</i>	<u>10,500</u>	<u>15,434</u>	<u>10,513,267</u>
<i>Expenditures</i>			
<i>Current</i>			
Instruction	10,638	15,289	3,513,624
Support Services			
Students	-	-	1,049,785
Instruction	-	-	147,788
General Administration	-	-	150,047
School Administration	-	-	750,996
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	754,805
Other Support Services	-	-	-
Food Services Operations	-	-	3,526,643
Community Service	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
	<u>10,638</u>	<u>15,289</u>	<u>9,893,688</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(138)</u>	<u>145</u>	<u>619,579</u>
<i>Other financing sources (uses)</i>			
Operating transfers	-	-	97,999
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>97,999</u>
<i>Net change in fund balances</i>	<u>(138)</u>	<u>145</u>	<u>717,578</u>
<i>Fund balances, beginning of year</i>	<u>349</u>	<u>3</u>	<u>2,048,553</u>
<i>Fund balances (deficit), end of year</i>	<u>\$ 211</u>	<u>\$ 148</u>	<u>\$ 2,766,131</u>

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
FOOD SERVICE SPECIAL REVENUE FUND - 21000
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-3

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	125,000	125,000	-	(125,000)
Federal grants	4,450,000	4,472,144	3,545,888	(926,256)
Charges for service	230,000	230,000	384,512	154,512
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>4,805,000</u>	<u>4,827,144</u>	<u>3,930,400</u>	<u>(896,744)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	5,155,000	5,644,789	3,607,230	2,037,559
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>5,155,000</u>	<u>5,644,789</u>	<u>3,607,230</u>	<u>2,037,559</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(350,000)</u>	<u>(817,645)</u>	<u>323,170</u>	<u>1,140,815</u>
<i>Other financing sources (uses)</i>				
Designated cash	350,000	817,645	-	(817,645)
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>350,000</u>	<u>817,645</u>	<u>-</u>	<u>(817,645)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>323,170</u>	<u>323,170</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>817,645</u>	<u>817,645</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,140,815</u>	<u>\$ 1,140,815</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			96,001	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 419,171</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
ATHLETICS SPECIAL REVENUE FUND - 22000
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-4

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for service	90,500	90,500	83,037	(7,463)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>90,500</u>	<u>90,500</u>	<u>83,037</u>	<u>(7,463)</u>
<i>Expenditures</i>				
Current				
Instruction	100,880	127,634	97,838	29,796
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>100,880</u>	<u>127,634</u>	<u>97,838</u>	<u>29,796</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(10,380)</u>	<u>(37,134)</u>	<u>(14,801)</u>	<u>22,333</u>
<i>Other financing sources (uses)</i>				
Designated cash	10,380	37,134	-	(37,134)
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>10,380</u>	<u>37,134</u>	<u>-</u>	<u>(37,134)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(14,801)</u>	<u>(14,801)</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>37,134</u>	<u>37,134</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,333</u>	<u>\$ 22,333</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ (14,801)</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NON-INSTRUCTIONAL SUPPORT SPECIAL REVENUE FUND - 23000
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-5

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for service	680,000	680,000	277,879	(402,121)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>680,000</u>	<u>680,000</u>	<u>277,879</u>	<u>(402,121)</u>
<i>Expenditures</i>				
Current				
Instruction	1,239,138	1,601,098	348,271	1,252,827
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>1,239,138</u>	<u>1,601,098</u>	<u>348,271</u>	<u>1,252,827</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(559,138)</u>	<u>(921,098)</u>	<u>(70,392)</u>	<u>850,706</u>
<i>Other financing sources (uses)</i>				
Designated cash	559,138	921,098	-	(921,098)
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>559,138</u>	<u>921,098</u>	<u>-</u>	<u>(921,098)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(70,392)</u>	<u>(70,392)</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>133,829</u>	<u>133,829</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 63,437</u>	<u>\$ 63,437</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			23,517	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ (46,875)</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
IDEA-B ENTITLEMENT SPECIAL REVENUE FUND - 24106
STATEMENT OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Exhibit B-6

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	-	-
Federal grants	-	2,334,140	2,012,691	(321,449)
Charges for service	-	-	427,345	427,345
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>2,334,140</u>	<u>2,440,036</u>	<u>105,896</u>
<i>Expenditures</i>				
Current:				
Instruction	-	1,196,215	1,119,119	77,096
Support Services				
Students	-	523,360	326,330	197,030
Instruction	-	-	-	-
General Administration	-	95,830	77,647	18,183
School Administration	-	461,301	446,058	15,243
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	57,434	43,738	13,696
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>2,334,140</u>	<u>2,012,892</u>	<u>321,248</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>427,144</u>	<u>427,144</u>
<i>Other financing sources (uses):</i>				
Designated cash	559,138	921,098	-	(921,098)
Operating transfers	-	-	33,103	33,103
<i>Total other financing sources (uses)</i>	<u>559,138</u>	<u>921,098</u>	<u>33,103</u>	<u>(887,995)</u>
<i>Net changes in fund balances</i>	<u>559,138</u>	<u>921,098</u>	<u>460,247</u>	<u>(460,851)</u>
<i>Cash or fund balance, beginning of year</i>			<u>(790,837)</u>	<u>(790,837)</u>
<i>Cash or fund balance, end of year</i>		\$ <u>921,098</u>	\$ <u>(330,590)</u>	\$ <u>(1,251,688)</u>
<i>Reconciliation to GAAP Basis</i>				
Adjustments to revenues			\$ (427,345)	
Adjustments to expenditures			<u>7,265</u>	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ <u>40,167</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
IDEA-B COMPETITIVE SPECIAL REVENUE FUND - 24108
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-7

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	-	-
Federal grants	-	11,743	22,146	10,403
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>11,743</u>	<u>22,146</u>	<u>10,403</u>
<i>Expenditures</i>				
Current				
Instruction	-	11,722	10,793	929
Support Services				
Students	-	21	-	21
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>11,743</u>	<u>10,793</u>	<u>950</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>11,353</u>	<u>11,353</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>11,353</u>	<u>11,353</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>(11,353)</u>	<u>(11,353)</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (11,353)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
PRESCHOOL IDEA-B SPECIAL REVENUE FUND - 24109
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-8

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	-	-
Federal grants	-	101,919	51,130	(50,789)
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>101,919</u>	<u>51,130</u>	<u>(50,789)</u>
<i>Expenditures</i>				
Current				
Instruction	-	69,390	29,587	39,803
Support Services				
Students	-	3,000	878	2,122
Instruction	-	-	-	-
General Administration	-	3,792	1,577	2,215
School Administration	-	25,737	10,398	15,339
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>101,919</u>	<u>42,440</u>	<u>59,479</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>8,690</u>	<u>8,690</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>8,690</u>	<u>8,690</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>(8,741)</u>	<u>(8,741)</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (51)</u>	<u>\$ (51)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (8,690)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
EDUCATION OF HOMELESS SPECIAL REVENUE FUND - 24113
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-9

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	-	-
Federal grants	24,750	27,843	22,209	(5,634)
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>24,750</u>	<u>27,843</u>	<u>22,209</u>	<u>(5,634)</u>
<i>Expenditures</i>				
Current				
Instruction	22,000	25,093	25,093	-
Support Services				
Students	1,750	1,750	1,443	307
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	1,000	1,000	-	1,000
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>24,750</u>	<u>27,843</u>	<u>26,536</u>	<u>1,307</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(4,327)	(4,327)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(4,327)	(4,327)
<i>Cash or fund balance, beginning of year</i>	-	-	(10,536)	(10,536)
<i>Cash or fund balance, end of year</i>	\$ -	\$ -	\$ (14,863)	\$ (14,863)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 4,327	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ -	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
IDEA-B "RISK POOL" SPECIAL REVENUE FUND - 24120
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-10

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	-	-
Federal grants	-	1,842	17,360	15,518
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>1,842</u>	<u>17,360</u>	<u>15,518</u>
<i>Expenditures</i>				
Current				
Instruction	-	1,774	1,774	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	68	66	2
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>1,842</u>	<u>1,840</u>	<u>2</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>15,520</u>	<u>15,520</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>15,520</u>	<u>15,520</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>(17,360)</u>	<u>(17,360)</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,840)</u>	<u>\$ (1,840)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (15,520)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
ENHANCING ED THRU TECH SPECIAL REVENUE FUND - 24133
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-11

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	6,912	6,912
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>6,912</u>	<u>6,912</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>6,912</u>	<u>6,912</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>(6,912)</u>	<u>(6,912)</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 6,912</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
COMPREHENSIVE SCHOOL REFORM SPECIAL REVENUE FUND - 24135
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-12

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	21,931	21,931
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>21,931</u>	<u>21,931</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>21,931</u>	<u>21,931</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>(21,931)</u>	<u>(21,931)</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 21,931</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
ELL TITLE III INCENTIVE AWARDS SPECIAL REVENUE FUND - 24143
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-13

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	5,597	5,597
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>5,597</u>	<u>5,597</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>5,597</u>	<u>5,597</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>(5,597)</u>	<u>(5,597)</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 5,597</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
ENGLISH LANGUAGE ACQUISITION SPECIAL REVENUE FUND - 24153
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-14

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	-	-
Federal grants	61,239	136,017	51,285	(84,732)
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>61,239</u>	<u>136,017</u>	<u>51,285</u>	<u>(84,732)</u>
<i>Expenditures</i>				
Current				
Instruction	52,000	125,336	24,763	100,573
Support Services				
Students	8,014	8,014	-	8,014
Instruction	-	-	-	-
General Administration	1,225	2,667	1,593	1,074
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>61,239</u>	<u>136,017</u>	<u>26,356</u>	<u>109,661</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	24,929	24,929
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	24,929	(24,929)
<i>Cash or fund balance, beginning of year</i>	-	-	(54,660)	(54,660)
<i>Cash or fund balance, end of year</i>	\$ -	\$ -	\$ (29,731)	\$ (79,589)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 28,949	
Adjustments to expenditures			17,221	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ 71,099	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
TEACHER / PRINCIPAL TRAINING / RECRUITING SPECIAL REVENUE FUND - 24154
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-15

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	-	-
Federal grants	383,764	699,318	519,031	(180,287)
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>383,764</u>	<u>699,318</u>	<u>519,031</u>	<u>(180,287)</u>
<i>Expenditures</i>				
Current				
Instruction	205,250	445,486	319,390	126,096
Support Services				
Students	-	-	-	-
Instruction	5,000	5,000	-	5,000
General Administration	17,514	28,832	20,252	8,580
School Administration	156,000	220,000	166,939	53,061
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>383,764</u>	<u>699,318</u>	<u>506,581</u>	<u>192,737</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	12,450	12,450
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	12,450	12,450
<i>Cash or fund balance, beginning of year</i>	-	-	(149,426)	(149,426)
<i>Cash or fund balance, end of year</i>	\$ -	\$ -	\$ (136,976)	\$ (136,976)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (10,693)	
Adjustments to expenditures			18,212	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ 19,969	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
SAFE & DRUG FREE SCHOOLS & COMMUNITY SPECIAL REVENUE FUND - 24157
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-16

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services			-	-
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>206</u>	<u>206</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 206</u>	<u>\$ 206</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
TITLE I SCHOOL IMPROVEMENT SPECIAL REVENUE FUND - 24162
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-17

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	-	-
Federal grants	-	-	21,907	21,907
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>21,907</u>	<u>21,907</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>21,907</u>	<u>21,907</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	30,445	30,445
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>30,445</u>	<u>30,445</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>52,352</u>	<u>52,352</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>(52,352)</u>	<u>(52,352)</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (21,907)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 30,445</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
CARL D PERKINS SECONDARY - CURRENT SPECIAL REVENUE FUND - 24174
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-18

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	-	-
Federal grants	65,799	89,559	49,398	(40,161)
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>65,799</u>	<u>89,559</u>	<u>49,398</u>	<u>(40,161)</u>
<i>Expenditures</i>				
Current				
Instruction	63,351	86,347	81,309	5,038
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	2,448	3,212	2,039	1,173
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>65,799</u>	<u>89,559</u>	<u>83,348</u>	<u>6,211</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(33,950)	(33,950)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(33,950)	(33,950)
<i>Cash or fund balance, beginning of year</i>	-	-	(31,899)	(31,899)
<i>Cash or fund balance, end of year</i>	\$ -	\$ -	\$ (65,849)	\$ (65,849)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 33,960	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ 10	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
USDA 2010 EQUIPMENT SPECIAL REVENUE FUND - 24183
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-19

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	-	-
Federal grants	-	15,414	-	(15,414)
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>15,414</u>	<u>-</u>	<u>(15,414)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	15,414	15,414	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>15,414</u>	<u>15,414</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(15,414)</u>	<u>(15,414)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(15,414)</u>	<u>(15,414)</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (15,414)</u>	<u>\$ (15,414)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 15,414	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
PRESCHOOL IDEA-B FEDERAL STIMULUS SPECIAL REVENUE FUND - 24209
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-20

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	11	11
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>11</u>	<u>11</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>11</u>	<u>11</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>(11)</u>	<u>(11)</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 11</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
IMPACT AID SPECIAL EDUCATION SPECIAL REVENUE FUND - 25145
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-21

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	-	-
Federal grants	-	-	44,321	44,321
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>44,321</u>	<u>44,321</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	59,141	46,075	31,352	14,723
Support Services				
Students	-	1,000	1,000	-
Instruction	-	-	-	-
General Administration	1,800	1,800	1,800	-
School Administration	29,059	32,059	30,724	1,335
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>90,000</u>	<u>80,934</u>	<u>64,876</u>	<u>16,058</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(90,000)</u>	<u>(80,934)</u>	<u>(20,555)</u>	<u>60,379</u>
<i>Other financing sources (uses)</i>				
Designated cash	90,000	80,934	-	(80,934)
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>90,000</u>	<u>80,934</u>	<u>-</u>	<u>(80,934)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(20,555)</u>	<u>(20,555)</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>80,934</u>	<u>80,934</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,379</u>	<u>\$ 60,379</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			<u>2,057</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (18,498)</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
IMPACT AID INDIAN EDUCATION SPECIAL REVENUE FUND - 25147
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-22

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	-	-
Federal grants	-	-	38,306	38,306
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>38,306</u>	<u>38,306</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	7,000	1,500	552	948
Support Services				
Students	-	-	-	-
Instruction	-	25,575	25,229	346
General Administration	800	800	800	-
School Administration	32,200	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>40,000</u>	<u>27,875</u>	<u>26,581</u>	<u>1,294</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(40,000)</u>	<u>(27,875)</u>	<u>11,725</u>	<u>39,600</u>
<i>Other financing sources (uses)</i>				
Designated cash	40,000	27,875	-	(27,875)
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>40,000</u>	<u>27,875</u>	<u>-</u>	<u>(27,875)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>11,725</u>	<u>11,725</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>27,875</u>	<u>27,875</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,600</u>	<u>\$ 39,600</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			552	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 12,277</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
TITLE XIX MEDICAID 3 / 21 YEARS SPECIAL REVENUE FUND - 25153
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-23

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	-	-
Federal grants	-	-	1,120,754	1,120,754
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>1,120,754</u>	<u>1,120,754</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	108,365	128,365	94,666	33,699
Support Services				
Students	739,981	819,981	689,491	130,490
Instruction	-	38,347	34,418	3,929
General Administration	37,200	37,200	34,927	2,273
School Administration	114,488	114,488	96,877	17,611
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>1,000,034</u>	<u>1,138,381</u>	<u>950,379</u>	<u>188,002</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,000,034)</u>	<u>(1,138,381)</u>	<u>170,375</u>	<u>1,308,756</u>
<i>Other financing sources (uses)</i>				
Designated cash	1,000,034	1,138,381	-	(1,138,381)
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,000,034</u>	<u>1,138,381</u>	<u>-</u>	<u>(1,138,381)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>170,375</u>	<u>170,375</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,138,381</u>	<u>1,138,381</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,308,756</u>	<u>\$ 1,308,756</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			4,116	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 174,491</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
CHILD CARE BLOCK GRANT CYFD SPECIAL REVENUE FUND - 25157
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-24

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	-	-
Federal grants	-	53,028	35,073	(17,955)
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>53,028</u>	<u>35,073</u>	<u>(17,955)</u>
<i>Expenditures</i>				
Current				
Instruction	-	53,028	53,028	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>53,028</u>	<u>53,028</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(17,955)</u>	<u>(17,955)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(17,955)</u>	<u>(17,955)</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>24,323</u>	<u>24,323</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,368</u>	<u>\$ 6,368</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ (17,955)</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
INDIAN ED FORMULA GRANTS SPECIAL REVENUE FUND - 25184
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-25

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	-	-
Federal grants	65,492	65,818	55,781	(10,037)
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>65,492</u>	<u>65,818</u>	<u>55,781</u>	<u>(10,037)</u>
<i>Expenditures</i>				
Current				
Instruction	2,000	7,595	7,474	121
Support Services			-	
Students	31,340	31,340	29,771	1,569
Instruction	-	24,787	23,498	1,289
General Administration	2,096	2,096	2,096	-
School Administration	30,056	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>65,492</u>	<u>65,818</u>	<u>62,839</u>	<u>2,979</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(7,058)	(7,058)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(7,058)	(7,058)
<i>Cash or fund balance, beginning of year</i>	-	-	(559)	(559)
<i>Cash or fund balance, end of year</i>	\$ -	\$ -	\$ (7,617)	\$ (7,617)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 7,058	
Adjustments to expenditures			<u>(1,288)</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ <u>(1,288)</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
GEAR UP NM STATE INITIATIVES SPECIAL REVENUE FUND - 25205
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-26

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	32,757	32,757
Federal grants	220,000	220,000	207,110	(12,890)
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>220,000</u>	<u>220,000</u>	<u>239,867</u>	<u>19,867</u>
<i>Expenditures</i>				
Current				
Instruction	153,636	176,266	164,191	12,075
Support Services				
Students	7,780	5,610	4,806	804
Instruction	58,584	38,124	38,113	11
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>220,000</u>	<u>220,000</u>	<u>207,110</u>	<u>12,890</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	32,757	32,757
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	32,757	32,757
<i>Cash or fund balance, beginning of year</i>	-	-	(122,311)	(122,311)
<i>Cash or fund balance, end of year</i>	\$ -	\$ -	\$ (89,554)	\$ (89,554)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (32,757)	
Adjustments to expenditures			(1,003)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ (1,003)	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
GEAR UP USDE SPECIAL REVENUE FUND - 25211
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-27

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

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
SMALLER LEARNING COMMUNITIES SPECIAL REVENUE FUND - 25217
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-28

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	-	-
Federal grants	59,679	22,946	85,141	62,195
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>59,679</u>	<u>22,946</u>	<u>85,141</u>	<u>62,195</u>
<i>Expenditures</i>				
Current				
Instruction	57,019	22,946	22,946	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	2,066	-	-	-
School Administration	594	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>59,679</u>	<u>22,946</u>	<u>22,946</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	62,195	62,195
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	62,195	62,195
<i>Cash or fund balance, beginning of year</i>	-	-	(62,012)	(62,012)
<i>Cash or fund balance, end of year</i>	\$ -	\$ -	\$ 183	\$ 183
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (62,195)	
Adjustments to expenditures			16,747	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ 16,747	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
DUAL CREDIT INSTRUCTIONAL MATERIALS - 27103
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-29

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	11,582	14,039	2,457
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>11,582</u>	<u>14,039</u>	<u>2,457</u>
<i>Expenditures</i>				
Current				
Instruction	-	11,582	11,582	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>11,582</u>	<u>11,582</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>2,457</u>	<u>2,457</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>2,457</u>	<u>2,457</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>(4,194)</u>	<u>(4,194)</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,737)</u>	<u>\$ (1,737)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (2,457)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
2012 G.O. BOND STUDENT LIBRARY (SB1) SPECIAL REVENUE FUND - 27107
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-30

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	24,825	27,231	44,669	17,438
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>24,825</u>	<u>27,231</u>	<u>44,669</u>	<u>17,438</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	24,825	27,231	25,242	1,989
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>24,825</u>	<u>27,231</u>	<u>25,242</u>	<u>1,989</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>19,427</u>	<u>19,427</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>19,427</u>	<u>19,427</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>(21,023)</u>	<u>(21,023)</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,596)</u>	<u>\$ (1,596)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (19,427)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
NEW MEXICO READS TO LEAD K-3 SPECIAL REVENUE FUND - 27114
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-31

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	10,000	10,000
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>(10,000)</u>	<u>(10,000)</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (10,000)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
ROBOT SYSTEMS FOR MATH COMPETITIONS SPECIAL REVENUE FUND - 27115
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-32

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	3,797	3,797
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>3,797</u>	<u>3,797</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>3,797</u>	<u>3,797</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>3,797</u>	<u>3,797</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>(3,797)</u>	<u>(3,797)</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 3,797</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
TEACHER SCHOOL LEADER STIPENDS SPECIAL REVENUE FUND - 27122
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-33

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	30,000	30,000
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>30,000</u>	<u>30,000</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>30,000</u>	<u>30,000</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>30,000</u>	<u>30,000</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>(30,000)</u>	<u>(30,000)</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (30,000)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
PRE K INITIATIVE SPECIAL REVENUE FUND - 27149
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-34

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	725,000	833,000	557,044	(275,956)
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>725,000</u>	<u>833,000</u>	<u>557,044</u>	<u>(275,956)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	717,750	670,750	535,042	135,708
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	7,250	7,250	7,250	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	155,000	155,000	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>725,000</u>	<u>833,000</u>	<u>697,292</u>	<u>135,708</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(140,248)	(140,248)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(140,248)	(140,248)
<i>Cash or fund balance, beginning of year</i>	-	-	(90,594)	(90,594)
<i>Cash or fund balance, end of year</i>	\$ -	\$ -	\$ (230,842)	\$ (230,842)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 140,248	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ -	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
INDIAN EDUCATION ACT SPECIAL REVENUE FUND - 27150
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-35

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	25,000	9,403	(15,597)
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>25,000</u>	<u>9,403</u>	<u>(15,597)</u>
<i>Expenditures</i>				
Current				
Instruction	-	24,812	18,778	6,034
Support Services				
Students	-	188	182	6
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>25,000</u>	<u>18,960</u>	<u>6,040</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(9,557)</u>	<u>(9,557)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(9,557)</u>	<u>(9,557)</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>(9,158)</u>	<u>(9,158)</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (18,715)</u>	<u>\$ (18,715)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 9,507	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ (50)</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
BREAKFAST FOR ELEMENTARY STUDENTS SPECIAL REVENUE FUND - 27155
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-36

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	4,566	4,566
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>4,566</u>	<u>4,566</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>4,566</u>	<u>4,566</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>4,566</u>	<u>4,566</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>(4,566)</u>	<u>(4,566)</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (4,566)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
LEGISLATIVE APPROPRIATIONS OF 2007 SPECIAL REVENUE FUND - 27165
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-37

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

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
KINDERGARTEN THREE PLUS SPECIAL REVENUE FUND - 27166
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-38

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	219,824	623,004	637,318	14,314
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>219,824</u>	<u>623,004</u>	<u>637,318</u>	<u>14,314</u>
<i>Expenditures</i>				
Current				
Instruction	205,048	591,928	564,135	27,793
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	14,776	31,076	30,821	255
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>219,824</u>	<u>623,004</u>	<u>594,956</u>	<u>28,048</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	42,362	42,362
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	42,362	42,362
<i>Cash or fund balance, beginning of year</i>	-	-	(370,298)	(370,298)
<i>Cash or fund balance, end of year</i>	\$ -	\$ -	\$ (327,936)	\$ (327,936)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (42,363)	
Adjustments to expenditures			(4,582)	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ (4,583)	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
SCHOOL BUSES SPECIAL REVENUE FUND - 27178
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-39

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	532,245	629,504	97,259
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>532,245</u>	<u>629,504</u>	<u>97,259</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	532,245	525,246	6,999
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>532,245</u>	<u>525,246</u>	<u>6,999</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>104,258</u>	<u>104,258</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>104,258</u>	<u>104,258</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>(104,258)</u>	<u>(104,258)</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (104,258)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
LIBRARY BOOK SPECIAL REVENUE FUND - 27549
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-40

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

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
OFFICE OF CULTURAL AFFAIRS SPECIAL REVENUE FUND - 28177
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-41

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>275</u>	<u>275</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 275</u>	<u>\$ 275</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
GRADS CHILDCARE SPECIAL REVENUE FUND - 28189
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-42

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	6,000	6,000	-
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>6,000</u>	<u>6,000</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	6,000	6,000	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>6,000</u>	<u>6,000</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>13</u>	<u>13</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13</u>	<u>\$ 13</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
GRADS - INSTRUCTION SPECIAL REVENUE FUND - 28190
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-43

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	10,850	10,500	(350)
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>10,850</u>	<u>10,500</u>	<u>(350)</u>
<i>Expenditures</i>				
Current				
Instruction	-	10,850	10,638	212
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>10,850</u>	<u>10,638</u>	<u>212</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(138)</u>	<u>(138)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(138)</u>	<u>(138)</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>349</u>	<u>349</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 211</u>	<u>\$ 211</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ (138)</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
GRADS - PLUS SPECIAL REVENUE FUND - 28203
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement B-44

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	-
State grants	-	16,000	15,434	(566)
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>16,000</u>	<u>15,434</u>	<u>(566)</u>
<i>Expenditures</i>				
Current				
Instruction	-	16,000	15,289	711
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>16,000</u>	<u>15,289</u>	<u>711</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>145</u>	<u>145</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>145</u>	<u>145</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 148</u>	<u>\$ 148</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 145</u>	

See Notes to Financial Statements.

CAPITAL PROJECTS FUNDS

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

CAPITAL PROJECTS FUNDS

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

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

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

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

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
June 30, 2015

Statement C-1

	Special Capital Outlay - State 31400	Capital Improvements HB-33 31600	Capital Improvements SB-9 31700	Total
ASSETS				
<i>Current Assets</i>				
Cash and cash equivalents	\$ -	\$ 2,725,662	\$ 996,542	\$ 3,722,204
Accounts receivable				
Taxes	-	480,543	321,476	802,019
Due from other governments	-	-	872,258	872,258
Interfund receivables	-	-	-	-
Other	-	-	-	-
Prepaid expenditures	-	23,124	-	23,124
Inventory	-	-	-	-
<i>Total assets</i>	<u>\$ -</u>	<u>\$ 3,229,329</u>	<u>\$ 2,190,276</u>	<u>\$ 5,419,605</u>
LIABILITIES AND FUND BALANCES				
<i>Current Liabilities</i>				
Accounts payable	\$ -	\$ 24,937	\$ 72,091	\$ 97,028
Accrued payroll liabilities	-	-	-	-
Interfund payables	56,372	-	-	56,372
<i>Total Liabilities</i>	<u>56,372</u>	<u>24,937</u>	<u>72,091</u>	<u>153,400</u>
DEFERRED INFLOWS - PROPERTY TAXES				
Unearned revenue - property taxes	-	419,180	280,460	699,640
Unearned revenue - other	-	-	-	-
<i>Total Deferred Inflows</i>	<u>-</u>	<u>419,180</u>	<u>280,460</u>	<u>699,640</u>
<i>Total Liabilities and Deferred Outflows</i>	<u>56,372</u>	<u>444,117</u>	<u>352,551</u>	<u>853,040</u>
<i>Fund balances</i>				
Fund Balance				
Nonspendable	-	-	-	-
Restricted	-	2,785,212	1,837,725	4,622,937
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	(56,372)	-	-	(56,372)
<i>Total fund balance</i>	<u>(56,372)</u>	<u>2,785,212</u>	<u>1,837,725</u>	<u>4,566,565</u>
<i>Total liabilities and fund balance</i>	<u>\$ -</u>	<u>\$ 3,229,329</u>	<u>\$ 2,190,276</u>	<u>\$ 5,419,605</u>

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
For the Year Ended June 30, 2015

Statement C-2

	Special Capital Outlay - State 31400	Capital Improvements HB-33 31600	Capital Improvements SB-9 31700	Total
<i>Revenues</i>				
Property taxes	\$ -	\$ 2,206,824	\$ 1,471,633	\$ 3,678,457
State grants	100,000	-	1,758,848	1,858,848
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	27,586	18,444	46,030
Interest	-	1,030	-	1,030
<i>Total revenues</i>	<u>100,000</u>	<u>2,235,440</u>	<u>3,248,925</u>	<u>5,584,365</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	22,187	14,796	36,983
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	1	2,078,041	3,027,674	5,105,716
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>1</u>	<u>2,100,228</u>	<u>3,042,470</u>	<u>5,142,699</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>99,999</u>	<u>135,212</u>	<u>206,455</u>	<u>441,666</u>
<i>Other financing sources (uses)</i>				
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>99,999</u>	<u>135,212</u>	<u>206,455</u>	<u>441,666</u>
<i>Fund balances, beginning of year</i>	<u>(156,371)</u>	<u>2,650,000</u>	<u>1,631,270</u>	<u>4,124,899</u>
<i>Fund balances, end of year</i>	<u>\$ (56,372)</u>	<u>\$ 2,785,212</u>	<u>\$ 1,837,725</u>	<u>\$ 4,566,565</u>

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
BOND BUILDING CAPITAL PROJECT FUND - 31100
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement C-3

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	11,078	11,078
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>11,078</u>	<u>11,078</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	4,326,904	14,718,527	6,284,405	8,434,122
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total Expenditures</i>	<u>4,326,904</u>	<u>14,718,527</u>	<u>6,284,405</u>	<u>8,434,122</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(4,326,904)</u>	<u>(14,718,527)</u>	<u>(6,273,327)</u>	<u>8,445,200</u>
<i>Other financing sources (uses)</i>				
Designated cash	4,326,904	8,618,527	-	(8,618,527)
Operating transfers	-	-	(3,608,060)	(3,608,060)
Proceeds from bond issues	-	6,100,000	9,829,272	3,729,272
<i>Total other financing sources (uses)</i>	<u>4,326,904</u>	<u>14,718,527</u>	<u>6,221,212</u>	<u>(8,497,315)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(52,115)</u>	<u>(52,115)</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>8,618,527</u>	<u>8,618,527</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,566,412</u>	<u>\$ 8,566,412</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to revenues-PSFA portion of capital outlay			15,243,016	
Adjustments to expenditures			(177,843)	
Adjustments to expenditures-PSFA portion of capital outlay			(15,243,016)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (229,958)</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
SPECIAL CAPITAL OUTLAY - STATE CAPITAL PROJECT FUND - 31400
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement C-4

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	494,361	494,361	129,400	(364,961)
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>494,361</u>	<u>494,361</u>	<u>129,400</u>	<u>(364,961)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	494,361	494,361	733	493,628
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>494,361</u>	<u>494,361</u>	<u>733</u>	<u>493,628</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	128,667	128,667
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	128,667	128,667
<i>Cash or fund balance, beginning of year</i>	-	-	(185,039)	(185,039)
<i>Cash or fund balance, end of year</i>	\$ -	\$ -	\$ (56,372)	\$ (56,372)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (29,400)	
Adjustments to expenditures			732	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ 99,999	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
CAPITAL IMPROVEMENTS HB-33 STATE CAPITAL PROJECT FUND - 31600
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement C-5

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ 2,202,743	\$ 2,202,743	\$ 2,218,673	\$ 15,930
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	27,586	27,586
Interest	-	-	1,030	1,030
	<u>2,202,743</u>	<u>2,202,743</u>	<u>2,247,289</u>	<u>44,546</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	25,000	25,000	22,187	2,813
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	4,526,872	4,785,403	2,107,100	2,678,303
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>4,551,872</u>	<u>4,810,403</u>	<u>2,129,287</u>	<u>2,681,116</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(2,349,129)</u>	<u>(2,607,660)</u>	<u>118,002</u>	<u>2,725,662</u>
<i>Other financing sources (uses)</i>				
Designated cash	2,349,129	2,607,660	-	(2,607,660)
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,349,129</u>	<u>2,607,660</u>	<u>-</u>	<u>(2,607,660)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>118,002</u>	<u>118,002</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>2,607,660</u>	<u>2,607,660</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,725,662</u>	<u>\$ 2,725,662</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (11,849)	
Adjustments to expenditures			29,059	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 135,212</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
CAPITAL IMPROVEMENTS SB-9 CAPITAL PROJECT FUND - 31700
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement C-6

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ 1,534,478	\$ 1,534,478	\$ 1,471,633	\$ (62,845)
State grants	-	872,258	894,548	22,290
Federal grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	18,444	18,444
Interest	-	-	-	-
	<u>1,534,478</u>	<u>2,406,736</u>	<u>2,384,625</u>	<u>(22,111)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	21,000	21,000	14,796	6,204
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	2,917,603	4,010,075	2,997,626	1,012,449
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>2,938,603</u>	<u>4,031,075</u>	<u>3,012,422</u>	<u>1,018,653</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,404,125)</u>	<u>(1,624,339)</u>	<u>(627,797)</u>	<u>996,542</u>
<i>Other financing sources (uses)</i>				
Designated cash	1,404,125	1,624,339	-	(1,624,339)
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,404,125</u>	<u>1,624,339</u>	<u>-</u>	<u>(1,624,339)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(627,797)</u>	<u>(627,797)</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,624,339</u>	<u>1,624,339</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 996,542</u>	<u>\$ 996,542</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 864,300	
Adjustments to expenditures			(30,048)	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 206,455</u>	

See Notes to Financial Statements.

DEBT SERVICE FUND

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
DEBT SERVICE FUND - 41000
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2015

Statement D-1

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ 6,180,000	\$ 6,180,000	\$ 6,395,049	\$ 215,049
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for service	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	6	6
	<u>6,180,000</u>	<u>6,180,000</u>	<u>6,395,055</u>	<u>215,055</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	80,000	80,000	63,951	16,049
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Principal	10,451,890	10,864,903	8,470,000	2,394,903
Interest	1,235,000	1,235,000	1,294,598	(59,598)
	<u>11,766,890</u>	<u>12,179,903</u>	<u>9,828,549</u>	<u>2,351,354</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(5,586,890)</u>	<u>(5,999,903)</u>	<u>(3,433,494)</u>	<u>2,566,409</u>
<i>Other financing sources (uses)</i>				
Designated cash	5,586,890	5,999,903	-	(5,999,903)
Operating transfers	-	-	3,608,060	3,608,060
<i>Total other financing sources (uses)</i>	<u>5,586,890</u>	<u>5,999,903</u>	<u>3,608,060</u>	<u>(2,391,843)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>174,566</u>	<u>174,566</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>5,999,903</u>	<u>5,999,903</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,174,469</u>	<u>\$ 6,174,469</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (29,951)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 144,615</u>	

See Notes to Financial Statements.

SUPPORTING SCHEDULES

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
AGENCY FUNDS
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
For the Year Ended June 30, 2015

	Balance June 30, 2013	Additions	Deletions	Balance June 30, 2014
Los Lunas High School	\$ 206,349	\$ 178,833	\$ (188,210)	\$ 196,972
Los Lunas Middle School	14,413	86,026	(82,349)	18,090
Los Lunas Elementary	32,821	23,834	(20,557)	36,098
Ann Parish Elementary	6,544	29,632	(27,617)	8,559
Peralta Elementary	7,867	6,958	(10,438)	4,387
Bosque Farms Elementary	30,628	25,384	(28,041)	27,971
Daniel Fernandez Intermediate	11,150	-	-	11,150
Katherine Gallegos Elementary	14,402	23,647	(31,580)	6,469
Tome Elementary	20,418	16,693	(15,622)	21,489
Raymond Galbadon Elementary	17,588	22,424	(25,560)	14,452
Valencia Middle School	72,132	83,910	(86,194)	69,848
Valencia Elementary	18,137	11,691	(16,829)	12,999
District-wide	184,106	81,874	(102,928)	163,052
Special Services	14,295	9,127	(10,632)	12,790
Desert View Intermediate	4,879	15,027	(14,588)	5,318
Century High School	2,434	1,569	(2,606)	1,397
Project Keys	21,325	108,095	(104,299)	25,121
Desert View Elementary After School Program	(50)	50	-	-
Los Lunas High School Swimming Pool	2,527	76,776	(75,093)	4,210
Sundance Elementary	16,315	33,867	(31,936)	18,246
Valencia High School	<u>89,916</u>	<u>135,455</u>	<u>(128,148)</u>	<u>97,223</u>
Total All Schools	<u>\$ 788,196</u>	<u>\$ 970,872</u>	<u>\$ (1,003,227)</u>	<u>\$ 755,841</u>

See Notes to Financial Statements.

STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY
FOR PUBLIC FUNDS
June 30, 2015

Schedule II

	US Bank	Wells Fargo	Total
Funds on Deposit			
Interest bearing savings	\$ 6,138,765	-	6,138,765
Non-interest bearing deposits	28,448,741	-	28,448,741
Certificates of deposit		1,017,762	1,017,762
<i>Total on deposit:</i>	<u>34,587,506</u>	<u>1,017,762</u>	<u>35,605,268</u>
Less: FDIC insurance	(500,000)	(250,000)	(750,000)
Total uninsured public funds:	<u>\$ 34,087,506</u>	<u>767,762</u>	<u>34,855,268</u>
Pledged Collateral Required:			
50% on deposits	\$ 17,043,753	383,881	17,427,634
<i>Pledged Collateral Required:</i>	<u>17,043,753</u>	<u>383,881</u>	<u>17,427,634</u>
Pledged Collateral at June 30, 2015	<u>36,000,000</u>	<u>868,775</u>	<u>36,868,775</u>
Total over (under) collateralized:	<u>\$ 18,956,247</u>	<u>484,894</u>	<u>19,441,141</u>

Safekeeper	Security type, Maturity Date, Identifier			
Federal Home Loan Bank of Cincinnati	Letter of Credit No. 517372, expires 8/3/2015	\$ 36,000,000	-	36,000,000
Bank of New York Mellon	FHLB 11/1/2041, CUSIP#3128UHH73	-	5,162	5,162
	FNMA 12/1/2040, CUSIP#3138A2AX7	-	6,077	6,077
	FNMA 11/1/2041, CUSIP#3138E67L4	-	938	938
	FNMA 11/1/2041, CUSIP #3138EHB50	-	13,987	13,987
	FNMA 12/1/2042, CUSIP#3138MPXR1	-	6,859	6,859
	FNMA 2/1/2043, CUSIP#3138W3RX3	-	2,024	2,024
	FNMA 4/1/2043, CUSIP#3138WMLR0	-	484,616	484,616
	FNMA 6/1/2036, CUSIP#31409GGZ3	-	9,244	9,244
	FNMA 4/1/2043, CUSIP#31417GEX0	-	83,193	83,193
	FNMA 5/1/2043, CUSIP#31417GQX7	-	10,705	10,705
	FNMA 8/1/2039, CUSIP#31417KUN5	-	12,353	12,353
	FNMA 8/1/2043, CUSIP#31418AVT2	-	233,617	233,617
		<u>\$ 36,000,000</u>	<u>868,775</u>	<u>36,868,775</u>

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
SCHEDULE OF CASH AND TEMPORARY INVESTMENT ACCOUNTS
June 30, 2015**

Schedule III

Bank Account Type	US Bank	Wells Fargo Bank	Totals
Checking - General Account	\$ 28,201,672	\$ -	\$ 28,201,672
Checking - Payroll Account	247,069	-	247,069
Money Market Account	6,138,765	-	6,138,765
Certificates of Deposit	<u>-</u>	<u>1,017,762</u>	<u>1,017,762</u>
Total On Deposit	34,587,506	1,017,762	35,605,268
Reconciling Items	<u>(4,348,308)</u>	<u>-</u>	<u>(4,348,308)</u>
Reconciled Balance June 30, 2015	\$ <u><u>30,239,198</u></u>	\$ <u><u>1,017,762</u></u>	\$ <u><u>31,256,960</u></u>
Plus: Petty Cash			\$ 2,733
Less: Fiduciary Funds Cash			<u>(755,841)</u>
Cash per Government-wide Financial Statements			\$ <u><u>30,503,852</u></u>

See Notes to Financial Statements.

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
CASH RECONCILIATION
June 30, 2015**

	Operational Account 11000	Transportation Account 13000	Instructional Materials 14000
	<u>11000</u>	<u>13000</u>	<u>14000</u>
Cash, June 30, 2014	\$ 8,522,604	\$ -	\$ 569,808
Add:			
2014-15 revenues	59,759,110	2,382,357	583,519
Repayment of loans	-	-	-
Loans from other funds	-	-	-
	<u>68,281,714</u>	<u>2,382,357</u>	<u>1,153,327</u>
Total cash available			
Less:			
2014-15 expenditures	(57,190,726)	(2,382,357)	(638,114)
Repayment of loans	-	-	-
Transfers to/from other funds	(97,999)	-	-
Loans to other funds	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Change due to held checks and liabilities			
	<u>-</u>	<u>-</u>	<u>-</u>
Cash, June 30, 2015	\$ <u><u>10,992,989</u></u>	\$ <u><u>-</u></u>	\$ <u><u>515,213</u></u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	(2,116,591)	-	-
Cash per Books	<u>8,876,398</u>	<u>-</u>	<u>515,213</u>
	<u>8,876,398</u>	<u>-</u>	<u>515,213</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	(32,208)	28,696	833
Fund Balance , Modified Accrual Basis	<u>8,844,190</u>	<u>28,696</u>	<u>516,046</u>
	<u>8,844,190</u>	<u>28,696</u>	<u>516,046</u>

See Notes to Financial Statements.

Food Services Account 21000	Athletics Account 22000	Non-Instruction Account 23000	Impact Aid Federal Flow-through 24000	Impact Aid Federal Direct 25000
\$ 817,645	\$ 37,134	\$ 133,829	\$ (2,652,242)	\$ 1,093,029
3,930,400	83,037	277,879	6,273,797	1,619,243
-	-	-	-	-
-	-	-	-	-
4,748,045	120,171	411,708	3,621,555	2,712,272
(3,607,230)	(97,838)	(348,271)	(5,101,570)	(1,387,759)
-	-	-	-	-
-	-	-	97,999	-
-	-	-	-	-
-	-	-	-	-
\$ <u>1,140,815</u>	\$ <u>22,333</u>	\$ <u>63,437</u>	\$ <u>(1,382,016)</u>	\$ <u>1,324,513</u>
-	-	-	1,382,222	97,171
<u>1,140,815</u>	<u>22,333</u>	<u>63,437</u>	<u>206</u>	<u>1,421,684</u>
171,575	-	(226)	(58,890)	(12,522)
<u>1,312,390</u>	<u>22,333</u>	<u>63,211</u>	<u>(58,684)</u>	<u>1,409,162</u>

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
CASH RECONCILIATION
June 30, 2015**

	State Flowthrough 27000	State Direct 28000	Bond Building 31100
	<u>27000</u>	<u>28000</u>	<u>31100</u>
Cash, June 30, 2014	\$ (647,854)	\$ 640	\$ 8,618,527
Add:			
2014-15 revenues	1,940,340	31,934	9,840,350
Repayment of loans	-	-	-
Loans from other funds	-	-	-
	<u>1,940,340</u>	<u>31,934</u>	<u>9,840,350</u>
Total cash available	1,292,486	32,574	18,458,877
Less:			
2014-15 expenditures	(1,873,278)	(31,927)	(6,284,405)
Repayment of loans	-	-	-
Transfers to/from other funds	-	-	(3,608,060)
Loans to other funds	-	-	-
	<u>(1,873,278)</u>	<u>(31,927)</u>	<u>(6,284,405)</u>
Change due to held checks and liabilities	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Cash, June 30, 2015	\$ <u><u>(580,792)</u></u>	\$ <u><u>647</u></u>	\$ <u><u>8,566,412</u></u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	580,826	-	-
Cash per Books	<u>34</u>	<u>647</u>	<u>8,566,412</u>
	<u>580,826</u>	<u>647</u>	<u>8,566,412</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	(4,829)	-	(733,767)
Fund Balance , Modified Accrual Basis	<u>(4,795)</u>	<u>647</u>	<u>7,832,645</u>
	<u>(4,795)</u>	<u>647</u>	<u>7,832,645</u>

See Notes to Financial Statements.

Spec. Capital Outlay-State 31400	Cap. Improv. HB33 31600	Cap. Improv. SB9 31700	Debt Service Fund 41000	Total
\$ (185,039)	\$ 2,607,660	\$ 1,624,339	\$ 5,999,903	\$ 26,539,983
129,400	2,247,289	2,384,625	6,395,055	97,878,335
	-	-	-	-
	-	-	-	-
(55,639)	4,854,949	4,008,964	12,394,958	124,418,318
(733)	(2,129,287)	(3,012,422)	(9,828,549)	(93,914,466)
-	-	-	-	-
-	-	-	3,608,060	-
-	-	-	-	-
-	-	-	-	-
\$ <u>(56,372)</u>	\$ <u>2,725,662</u>	\$ <u>996,542</u>	\$ <u>6,174,469</u>	\$ <u>30,503,852</u>
56,372	-	-	-	-
-	2,725,662	996,542	6,174,469	30,503,852
(56,372)	59,550	841,183	175,996	-
<u>(56,372)</u>	<u>2,785,212</u>	<u>1,837,725</u>	<u>6,350,465</u>	<u>30,503,852</u>

STATE OF NEW MEXICO
 LOS LUNAS SCHOOLS
 SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT)
 June 30, 2015

RFB#/RFP#	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract	\$ Amount of Amended Contract	Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded	In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)	Was the vendor in-state and chose preference (Y or N) For federal funds answer N/A	Brief Description of the Scope of Work
2015-001	RFP for SLP Services	Dora Gomez	\$97,600	N/A	Ardor Health Rehab Practice Management 360 Degree Customer Soliant Health Dora Gomez	Y N N N Y	N N N N N	SLP Services
2015-002	RFP for E-Rate Cabling	Enterprise Electrical	\$298,722	N/A	ITC Sound & Signal Enterprise Electrical A-Com	Y Y Y Y	N N N N	E-Rate Cabling Upgrade for APE, BFE, DVE, KGE, LLE, PE, RGE, SE, TE, VE, LLMS, VMS, CHS, LLHS, VHS
2015-003	RFP for E-Rate Equipment	Presidio	\$848,253	N/A	Desert Communications Presidio Sound & Signal VLCM	Y Y Y Y	N N N N	E-Rate Electronic Equipment Upgrade for APE, BFE, DVE, KGE, LLE, PE, RGE, SE, TE, VE, LLMS, VMS, CHS, LLHS, VHS, CO
2015-004	RFP for Design Professional VHS PAC	Dekker/Perich/Sabatini	\$572,450	N/A	Dekker/Perich/Sabatini FBT Greer Stafford Hoopes & Associates Lee Gamelsky Soleil West Van H. Gilbert	Y Y Y Y Y Y Y	N N N N N N N	Qualifications Based for Design Professional Services to Design a Performing Arts Center at VHS
2015-005	RFP for VE Re-Roof	J3 Systems	\$753,736	N/A	DKG J3 Systems National Roofing WWRC	Y Y Y Y	N N N N	Construction Services to Re-Roof VE
2015-007	ITB Mobile Lube Svc & Minor Mechanic	Joe's Express Mobile Lube	\$70,988	N/A	Joe's Express Mobile Lube	Y	N	Mobile Lube Service and Minor Mechanical Work
2015-011	RFP for LLHS Phase 3 Landscape	AnchorBuilt, Inc.	\$688,331	N/A	AnchorBuilt, Inc. Bradbury Stamm Westwind Landscapes	Y Y Y	N N N	Construction Services at LLHS for Portable Removal and Campus Landscaping

*Prepared by Vicki Parker, Director of Purchasing, 11/5/2015

COMPLIANCE SECTION

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

To the District Board
Los Lunas Schools

and Mr. Timothy Keller
New Mexico State Auditor

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons of the general fund and major special revenue funds of Los Lunas School District (the "District"), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and the combining and individual funds and related budgetary comparisons of the District, presented as supplemental information, and have issued our report thereon dated November 13, 2015.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

The District's Responses to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Albuquerque, New Mexico
November 13, 2015

FEDERAL FINANCIAL ASSISTANCE

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

To the District Board
Los Lunas Schools

and Mr. Timothy Keller
New Mexico State Auditor

Report on Compliance for Each Major Federal Program

We have audited the Los Lunas School District's (the "District") compliance with the types of compliance requirements described in the *OMB Circular A-133 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, 2015. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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, 2015.

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 OMB Circular A-133, 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

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

Albuquerque, New Mexico
November 13, 2015

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2015**

<u>Federal Grantor or Pass-Through Grantor/Program Title</u>	<u>Passthrough Number</u>	<u>Federal CFDA</u>	<u>Federal Expenditures</u>
U.S. Department of Health and Human Services			
<i>Passthrough State of New Mexico Department of Education</i>			
Medicaid Title XIX (1)	25153	93.778	\$ <u>946,263</u>
Total U.S. Department of Health and Human Services			<u><u>946,263</u></u>
U.S. Department of Education			
<i>Passthrough State of New Mexico Department of Education</i>			
Title I (1)	24101	84.010	2,400,864
IDEA B - Entitlement (1)	24106	84.027	2,005,627
Autism Project (1)	24108	84.027A	10,793
IDEA B - Pre School (1)	24109	84.173	42,440
Education of Homeless	24113	84.196A	26,536
IDEA B - Risk Pool (1)	24120	84.027	1,840
Title III English Language Acquisition	24153	84.365A	9,135
Title IIA Teacher/Principal Training (1)	24154	84.367A	488,369
Carl Perkins-Secondary Current	24174	84.048	<u>83,348</u>
			<u>5,068,952</u>
<i>Direct U.S. Department of Education</i>			
Impact Aid - Special Education	25145	84.041	62,819
Impact Aid - Indian Education	25147	84.041	26,029
Indian Education Formula Grant	25184	84.060A	64,127
Smaller Learning Communities	25217	84.215L	<u>6,199</u>
			<u>159,174</u>
Total U.S. Department of Education			<u><u>5,228,126</u></u>
U.S. Department of Agriculture			
<i>Direct U.S. Department of Agriculture</i>			
Forest Reserve	11000	10.672	6,872
USDA 2010 Equipment Assistance Program	24183	10.579	<u>15,414</u>
<i>Subtotal - Direct U.S. Department of Agriculture</i>			<u>22,286</u>
<i>Passthrough State of New Mexico Department of Education</i>			
National School Lunch Program	21000	10.555	3,511,229
Food Distribution (Commodities)	21000	10.555	<u>227,856</u>
<i>Subtotal - Passthrough State of New Mexico Department of Education</i>			<u>3,739,085</u>
Total U.S. Department of Agriculture			<u><u>3,761,371</u></u>
Total Federal Financial Assistance			<u><u>\$ 9,935,760</u></u>

(1) Denotes Major Federal Financial Assistance Program

See Notes to Financial Statements.

**STATE OF NEW MEXICO
LOS LUNAS SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2015**

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of the Los Lunas Schools (District) and is presented on the modified accrual basis of accounting, which is the same basis as was used to prepare the fund financial statements. The information in the Schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

2. Sub Recipients

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

3. Non-cash Federal Assistance

The District receives USDA Commodities for use in sponsoring the National School Lunch program. The value of commodities received for the year ended June 30, 2015 was \$227,856 and is reported in the Schedule of Expenditures of Federal Awards under the Department of Agriculture Commodities program, CFDA number 10.555. Commodities are recorded as revenues and expenditures in the food service fund.

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2015**

A. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued Unmodified

Internal control over financial reporting:

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

Non-compliance material to financial statements noted? ___ Yes X No

Federal Awards

Internal control over major programs:

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

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

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? ___ Yes X No

Identification of Major Program

CFDA Number	Name of Federal Program or Cluster
84.010	Title I
84.027 & 84.173	IDEA B
84.367	Title IIA Teacher/Principal Training
93.778	Medicaid Title XIX

Dollar threshold used to distinguish between type A and type B programs \$ 303,937

Auditee qualified as low-risk auditee? ___ Yes X No

**STATE OF NEW MEXICO
LOS LUNAS SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2015**

B. FINANCIAL STATEMENT FINDINGS

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

CONDITION: In 3 of 25 receipts tested, totaling \$641.50, funds received were not deposited in a timely manner. Management has demonstrated a lack of progress in implementing the prior year corrective action plan.

CRITERIA: NMAC 6.20.2.6 states that deposits must be made within a 24 hour period from the receipt of the monies.

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

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

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

MANAGEMENT RESPONSE: Management agrees, and during fiscal year 2016, the Business Office will monitor and reinforce with the new employees as well as the older employees that the proper handling and required deadlines for all Cash Deposits will be followed. We intend to continue training both in-house and on site and provide additional training when necessary. As time permits we will conduct site visits and verify that procedures are being followed.

C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

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

None

**STATE OF NEW MEXICO
LOS LUNAS SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
June 30, 2015**

STATUS OF PRIOR YEAR AUDIT FINDINGS

2014-001 Controls over Cash Receipts Revised and Repeated

**STATE OF NEW MEXICO
LOS LUNAS SCHOOL DISTRICT
EXIT CONFERENCE
June 30, 2015**

The contents of this report were discussed in the exit conference held on November 12, 2015 with the following in attendance:

Los Lunas Schools:

Dana Sanders, Superintendent
Claire Cieremans, Chief Financial Officer
Sandy Traczyk, Director of Finance
Frank Otero, Board Member, Audit Committee
Barbara Lewis, Audit Committee Community Member (Finance Experience)
Edward Archuleta, Audit Committee Community Member

Axiom Certified Public Accountants and Business Advisors, LLC:

Chris Garner, CPA, Partner

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