

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED  
SCHOOL DISTRICT NO. 6**

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COMPREHENSIVE FINANCIAL ANNUAL REPORT  
AND  
SUPPLEMENTAL INFORMATION  
YEAR ENDED JUNE 30, 2016  
WITH  
REPORT OF CERTIFIED PUBLIC ACCOUNTANTS



Where Kids Come First



ACCOUNTING & FINANCIAL  
**SOLUTIONS**  
CERTIFIED PUBLIC ACCOUNTANTS

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# INTRODUCTORY SECTION

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STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

OFFICIAL ROSTER  
June 30, 2016

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BOARD OF EDUCATION

Andy R. Lopez	President
Jessica Manzanares	Vice-President
Toby Martinez	Secretary
John Garcia	Member
Marvyn Jaramillo	Member

SCHOOL OFFICIALS

Ernesto Valdez	Superintendent
Brenda Halder	Business Manager

AUDIT COMMITTEE

Andy R. Lopez	Member
Jessica Manzanares	Member
Yvette Anaya	Member
Deana Gallegos	Member
Monique Garcia	Member
Victoria Garcia	Member
Ernesto Valdez	Superintendent
Brenda Halder	Business Manager

FINANCE COMMITTEE

Andy R. Lopez	Member
Jessica Manzanares	Member
Yvette Anaya	Member
Deana Gallegos	Member
Monique Garcia	Member
Victoria Garcia	Member
Ernesto Valdez	Superintendent
Brenda Halder	Business Manager

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FINANCIAL SECTION  
FISCAL YEAR 2016  
JULY 1, 2015 THROUGH JUNE 30, 2016

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## INDEPENDENT AUDITORS' REPORT

Tim Keller, State Auditor,  
The Board of Education, and  
The Audit Committee of Mesa Vista Consolidated School District No. 6

### **Report on the 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 Mesa Vista Consolidated School District No. 6, as of and for the year ended June 30, 2016, and the related notes to the financial statements which collectively comprise Mesa Vista Consolidated School District No. 6's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of Mesa Vista Consolidated School District No. 6's nonmajor governmental funds and the budgetary comparisons for the major capital project funds, debt service fund, and all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2016, as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to Mesa Vista Consolidated School District No. 6'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 Mesa Vista Consolidated School District No. 6, as of June 30, 2016, and the respective changes in financial position thereof 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 of Mesa Vista Consolidated School District No. 6 as of June 30, 2016, and the respective changes in financial position thereof and the respective budgetary comparisons for the major capital project funds, 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.

Tim Keller, State Auditor,  
The Board of Education, and  
The Audit Committee of Mesa Vista Consolidated School District No. 6

### ***Other Matters***

#### *Required Supplementary Information*

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Accounting principles generally accepted in the United States of America also require that the Schedule of Proportionate Share of the Net Pension Liability and Schedule of Contributions on page 44 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. Our opinion on the basic financial statements is not affected by this missing information.

#### *Other Information*


Our audit was conducted for the purpose of forming opinions on Mesa Vista Consolidated School District No. 6's financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the other schedules required by 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 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 the auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures and other schedules required by 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 2, 2016 on our consideration of the Mesa Vista Consolidated School District No. 6'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 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 Mesa Vista Consolidated School District No. 6's internal control over financial reporting and compliance.

  
Farmington, New Mexico  
November 2, 2016

## BASIC FINANCIAL STATEMENTS

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

STATEMENT OF NET POSITION  
 June 30, 2016

	Governmental <u>Activities</u>
<b>Assets</b>	
Cash and cash equivalents	\$ 4,240,329
Receivables:	
Delinquent property taxes receivable	481,622
Grant	434,503
Due from other governments	14,844
Food inventory	1,298
Non-current:	
Non-depreciable assets	1,846,912
Depreciable capital assets, net	<u>10,652,590</u>
<b>Total Assets</b>	<u>17,672,098</u>
<b>Deferred Outflows of Resources:</b>	
Contributions to pension subsequent to the measurement date	385,229
Net change in pension assumptions	<u>218,243</u>
<b>Total Deferred Outflows of Resources</b>	<u>603,472</u>
<b>Liabilities</b>	
Accounts payable	12,313
Accrued salaries	49,789
Accrued interest	36,453
Compensated absences	44,762
Long-term liabilities other than pensions:	
Due within one year	1,335,000
Due in more than one year	3,493,386
Aggregate net pension liability	<u>6,345,130</u>
<b>Total Liabilities</b>	<u>11,316,833</u>
<b>Deferred Inflows of Resources</b>	
Difference between expected and actual experience	118,033
Net difference between projected and actual investment earnings on plan investments	30,357
Net change in proportionate share of pension liability	<u>162,757</u>
<b>Total Deferred Inflows of Resources</b>	<u>311,147</u>
<b>Net Position</b>	
Net investment in capital assets	8,108,309
Restricted for:	
Inventories	1,298
Special revenue funds	132,405
Capital projects	3,330,704
Debt service	461,062
Unrestricted	<u>(5,386,188)</u>
<b>Total Net Position</b>	<u>\$ 6,647,590</u>

The notes to the financial statements are an integral part of this statement.



STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

STATEMENT OF ACTIVITIES  
 Year Ended June 30, 2016

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	
<b>Primary government:</b>						
<b>Governmental activities:</b>						
Instruction	\$ 2,550,443	\$ 4,640	\$ 391,329	\$ 858,860	\$ (1,295,614)	
Support Services - Students	561,699	45,468	86,184	-	(430,047)	
Support Services - Instruction	63,808	-	9,790	-	(54,018)	
Support Services - General Administration	355,591	-	54,560	2,929	(298,102)	
Support Services - School Administration	524,138	-	80,421	-	(443,717)	
Central Services	358,952	-	55,076	-	(303,876)	
Operations & Maintenance of Plant	960,987	-	147,449	70,677	(742,861)	
Student Transportation	336,158	-	301,090	-	(35,068)	
Food Services	262,418	3,094	180,519	-	(78,805)	
Community Services	1,958	-	300	-	(1,658)	
Bond interest paid	116,766	-	-	-	(116,766)	
<b>Total governmental activities</b>	<b>\$ 6,092,918</b>	<b>\$ 53,202</b>	<b>\$ 1,306,718</b>	<b>\$ 932,466</b>	<b>(3,800,532)</b>	
General revenues:						
Taxes:						
Property Taxes:						
General purposes						16,049
Capital projects						398,766
Debt service						297,375
State equalization						3,786,867
Grants and contributions not restricted						3,208
Miscellaneous income						50,493
Total general revenues						<u>4,552,758</u>
<i>Change in net position</i>						752,226
<b>Net position - beginning</b>						<u>5,895,364</u>
<b>Net position - ending</b>						<u>\$ 6,647,590</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

GOVERNMENTAL FUNDS

**Balance Sheet**  
**June 30, 2016**

	General Fund	Elementary School Counseling Fund #25215	Bond Building Fund #31100	Public School Capital Outlay Fund #31200
<b>Assets</b>				
Cash and cash equivalents	\$ 324,907	\$ 1,253	\$ 3,227,926	\$ -
Receivables:				
Property taxes	12,100	-	-	-
Grant	-	100,317	-	-
Due from other governments	384	-	-	-
Due from other funds	434,503	-	-	-
Food inventory	-	-	-	-
<b>Total assets</b>	<u>\$ 771,894</u>	<u>\$ 101,570</u>	<u>\$ 3,227,926</u>	<u>\$ -</u>
 <b>Liabilities, deferred inflows, and fund balance</b>				
Liabilities:				
Accounts payable	\$ 11,923	\$ -	\$ -	\$ -
Accrued salaries	36,704	1,253	-	-
Due to other funds	-	100,317	-	-
<b>Total liabilities</b>	<u>48,627</u>	<u>101,570</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Delinquent property taxes	<u>11,888</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance:				
Non-spendable:				
Inventories	-	-	-	-
Restricted for:				
Special revenue funds	-	-	-	-
Capital projects funds	-	-	3,227,926	-
Debt service	-	-	-	-
Unassigned	<u>711,379</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total fund balance</b>	<u>711,379</u>	<u>-</u>	<u>3,227,926</u>	<u>-</u>
<b>Total liabilities, deferred inflows of resources, and fund balance</b>	<u>\$ 771,894</u>	<u>\$ 101,570</u>	<u>\$ 3,227,926</u>	<u>\$ -</u>

(cont'd; 1 of 2)

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

GOVERNMENTAL FUNDS

**Balance Sheet**  
**June 30, 2016**

	Capital Improvements SB-9 <u>Fund #31700</u>	Debt Service <u>Fund #41000</u>	Other Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
<b>Assets</b>				
Cash and cash equivalents	\$ 98,288	\$ 443,718	\$ 144,237	\$ 4,240,329
Receivables:				
Property taxes	104,252	365,270	-	481,622
Grant	-	-	334,186	434,503
Due from other governments	3,189	11,271	-	14,844
Due from other funds	-	-	-	434,503
Food inventory	-	-	<u>1,298</u>	<u>1,298</u>
<b>Total assets</b>	<u>\$ 205,729</u>	<u>\$ 820,259</u>	<u>\$ 479,721</u>	<u>\$ 5,607,099</u>
 <b>Liabilities, deferred inflows, and fund balance</b>				
Liabilities:				
Accounts payable	\$ 390	\$ -	\$ -	\$ 12,313
Accrued salaries	-	-	11,832	49,789
Due to other funds	-	-	<u>334,186</u>	<u>434,503</u>
<b>Total liabilities</b>	<u>390</u>	<u>-</u>	<u>346,018</u>	<u>496,605</u>
 Deferred inflows of resources:				
Delinquent property taxes	<u>102,561</u>	<u>359,197</u>	<u>-</u>	<u>473,646</u>
 Fund balance:				
Non-spendable:				
Inventories	-	-	1,298	1,298
Restricted for:				
Special revenue funds	-	-	132,405	132,405
Capital projects funds	102,778	-	-	3,330,704
Debt service	-	461,062	-	461,062
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>711,379</u>
<b>Total fund balance</b>	<u>102,778</u>	<u>461,062</u>	<u>133,703</u>	<u>4,636,848</u>
<b>Total liabilities, deferred inflows of resources, and fund balance</b>	<u>\$ 205,729</u>	<u>\$ 820,259</u>	<u>\$ 479,721</u>	<u>\$ 5,607,099</u>

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STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

RECONCILIATION OF THE BALANCE SHEET - ALL GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF NET POSITION  
**June 30, 2016**

Amounts reported for governmental activities in the statement of net position are different because:

Fund balances - total governmental funds	\$	4,636,848
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Capital assets		22,427,858
Accumulated depreciation		(9,928,356)
Other assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Property taxes receivable		473,646
Deferred inflow of resources are not financial resources, and therefore are not reported in the funds and include:		
Contributions to pension subsequent to the measurement date		385,229
Net change in pension assumptions		218,243
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds		
Bonds payable		(4,825,000)
Accrued interest payable		(36,453)
Accrued vacation payable		(44,762)
Bond premiums		(3,386)
Net pension liability		(6,345,130)
Deferred outflow of resources are not financial resources, and therefore are not reported in the funds and include:		
Difference between expected and actual experience		(118,033)
Net difference between projected and actual investment earnings on plan investments		(30,357)
Net change in proportionate share of pension liability		<u>(162,757)</u>
Net position of governmental activities	\$	<u><u>6,647,590</u></u>

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures, and Changes in Fund Balance  
Year Ended June 30, 2016

	General Fund	Elementary School Counseling Fund #25215	Bond Building Fund #31100	Public School Capital Outlay Fund #31200
<b>Revenues:</b>				
Taxes:				
Property	\$ 17,663	\$ -	\$ -	\$ -
Intergovernmental - federal grants	35,735	287,336	-	-
Intergovernmental - state grants	4,110,618	-	9,406	900,800
Contributions - private grants	3,208	-	-	-
Charges for services	4,640	-	-	-
Investment and interest income	1,034	-	7,381	-
Miscellaneous	<u>50,493</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total revenues</b>	<u>4,223,391</u>	<u>287,336</u>	<u>16,787</u>	<u>900,800</u>
<b>Expenditures:</b>				
Current:				
Instruction	1,889,153	-	-	-
Support services:				
Students	223,418	287,336	-	-
Instruction	-	-	-	-
General Administration	298,773	-	-	-
School Administration	468,411	-	-	-
Central Services	326,896	-	-	-
Operation & Maintenance of Plant	672,807	-	66,914	-
Student transportation	296,138	-	-	-
Food services operations	51,789	-	-	-
Community services	1,783	-	-	-
Capital outlay	-	-	604,629	900,800
Debt service:				
Principal retirement	-	-	-	-
Bond interest paid	-	-	-	-
Bond issuance costs	<u>-</u>	<u>-</u>	<u>66,461</u>	<u>-</u>
<b>Total expenditures</b>	<u>4,229,168</u>	<u>287,336</u>	<u>738,004</u>	<u>900,800</u>
<i>Excess (deficiency) of revenues over expenditures</i>	(5,777)	-	(721,217)	-
<b>Other financing sources:</b>				
Sale of bonds	<u>-</u>	<u>-</u>	<u>2,485,000</u>	<u>-</u>
<i>Net change in fund balance</i>	(5,777)	-	1,763,783	-
<b>Fund balance at beginning of the year</b>	<u>717,156</u>	<u>-</u>	<u>1,464,143</u>	<u>-</u>
<b>Fund balance at end of the year</b>	<u>\$ 711,379</u>	<u>\$ -</u>	<u>\$ 3,227,926</u>	<u>\$ -</u>

( cont'd; 1 of 2 )

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

GOVERNMENTAL FUNDS

**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Year Ended June 30, 2016**

	Capital Improvements SB-9 <u>Fund #31700</u>	Debt Service <u>Fund #41000</u>	Other Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
<b>Revenues:</b>				
Taxes:				
Property	\$ 142,465	\$ 527,569	\$ -	\$ 687,697
Intergovernmental - federal grants	-	-	470,277	793,348
Intergovernmental - state grants	13,845	-	189,619	5,224,288
Contributions - private grants	-	-	-	3,208
Charges for services	-	-	48,562	53,202
Investment and interest income	-	-	-	8,415
Miscellaneous	-	-	-	<u>50,493</u>
<b>Total revenues</b>	<u>156,310</u>	<u>527,569</u>	<u>708,458</u>	<u>6,820,651</u>
<b>Expenditures:</b>				
Current:				
Instruction	-	-	443,964	2,333,117
Support services:				
Students	-	-	783	511,537
Instruction	-	-	13,348	13,348
General Administration	5,632	5,273	14,157	323,835
School Administration	-	-	8,920	477,331
Central Services	-	-	-	326,896
Operation & Maintenance of Plant	68,985	-	-	808,706
Student transportation	-	-	10,000	306,138
Food services operations	-	-	187,194	238,983
Community services	-	-	-	1,783
Capital outlay	79,535	-	16,883	1,601,847
Debt service:				
Principal retirement	-	360,000	-	360,000
Bond interest paid	-	102,489	-	102,489
Bond issuance costs	-	-	-	<u>66,461</u>
<b>Total expenditures</b>	<u>154,152</u>	<u>467,762</u>	<u>695,249</u>	<u>7,472,471</u>
<i>Excess (deficiency) of revenues over expenditures</i>	2,158	59,807	13,209	(651,820)
<b>Other financing sources:</b>				
Sale of bonds	-	-	-	<u>2,485,000</u>
<i>Net change in fund balance</i>	2,158	59,807	13,209	1,833,180
<b>Fund balance at beginning of the year</b>	<u>100,620</u>	<u>401,255</u>	<u>120,494</u>	<u>2,803,668</u>
<b>Fund balance at end of the year</b>	<u>\$ 102,778</u>	<u>\$ 461,062</u>	<u>\$ 133,703</u>	<u>\$ 4,636,848</u>

( 2 of 2 )

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES ALL GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF ACTIVITIES  
**Year Ended June 30, 2016**

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

Net change in fund balance - total governmental funds	\$	1,833,180
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current year</p>		
Capital outlay		1,601,847
Depreciation		(533,692)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
<p style="padding-left: 20px;">Deferred property taxes at:</p>		
June 30, 2015		(449,153)
June 30, 2016		473,646
<p>The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. These differences in the treatment of long-term debt and related items consist of:</p>		
Current year principal payments		360,000
Bonds sold		(2,485,000)
Bond premium amortization		3,385
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>		
<p style="padding-left: 20px;">Compensated absences at:</p>		
June 30, 2015		39,353
June 30, 2016		(44,762)
<p style="padding-left: 20px;">Accrued interest at:</p>		
June 30, 2015		18,791
June 30, 2016		(36,453)
Deferred contributions to pension plan		385,229
Pension expense		<u>(414,145)</u>
Change in net position of governmental activities	\$	<u>752,226</u>

The notes to the financial statements are an integral part of this statement.



STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

GENERAL FUND

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

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Taxes:				
Property	\$ 18,973	\$ 18,973	\$ 17,761	\$ (1,212)
Intergovernmental - federal sources:				
Forest reserve	-	20,122	20,123	1
Federal grants	38,000	38,000	15,612	(22,388)
Intergovernmental - state sources:				
State equalization guarantee	3,807,239	3,785,579	3,786,867	1,288
Transportation	307,885	301,090	301,090	-
State instructional material	19,217	22,659	22,661	2
State grant	-	-	275,000	275,000
Contributions - private grants	18,000	18,000	3,208	(14,792)
Charges for services	6,300	6,300	4,641	(1,659)
Investment and interest income	1,500	1,500	1,034	(466)
Miscellaneous	<u>2,500</u>	<u>2,500</u>	<u>50,493</u>	<u>47,993</u>
<b>Total revenues</b>	<u>4,219,614</u>	<u>4,214,723</u>	<u>4,498,490</u>	<u>283,767</u>
<b>Expenditures:</b>				
Current:				
Instruction	1,881,251	1,908,591	1,891,075	17,516
Support services:				
Students	196,383	262,250	220,589	41,661
Instruction	36,263	-	-	-
General Administration	285,037	300,037	298,814	1,223
School Administration	480,944	467,944	467,440	504
Central Services	326,419	323,479	326,896	(3,417)
Operation & Maintenance of Plant	757,648	705,648	671,695	33,953
Student transportation	372,406	352,511	304,619	47,892
Other Support services	381,254	381,254	-	381,254
Food Services Operations	35,265	52,265	51,789	476
Community Services Operations	<u>10,765</u>	<u>4,765</u>	<u>1,783</u>	<u>2,982</u>
<b>Total expenditures</b>	<u>4,763,635</u>	<u>4,758,744</u>	<u>4,234,700</u>	<u>524,044</u>
<i>Excess (deficiency) of revenues over expenditures</i>	(544,021)	(544,021)	263,790	807,811
<b>Other financing uses:</b>				
Transfers out	-	-	<u>(275,000)</u>	<u>(275,000)</u>
<i>Net change in fund balance</i>	(544,021)	(544,021)	(11,210)	532,811
<i>Beginning cash balance budgeted</i>	544,021	544,021	-	(544,021)
<b>Fund balance at beginning of the year</b>	-	-	<u>717,156</u>	<u>717,156</u>
<b>Fund balance at end of the year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>705,946</u>	<u>\$ 705,946</u>
RECONCILIATION TO GAAP BASIS:				
Change in property tax receivable			(1,587)	
Change in due from other governments			(126)	
Change in payables			5,532	
Change in deferred property taxes			<u>1,614</u>	
<b>Fund balance at end of the year (GAAP basis)</b>			<u>\$ 711,379</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

ELEMENTARY SCHOOL COUNSELING FUND - NO. 25215  
**Statement of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)**  
 Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - federal grants	\$ -	\$ 476,529	\$ 234,095	\$ (242,434)
<b>Expenditures:</b>				
Current:				
Support services:				
Students	-	457,529	287,336	170,193
General Administration	-	19,000	-	19,000
<b>Total expenditures</b>	-	476,529	287,336	189,193
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(53,241)	(53,241)
<b>Fund balance at beginning of the year</b>	-	-	-	-
<b>Fund balance at end of the year</b>	\$ -	\$ -	(53,241)	\$ (53,241)
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			53,241	
<b>Fund balance at end of the year (GAAP basis)</b>			\$ -	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

AGENCY FUNDS  
**Statement of Fiduciary Assets and Liabilities**  
**June 30, 2016**

ASSETS

Pooled cash and investments	<u>\$ 106,407</u>
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LIABILITIES

Deposits held for others	<u>\$ 106,407</u>
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The notes to the financial statements are an integral part of this statement.

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# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

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# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

## I. SUMMARY OF ALL SIGNIFICANT ACCOUNTING POLICIES

### A. Reporting Entity

Mesa Vista Consolidated School District (District) is a special purpose government corporation governed by an elected five-member Board of Education. The Board of Education is the basic level of government, which has oversight responsibility and control over all activities related to the public school education in the Towns of El Rito and Ojo Caliente, New Mexico and the surrounding areas. The District is responsible for all activities related to public elementary and secondary school education within its jurisdiction. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

The District's financial statements include all entities over which the Board of Education exercises oversight responsibility. Oversight responsibility includes such aspects as appointment of governing body members, designation of management, the ability to significantly influence operations, and accountability for fiscal matters. Based upon the application of these criteria, no component units or fiduciary units were included in the financial statements.

Generally Accepted Accounting Principles (GAAP) requires that financial statements present the District (primary government) and its component units. The District has no component units that are required to be presented in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units, an amendment of GASB Statement No. 14*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*.

#### 1. Blended Component Units

The District does not have any component units reported as blended component units.

#### 2. Discretely Presented Component Units

The District does not have any component units reported as discretely presented component units.

During fiscal year 2016, Mesa Vista Consolidated School District No. 6 adopted the following GASB Statements:

- GASB 72, *Fair Value Measurement and Application*, This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. This Statement will be effective for the year ended June 30, 2016.
- GASB 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, this Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, Accounting and Financial Reporting for Pensions, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, Financial Reporting for Pension Plans, and Statement 68 for pension plans and pensions that are within their respective scopes. This Statement will be effective for the year ended June 30, 2016.
- GASB 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, This Statement supersedes Statement No. 55, The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments. The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and non-authoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. This Statement will be effective for the year ended June 30, 2016.

# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

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## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### A. Reporting Entity (cont'd)

- GASB 79, *Certain External Investment Pools and Pool Participants*, this Statement addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets all of the applicable criteria established in this Statement. The specific criteria address (1) how the external investment pool transacts with participants; (2) requirements for portfolio maturity, quality, diversification, and liquidity; and (3) calculation and requirements of a shadow price. Significant noncompliance prevents the external investment pool from measuring all of its investments at amortized cost for financial reporting purposes. Professional judgment is required to determine if instances of noncompliance with the criteria established by this Statement during the reporting period, individually or in the aggregate, were significant.

If an external investment pool does not meet the criteria established by this Statement, that pool should apply the provisions in paragraph 16 of Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, as amended. If an external investment pool meets the criteria in this Statement and measures all of its investments at amortized cost, the pool's participants also should measure their investments in that external investment pool at amortized cost for financial reporting purposes. If an external investment pool does not meet the criteria in this Statement, the pool's participants should measure their investments in that pool at fair value, as provided in paragraph 11 of Statement 31, as amended.

This Statement establishes additional note disclosure requirements for qualifying external investment pools that measure all of their investments at amortized cost for financial reporting purposes and for governments that participate in those pools. Those disclosures for both the qualifying external investment pools and their participants include information about any limitations or restrictions on participant withdrawals.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2015 (FYE June 30, 2016), except for certain provisions on portfolio quality, custodial credit risk, and shadow pricing. Those provisions are effective for reporting periods beginning after December 15, 2015 (FYE June 30, 2017). Earlier application is encouraged.

Other accounting standards that Mesa Vista Consolidated School District No. 6 is currently reviewing for applicability and potential impact on the financial statements include:

- GASB 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, This Statement replaces Statements No. 43, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, as amended, Statement 43, and Statement No. 50, Pension Disclosures. This Statement will be effective for the year ended June 30, 2017.
- GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, this Statement replaces the requirements of Statements No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB. Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, establishes new accounting and financial reporting requirements for OPEB plans. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed. This Statement will be effective for the year ended June 30, 2018.

# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

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## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### A. Reporting Entity (cont'd)

- GASB 77, *Tax Abatement Disclosures*, financial statements prepared by state and local governments in conformity with generally accepted accounting principles provide citizens and taxpayers, legislative and oversight bodies, municipal bond analysts, and others with information they need to evaluate the financial health of governments, make decisions, and assess accountability. This information is intended, among other things, to assist these users of financial statements in assessing (1) whether a government's current-year revenues were sufficient to pay for current-year services (known as inter-period equity), (2) whether a government complied with finance-related legal and contractual obligations, (3) where a government's financial resources come from and how it uses them, and (4) a government's financial position and economic condition and how they have changed over time.

Financial statement users need information about certain limitations on a government's ability to raise resources. This includes limitations on revenue-raising capacity resulting from government programs that use tax abatements to induce behavior by individuals and entities that is beneficial to the government or its citizens. Tax abatements are widely used by state and local governments, particularly to encourage economic development. For financial reporting purposes, this Statement defines a tax abatement as resulting from an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens.

Although many governments offer tax abatements and provide information to the public about them, they do not always provide the information necessary to assess how tax abatements affect their financial position and results of operations, including their ability to raise resources in the future. This Statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues.

This Statement requires governments that enter into tax abatement agreements to disclose the following information about the agreements:

- Brief descriptive information, such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients
- The gross dollar amount of taxes abated during the period
- Commitments made by a government, other than to abate taxes, as part of a tax abatement agreement.

Governments should organize those disclosures by major tax abatement program and may disclose information for individual tax abatement agreements within those programs.

Tax abatement agreements of other governments should be organized by the government that entered into the tax abatement agreement and the specific tax being abated. Governments may disclose information for individual tax abatement agreements of other governments within the specific tax being abated. For those tax abatement agreements, a reporting government should disclose:

- The names of the governments that entered into the agreements
- The specific taxes being abated
- The gross dollar amount of taxes abated during the period.

The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015 (FYE June 30, 2017). Earlier application is encouraged.



# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

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## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### A. Reporting Entity (cont'd)

- GASB 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*, the objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, Accounting and Financial Reporting for Pensions. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions.

Prior to the issuance of this Statement, the requirements of Statement 68 applied to the financial statements of all state and local governmental employers whose employees are provided with pensions through pension plans that are administered through trusts that meet the criteria in paragraph 4 of that Statement.

This Statement amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above.

The requirements of this Statement are effective for reporting periods beginning after December 15, 2015 (FYE June 30, 2017). Earlier application is encouraged.

- GASB 80, *Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14*, the objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, The Financial Reporting Entity, as amended.

This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, Determining Whether Certain Organizations Are Component Units.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2016 (FYE June 30, 2017). Earlier application is encouraged.

- GASB 81, *Irrevocable Split-Interest Agreements*, The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement.

Split-interest agreements are a type of giving agreement used by donors to provide resources to two or more beneficiaries, including governments. Split-interest agreements can be created through trusts—or other legally enforceable agreements with characteristics that are equivalent to split-interest agreements—in which a donor transfers resources to an intermediary to hold and administer for the benefit of a government and at least one other beneficiary. Examples of these types of agreements include charitable lead trusts, charitable remainder trusts, and life-interests in real estate.

This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period.

The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016 (FYE June 30, 2018), and should be applied retroactively. Earlier application is encouraged.

# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### A. Reporting Entity (cont'd)

- GASB 82, *Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73*, the objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, Financial Reporting for Pension Plans, No. 68, Accounting and Financial Reporting for Pensions, and No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016 (FYE June 30, 2017), except for the requirements of this Statement for the selection of assumptions in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements for the selection of assumptions are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017 (FYE June 30, 2018). Earlier application is encouraged.

The summary of significant accounting policies of the District is presented to assist in the understanding of the District's financial statements. The financial statements and notes are the representation of Mesa Vista Consolidated School District No. 6's management who is responsible for their integrity and objectivity. The financial statements of the District conform to GAAP as applied to governmental units. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

### B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the school district. For the most part, the effect of inter-fund activity has been removed from these statements.

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. 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. 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, net of estimated refunds and estimated uncollectable amounts, in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues received during the year but are applicable to subsequent years are reported as deferred inflows of resources. 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. Expenditures incurred during the year that are for the benefit of subsequent years are reported as deferred outflows of resources.

# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (cont'd)

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

The government reports the following major governmental funds:

➤ General Fund

The general fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

➤ Elementary School Counseling Special Revenue Fund (Fund No. 25215) Minimum Balance: None

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 elementary and secondary students. Authorized through Elementary and Secondary Education Act of 1965 (ESEA), as amended, Title V, Part D, Subpart 1.

➤ Bond Building Capital Projects Fund (Fund No. 31100) Minimum Balance: None

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

➤ Public School Capital Outlay Capital Projects Fund (Fund No. 31200) Minimum Balance: None

To account for funds received from the New Mexico Public School Facilities Authority (PSFA) for: capital expenditures for an adequate education program; core administrative function of the public school facilities authority and for project management expense upon approval of the council; and for the purpose of demolishing abandoned school district facilities. Funding authority is Chapter 22, Article 24, NMSA 1978.

➤ Capital Improvements SB – 9 Capital Projects Fund (Fund No. 31700) Minimum Balance: None

This fund provides financing for the purchase of equipment and capital improvements to School District property. Funding is received from a 2 mill property tax levy and interest earned on investments, under New Mexico Senate Bill 9.

➤ Debt Service Fund (Fund No. 41000) Minimum Balance: None

The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Additionally, the government reports the following fund types:

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources – which are legally restricted to expenditures for specified purposes.

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.

Fiduciary Funds – Fiduciary Funds are the agency funds used to account for financial resources used by the student activity groups for which the District has stewardship

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

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## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### D. Assets, Liabilities, and Net Position or Equity

#### 1. *Deposits and investments*

The government'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 investment of the District's funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, and money market accounts. The District is also allowed to invest in United States Government obligations. All funds for the District must follow the above investment policies.

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 school 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.

#### 2. *Receivables and payables*

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due from/to other funds" (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e., the non-current portion of inter-fund loans). All other outstanding balances between funds are reported as "due from/to other funds."

The District's property taxes are levied each year on the assessed valuation of property located in the School District as of the preceding January 1st. Mill levy rates are set by the State of New Mexico each year for the General Fund, SB – 9 Capital Improvements Fund, and Debt Service Fund. Taxes are payable in two equal installments on November 10th and April 10th following the levy and become delinquent after 30 days.

Under GASB Statement 33, property taxes are impressed non-exchange revenue. Assets from impressed non-exchange transactions are reported when the District has an enforceable legal claim to the asset. The enforceable legal claim date for property taxes is the assessment date. Taxes are payable in two equal installments on November 10 and April 10th following the levy and become delinquent after 30 days. Therefore, the District has recorded a delinquent tax receivable and revenue for taxes received within the sixty days following year-end. A receivable and deferred revenue have been recorded for uncollected delinquent taxes. On the government-wide financial statements, the district has recorded delinquent property taxes receivable and revenue for taxes assessed as of year-end that have not been collected, as prescribed in GASB 34. An allowance for refunds and uncollectible amounts has not been recorded.

#### 3. *Inventories*

USDA Commodities are recorded at estimated costs and other inventories are recorded at cost, which approximates market. Inventories of governmental funds are recorded as expenditures when purchased rather than when consumed.

#### 4. *Capital assets*

Capital assets, which include property, plant, and equipment (software), are reported in the applicable governmental-wide financial statements. Beginning July 1, 2005, the threshold for defining Capital assets by the government was raised from \$1,000 to assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### D. Assets, Liabilities, and Net Position or Equity (cont'd)

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. Software costs have been included with the cost of computer equipment and are capitalized with that equipment. The District does not develop software for internal use or any other use.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest on construction projects has not been capitalized.

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

<u>Assets</u>	<u>Years</u>
Buildings	40-50
Building improvements	20
Land Improvements	10-20
Vehides	5-7
Office equipment	5
Computer equipment	3-5

#### 5. *Compensated absences*

It is the School District's policy to permit employees to accumulate earned but unused vacation, which no more than 40 days will be paid to employees upon separation from the District's service. Twelve-month employees that are full time are entitled to two weeks paid vacation per year. Vacation days may not accrue from one year to the next without the prior approval of the superintendent, and is accrued when incurred in the government-wide financial statements.

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

#### 6. *Long-term obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, statement of Net Position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discounts.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as capital projects expenditures.

#### 7. *Pensions*

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

# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

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## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### D. Assets, Liabilities, and Net Position or Equity (cont'd)

#### 8. *Fund balance*

##### a. Non-Spendable

The non-spendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

##### b. Restricted

Fund balance is reported as restricted when constraints placed on the use of resources are either (1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.

##### c. Committed

Amounts that can only be used for specific purposes pursuant to constraints imposed by the formal action of the District's Board of Education should be reported as committed fund balance. The committed amounts cannot be used for any other purpose unless the District's Board of Education removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The District did not have committed fund balances for the year ended June 30, 2016.

##### d. Assigned

Assigned fund balance includes (a) all remaining amounts, except for negative balances, that are reported in governmental funds, other than the general fund, that are not classified as non-spendable and are neither restricted nor committed and amounts in the general fund that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. Intent, and removal of, is expressed by the Board of Education or the Finance Committee. The District did not have assigned fund balances for the year ended June 30, 2016.

##### e. Unassigned

The remaining fund balance, after all other classifications, within the general fund is reported as unassigned fund balance. This classification 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. In governmental funds other than the general fund, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, a negative fund balance will be reported as unassigned fund balance.

When committed, assigned, and unassigned resources are available for use, it is the District's policy to use committed first followed by assigned and unassigned resources as they are needed.

#### 9. *Net Position*

Net Position is presented on the Statement of Net Position and may be presented in any of three components.

##### a. Net investment in capital assets

This component of Net Position 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. The portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. That portion of the debt is included in restricted for capital projects.

##### b. Restricted Net Position

Net Position is reported as being restricted when the restriction is either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the government to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation.

# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

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## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### D. Assets, Liabilities, and Net Position or Equity (cont'd)

#### c. Unrestricted Net Position

Unrestricted Net Position consists of Net Position that does not meet the definition of “net investment in capital assets” or “restricted.”

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.

In the governmental environment, Net Position often is designated to indicate that management does not consider them to be available for general operations. In contrast to restricted Net Position, these types of constraints on resources are internal and management can remove or modify them. However, enabling legislation established by the reporting government should not be construed as an internal constraint.

#### 10. *Indirect Costs*

The District’s General Fund receives indirect cost reimbursements from the various federal programs it administers. These reimbursements are for expenses incurred in performing administrative functions on behalf of the Special Revenue Funds. They are shown as expenditures in the Special Revenue Funds, and as other special federal revenue in the General Fund.

#### 11. *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.

#### 12. *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 \$3,786,867 in state equalization guarantee distributions during the year ended June 30, 2016.

**Transportation Distribution:** School districts in the State of New Mexico received 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 \$301,090 in transportation distributions during the year ended June 30, 2016.

## II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

### A. 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 Public School Budget and Planning Unit of the Department of Education. Auxiliary student activity accounts are not budgeted.

# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

## II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont'd)

### A. Budgetary Information (cont'd)

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. The budget process in the State of New Mexico requires that the beginning cash balance be appropriated in the budget of the subsequent fiscal year. Such appropriated balance is legally restricted and is therefore presented as a reserved portion of fund balance.

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

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

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

1. In April or May, the superintendent submits to the Board of Education a proposed operating budget of the fiscal year commencing the following July. The operating budget includes proposed expenditures and the means of financing them, and has approval by the Department of Education.
2. In May or June, the budget is approved by the Board of Education.
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 for.
4. 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 Department of Education.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds.
6. 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. The appropriated budget for the year ended June 30, 2016 was properly amended by the Board through the year. New Mexico state law prohibits a Governmental Agency to exceed an individual line item. These amendments resulted in the following changes:

	<u>Original Budget</u>	<u>Final Budget</u>
General Funds	\$ 4,763,635	\$ 4,758,744
Special Revenue Funds	1,033,520	1,557,949
Capital Projects Funds	3,342,992	4,153,211
Debt Service Fund	841,213	841,213
	\$ 9,981,360	\$ 11,311,117

### B. Budgetary Violations

The District exceeded its legal budget in individual funds as follows:

Instructional Materials	Instruction	\$ 2
Title II Teacher Quality	Instruction	1,255

The District is aware of legal binding of budgets and has implemented a system of checks that will help prevent any further violations of budgetary control.

### C. Deficit Fund Equity

There was one deficit fund balance of \$881 in the Transportation Fund as of June 30, 2016. These deficits will be funded by future grants or by the Operational Fund.



# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

## III. DETAILED NOTES ON ALL FUNDS

### A. Cash and Temporary Investments

Cash and equivalents are comprised of the following balances:

	<u>Balance</u>
Banks:	
Community Bank	\$ 2,544,208
Century Bank	119,176
Less: agency cash	(106,407)
Less: net reconciling items	(792,408)
Add: Checks held for mailing	49,790
State agencies:	
New Mexico Finance Authority	2,425,920
Cash on hand	50
Total cash and equivalents	<u>\$ 4,240,329</u>

At June 30, 2016, the carrying amount of the District's deposits was \$4,346,686 and the bank balance was \$5,089,305 with the difference consisting of outstanding checks. Of this balance \$369,177 was covered by federal depository insurance and \$1,450,316 was covered by collateral held in joint safekeeping by a third party.

#### Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. New Mexico 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 District for at least one half of the amount on deposit with the institution. The statement listed below will meet the State of New Mexico Office of the State Auditor's requirement in reporting the uninsured portion of the deposits. As of June 30, 2016, \$843,892 of the District's bank balance exposed to custodial risk as follows:

	<u>Community Bank</u>	<u>Century Bank</u>	<u>New Mexico Finance Authority</u>	<u>Total</u>
Uninsured and uncollateralized	\$ 843,892	\$ -	\$ -	\$ 843,892
Uninsured and collateral held by pledging bank's trust dept not in the District's name	1,450,316	-	2,425,920	3,876,236
Total uninsured	2,294,208	-	2,425,920	4,720,128
Insured (FDIC)	250,000	119,177	-	369,177
Total deposits	<u>\$ 2,544,208</u>	<u>\$ 119,177</u>	<u>\$ 2,425,920</u>	<u>\$ 5,089,305</u>
State of New Mexico collateral requirement:				
50% of uninsured public fund bank deposits	\$ 1,210,446	\$ -	\$ 1,212,960	\$ 2,423,406
Pledged security	1,450,316	-	2,425,920	3,876,236
Over collateralization	<u>\$ 239,870</u>	<u>\$ -</u>	<u>\$ 1,212,960</u>	<u>\$ 1,452,830</u>

The collateral pledged is listed on Page 110 of this report. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, district or political subdivision of the State of New Mexico. According to the Federal Deposit Insurance Authority, public unit deposits are funds owned by the schools. 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.

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

### III. DETAILED NOTES ON ALL FUNDS (cont'd)

#### B. Receivables

Receivables as of year-end for the government's individual major funds and non-major funds in the aggregate, including the following:

	Receivables		Due from Other	
	Delinquent		<u>Governments</u>	<u>Funds</u>
	<u>Property Taxes</u>	<u>Grant</u>		
Major Funds:				
General	\$ 12,100	\$ -	\$ 384	\$ 434,503
Elementary School Counseling	-	100,317	-	-
Capital Improvements SB - 9	104,252	-	3,189	-
Debt Service	365,270	-	11,271	-
Other Governmental Funds	-	334,186	-	-
Total	\$ 481,622	\$ 434,503	\$ 14,844	\$ 434,503

An allowance for doubtful accounts has not been established. All receivables are expected to be collectible.

Governmental funds reported deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Grant drawdowns prior to meeting all eligibility requirements		
Other Governmental Funds	\$ -	\$ -
Delinquent property taxes		
General Fund	11,888	-
Capital Improvements SB - 9	102,561	-
Debt Service Fund	359,197	-
Other Governmental Funds	-	-
Total deferred/unearned revenue for governmental funds	\$ 473,646	\$ -

#### C. Inter-Fund Receivables and Payables

The inter-fund receivables and payables at June 30, 2016 were:

	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 434,503	\$ -
Elementary School Counseling	-	100,317
Other Governmental Funds	-	334,186
Total	\$ 434,503	\$ 434,503

The inter-fund loans were made for the purposes of cash shortfalls within the individual funds. The loans are expected to be repaid within the next fiscal year.

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

### III. DETAILED NOTES ON ALL FUNDS (cont'd)

#### D. Inter-Fund Transfers

The inter-fund transfers during the year ended June 30, 2016 were:

	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ -	\$ 275,000
Capital Improvements SB-9	-	10,000
Special Capital Outlay - State	285,000	-
Other Governmental Funds	-	-
	<u>\$ 285,000</u>	<u>\$ 285,000</u>

The transfers were to part of a series to be made in order cover expenditures made in previous years for which reimbursements are not expected to be received.

#### E. Capital Assets

Capital asset activity for the year ended June 30, 2016 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 292,443	\$ -	\$ -	\$ 292,443
Construction in progress	-	1,554,469	-	1,554,469
Total capital assets not being depreciated	<u>292,443</u>	<u>1,554,469</u>	<u>-</u>	<u>1,846,912</u>
Capital assets being depreciated:				
Land improvements	959,330	-	-	959,330
Buildings and improvements	17,670,934	17,800	-	17,688,734
Furniture, fixtures, and equipment	1,903,304	29,578	-	1,932,882
Total capital assets being depreciated	<u>20,533,568</u>	<u>47,378</u>	<u>-</u>	<u>20,580,946</u>
Less accumulated depreciation for:				
Land improvements	(390,988)	(52,323)	-	(443,311)
Buildings and improvements	(7,469,740)	(412,419)	-	(7,882,159)
Furniture, fixtures, and equipment	(1,533,936)	(68,950)	-	(1,602,886)
Total accumulated depreciation	<u>(9,394,664)</u>	<u>(533,692)</u>	<u>-</u>	<u>(9,928,356)</u>
Total capital assets being depreciated, net	<u>11,138,904</u>	<u>(486,314)</u>	<u>-</u>	<u>10,652,590</u>
Total capital assets, net	<u>\$ 11,431,347</u>	<u>\$ 1,068,155</u>	<u>\$ -</u>	<u>\$ 12,499,502</u>

Depreciation has been allocated to the functions by the following amounts:

<u>Depreciation Allocation to Functions</u>	
Instruction	\$ 229,144
Support Services - Students	51,102
Support Services - Instruction	5,329
Support Services - General Administration	32,351
Support Services - School Administration	47,685
Central Services	32,657
Operations & Maintenance of Plant	80,789
Student Transportation	30,583
Food Services	23,874
Community Services	178
Total Depreciation Expense	<u>\$ 533,692</u>

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

### III. DETAILED NOTES ON ALL FUNDS (cont'd)

#### E. Capital Assets (cont'd)

The Schedule of Capital Assets Used by Source, and the Schedule of Changes in Capital Assets by Function and Activity have not been prepared because the detailed information is unavailable.

##### Construction commitments

The District is involved in long-term construction projects as part of their master plan for upgrading the district buildings. The amount in the capital projects funds designated for subsequent years expenditures are committed for funding these projects. Interest on construction projects is not capitalized.

#### F. Long-Term Debt

##### General Obligation Bonds

General Obligation Bonds – The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. Bonds are direct obligations and pledge the full faith and credit of the District. The bonds will be paid from taxes levied against property owners living within the School District boundaries. The details of the bonds and notes as of June 30, 2016 are as follows:

<u>General Obligations Bonds</u>		<u>Original Amount</u>	<u>Interest Rates</u>	<u>Balance</u>	<u>Amount Due Within One Year</u>
Series	2007	\$ 1,700,000	4.00% to 4.25%	\$ 340,000	\$ 340,000
Series	2008	500,000	2.75% to 4.45%	270,000	270,000
Series	2013	865,000	0.448% to 2.038%	865,000	-
Series	2014	865,000	2.08% to 2.52%	865,000	-
Series	2015	1,785,000	1.024% to 3.37%	1,785,000	25,000
Series	2016	700,000	0.01324	700,000	700,000
<b>Total</b>		<b>\$ 6,415,000</b>		<b>\$ 4,825,000</b>	<b>\$ 1,335,000</b>

Balances shown for bonds and notes do not include unamortized premiums or deferred amounts on refinancing.

	<u>Balance</u>
Bonds payable	\$ 4,825,000
Less: current maturities	(1,335,000)
Unamortized:	
Bond premiums	3,386
<b>Total non-current liabilities</b>	<b>\$ 3,493,386</b>

Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>Year Ending June 30,</u>	<u>General Obligation Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2017	\$ 1,335,000	\$ 113,217	\$ 1,448,217
2018	130,000	83,834	213,834
2019	270,000	81,399	351,399
2020	270,000	77,646	347,646
2021	275,000	73,092	348,092
2022 - 2026	1,395,000	269,160	1,664,160
2027 - 2031	1,150,000	80,298	1,230,298
<b>Total</b>	<b>\$ 4,825,000</b>	<b>\$ 778,647</b>	<b>\$ 5,603,647</b>

# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

## III. DETAILED NOTES ON ALL FUNDS (cont'd)

### F. Long-Term Debt (cont'd)

Changes in long term debt – During the year ended June 30, 2016 the following changes occurred in liabilities reported in the general obligation bonds account group:

	Beginning <u>Balance</u>	<u>Additions</u>	<u>Retirements</u>	Ending <u>Balance</u>	Amount Due <u>Within One Year</u>
Compensated absences:					
Compensated vacation	\$ 39,353	\$ 47,552	\$ 42,143	\$ 44,762	\$ 44,762
Bonds payable	<u>2,700,000</u>	<u>2,485,000</u>	<u>360,000</u>	<u>4,825,000</u>	<u>1,335,000</u>
	<u>\$ 2,739,353</u>	<u>\$ 2,532,552</u>	<u>\$ 402,143</u>	<u>\$ 4,869,762</u>	<u>\$ 1,379,762</u>

The liability of compensated absences is liquidated with resources from the general fund and several special revenue funds. The liquidation of bonds payable is done with resources from the debt service fund.

## IV. OTHER INFORMATION

### A. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injury to employees; and natural disasters. The New Mexico Public Schools Insurance Authority (NMSIA) was formed on April 5, 1985 under the New Mexico Public Schools Insurance Authority Act, Chapter 22, Section 2 of the New Mexico Statutes Annotated (NMSA 1978), as amended, as an insurance fund to provide health, disability and life insurance coverage (benefits coverage), and property, casualty and workers' compensation insurance coverage (risk coverage) to participating public schools, school board members, public school employees, and retirees within the State of New Mexico. The District is one of 91 members that participate in NMPSIA. Participation in NMPSIA is mandatory for all K-12 public schools except those with enrollment exceeding 60,000 students. Participation is voluntary for other public education institutions. The District pays an annual premium to the pool for its general insurance coverage. The agreement for formation of NMPSIA provides that the pool will be self-sustaining through member premiums. NMPSIA establishes self-insured retentions by line of coverage and procures insurance or reinsurance, where indicated, in excess of the self-insured retention on a per occurrence basis. NMPSIA will publish its own financial report for the year ended June 30, 2016.

### B. Employee Retirement Plan

Plan Description - Substantially all of the District's full-time employees participate in a public employee retirement system authorized under the Educational Retirement Act (Chapter 22, Article 11, Sections 1 through 52, NMSA 1978). The Educational Retirement Board (ERB) is the administrator of the New Mexico Educational Employees' Retirement Plan (Plan), which is a cost-sharing multiple-employer defined benefit retirement plan. ERB issues a separate, publicly available financial report that includes the financial statements and required supplementary information for the plan. That report may be obtained [www.nmerb.org](http://www.nmerb.org), [www.saonm.org](http://www.saonm.org), or by writing to:

ERB  
P.O. Box 26129  
Santa Fe, New Mexico 87502-6129  
[www.nmerb.org](http://www.nmerb.org)

Membership in the Plan is a condition of employment. Employees of public schools, universities, regional cooperatives, special schools and state agencies providing educational programs, who are employed at more than 25% of a full-time equivalency, are required to be members of the Plan. There were 146,089 active, retired, and inactive members in fiscal year 2015; there were 140,008 active, retired, and inactive members in fiscal year 2014.

# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

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## IV. OTHER INFORMATION (cont'd)

### B. Employee Retirement Plan (cont'd)

*Benefits Provided* - The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members (certified teachers, and other employees of State public school districts, colleges and universities) and beneficiaries. Benefits are based on three components: Final Average Salary (FAS), years of both earned and allowed service credits, and a 2.35% factor. The gross annual benefit is determined by multiplying the three components together. FAS is the higher of annual earnings for the previous 20 calendar quarters prior to retirement or the highest average annual earnings for any 20 consecutive calendar quarters.

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 or 75 or more; the member is at least sixty-five years of age and has five or more years of earned service credit; or the member has service credit totaling 25 years or more.

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

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

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

The member, upon retirement, has three options as to how to receive the benefit.

Option A – If the member elects the Option A, there is no reduction to the monthly benefit other than any "Rule of 75" deductions or any community property or child support reductions. There will be no continuing benefit to a beneficiary or estate upon the retiree's death, except the balance, if any, of member contributions. Those contributions are usually exhausted in the first three to four years of retirement.

# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

## IV. OTHER INFORMATION (cont'd)

### B. Employee Retirement Plan (cont'd)

Option B – If the member elects Option B, the monthly benefit is reduced to provide for a 100% survivor's benefit. The reduced benefit is payable during the life of the member and upon the retiree's death, the same benefit is paid to the beneficiary for his or her lifetime. The named beneficiary may not be changed after the effective date of retirement since the amount of the option is calculated by using both the age of the member and the beneficiary. If the beneficiary predeceases the member, the member's benefit will be adjusted by returning it to the Option A Benefit amount. The IRS prohibits selection of Option B for a non-spouse beneficiary more than ten years younger than the member.

Option C – If the member elects Option C, the monthly benefit is reduced to provide for a 50% survivor's benefit. The benefit is payable during the life of the member and upon the retiree's death, one half of the member's benefit is paid to the beneficiary for his or her lifetime. Here again, the named beneficiary may not be changed after the effective date of retirement. If the beneficiary predeceases the member, the member's benefit is adjusted by returning it to the Option A Benefit amount.

Under the provisions of Options B and C coverage, the beneficiary must be a person, and only one beneficiary may be named. The term beneficiary means a person having an insurable interest in the life of the member.

Member Contributions – Plan members whose annual salary is \$20,000 or less are required by statute to contribute 7.9% of their gross salary. Plan members whose annual salary is over \$20,000 are required to make the following contributions to the Plan: 10.7% of their gross salary in fiscal year 2016.

Employer Contributions – In fiscal year 2016, the District was required to contribute 13.9% of the gross covered salary for employees whose annual salary is \$20,000 or less, and 13.9% of the gross covered salary for employees whose annual salary is more than \$20,000. The contribution requirements of plan members and the District are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District's contributions to ERB for the fiscal years ending June 30, 2016, 2015, and 2014, were \$385,229, \$387,076, and \$363,173, respectively, which equal the amount of the required contributions for each fiscal year.

#### Employers

The Educational Retirement Act designates employers as Local Administrative Units, directly responsible for payment of compensation for the employment of members or participants of this Plan. There were 216 contributing employers in fiscal year 2015; there were 217 contributing employers in fiscal year 2014.

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

At June 30, 2016, the District reported a liability of \$6,345,130 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2015, the District's proportion was 0.09796 percent, which was a decrease of 0.00224 percent from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the District recognized pension expense of \$415,013.

#### **Pension Expense Calculation**

Add:	Net pension liability - end of the year	\$	6,345,130
Deduct:	Net pension liability - beginning of the year		(5,717,133)
Deduct:	Deferred outflows of resources during the year		(570,754)
Add:	First year of amortization of deferred outflows of resources		-
Add:	Deferred inflows of resources during the year		204,603
Deduct:	First year of amortization of deferred inflows of resources		(33,855)
Add:	Layered amortization of prior year(s) deferred outflows of resources		-
Deduct:	Layered amortization of prior year(s) deferred inflows of resources		(200,054)
	Reductions to ending net pension liability due contributions paid		387,076
	Total Pension Expense	\$	<u>415,013</u>

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

### IV. OTHER INFORMATION (cont'd)

#### B. Employee Retirement Plan (cont'd)

At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ 118,033
Change of assumptions	218,243	-
Net difference between projected and actual earnings on pension plan investments	-	30,357
Changes in proportion and differences between District contributions and proportionate share of contributions	-	162,757
District contributions subsequent to the measurement date	<u>385,229</u>	<u>-</u>
Total	<u>\$ 603,472</u>	<u>\$ 311,147</u>

Deferred outflows of resources related to pensions in the amount of \$385,229 resulted from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>	<u>Total</u>
2017	\$ (77,944)	\$ 160,064	\$ 82,120
2018	(77,944)	152,924	74,980
2019	(62,355)	86,287	23,932
2020	-	(88,128)	(88,128)
2021	-	-	-
Thereafter	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ (218,243)</u>	<u>\$ 311,147</u>	<u>\$ 92,904</u>

#### Actuarial Assumptions

A single discount rate of 7.75% was used to measure the total pension liability as of June 30, 2015. This single discount rate was based on the expected rate of return on pension plan investments of 7.75%. Based on the assumptions described below and the projection of cash flows, pension plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. The long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

- 1) All members with an annual salary of more than \$20,000 will contribute 10.7% during the fiscal year ending June 30, 2015 and thereafter.
- 2) Members hired after June 30, 2013 will have an actuarially reduced retirement benefit if they retire before age 55 and their Cost of Living Adjustment (COLA) will be deferred until age 67.
- 3) COLAs for most retirees are reduced until ERB attains a 100% funded status.
- 4) The new assumptions were adopted by ERB on June 12, 2015 in conjunction with the six year experience study period ending June 30, 2014.



# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

## IV. OTHER INFORMATION (cont'd)

### B. Employee Retirement Plan (cont'd)

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 contributions rates included in the measurement are as follows:

Actuarial Cost Method Entry Age:	Normal
Amortization Method:	Level Percentage of Payroll
Remaining Period:	Amortized - closed 30 years from June 30, 2012 to June 30, 2042
Asset Valuation Method:	5 year smoothed market for funding valuation (fair value for financial valuation)
Inflation:	3.00%
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 2015 using Scale AA (one year setback for females)

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

<u>Asset Class</u>	<u>2015 Long-Term Expected Real Rate of Return</u>	<u>2014 Long-Term Expected Real Rate of Return</u>
Cash	3.25%	1.50%
Treasuries	3.50%	2.00%
IG Corp Credit	4.75%	3.50%
MBS	3.75%	2.25%
Core Bonds	3.98%	2.53%
TIPS	4.00%	2.50%
High Yield Bonds	5.75%	4.50%
Bank Loans	6.00%	5.00%
Global Bonds (Unhedged)	2.25%	1.25%
Global Bonds (Hedged)	2.41%	1.38%
EMD External	6.00%	5.00%
EMD Local Currency	6.75%	5.75%
Large Cap Equities	7.50%	6.25%
Small/Mid Cap	7.75%	6.25%
International Equities (Unhedged)	8.00%	7.25%
International Equities (Hedged)	8.47%	7.50%
Emerging International Equities	9.25%	9.50%
Private Equity	9.50%	8.75%
Private Debt	8.00%	8.00%
Private Real Assets	7.75%	7.75%
Real Estate	6.50%	6.25%
Commodities	5.75%	5.00%
Hedge Funds	6.75%	5.50%

# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

## IV. OTHER INFORMATION (cont'd)

### B. Employee Retirement Plan (cont'd)

#### Rate of Return

The long-term expected rate of return on pension plan investments is determined annually using a building-block approach that includes the following:

- 1) Rate of return projections are the sum of current yield plus projected changes in price (valuation, defaults, etc.),
- 2) Application of key economic projections (inflation, real growth, dividends, etc.), and
- 3) Structural themes (supply and demand imbalances, capital flows, etc.).

These items are developed for each major asset class.

#### Sensitivity of the Net Pension Liability to Changes in the Discount Rate Assumption

The following table shows the sensitivity of the net pension liability to changes in the discount rate as of fiscal year end 2015. In particular, the table presents the Plan'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 Single Rate Assumption 7.75%		1% Increase 8.75%
<b>ERB (All Employers)</b>						
2015	\$	8,715,594,530	\$	6,477,266,299	\$	4,596,837,569
2014	\$	7,763,304,829	\$	5,705,730,813	\$	3,987,098,791
<b>District</b>						
2015	\$	8,537,796	\$	6,345,130	\$	4,503,062
2014	\$	7,778,821	\$	5,717,133	\$	3,995,196

### C. Post-Retirement Health Care Benefits

#### *Plan Description*

Mesa Vista Consolidated School District No. 6 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 the event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement;
- 2) retirees defined by the Act who retired prior to July 1, 1990;
- 3) former legislators who served at least two years; and
- 4) former governing authority members who served at least four years.

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to:

Retiree Health Care Authority  
4308 Carlisle NE, Suite 104  
Albuquerque, NM 87107

# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

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## IV. OTHER INFORMATION (cont'd)

### C. Post-Retirement Health Care Benefits (cont'd)

#### *Funding Policy*

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

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

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

The District's contributions to the RHCA for the years ended June 30, 2016, 2015 and 2014 were \$55,312, \$55,956, and \$55,434, respectively, which equal the required contributions for each year.

### D. Contingent Liabilities

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

The government is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the government's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the government.

### E. Cash Flows

The District's federal and state grants operate on a reimbursement basis. The District must support the expenditures of these grants with monies from the unrestricted operating monies. Operating on a reimbursement basis for these grants in its self does not adversely affect the District's ability to operate effectively. However, the time it takes to receive reimbursement, if extensive, does significantly affect the District's cash flows and the ability to deliver educational services to the community in an effective manner. This could affect the District's financial operations in subsequent years.

### F. Subsequent Events

Subsequent events were evaluated through November 2, 2016 which is the date the financial statements were available to be issued.

## REQUIRED SUPPLEMENTARY INFORMATION

JUNE 30, 2016

### SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Educational Retirement Board (ERB) Pension Plan  
Last 10 Fiscal Years\*

	<u>2016</u>	<u>2015</u>
District's proportion of the net pension liability	0.097960%	0.100200%
District's proportionate share of the net pension liability	\$ 6,345,130	\$ 5,717,133
District's covered-employee payroll	\$ 2,784,611	\$ 2,761,967
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	227.86%	206.99%
Plan fiduciary net position as a percentage of the total pension liability	63.97%	66.54%

\* These schedules are intended to present 10 years of trending history. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

### SCHEDULE OF DISTRICT'S CONTRIBUTIONS

Educational Retirement Board (ERB) Pension Plan  
Last 10 Fiscal Years\*

	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 387,061	\$ 363,173
Contributions in relation to the contractually required	<u>(387,076)</u>	<u>(363,173)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 2,784,611	\$ 2,761,967
Contribution as a percentage of covered-employee payroll	13.90%	13.15%

\* These schedules are intended to present 10 years of trending history. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2016

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

*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 June 12, 2015, ERB implemented the following changes in assumptions for fiscal years 2015.

- 1) Fiscal year 2015 valuation assumptions that changed based on this study:
  - a. Lower wage inflation from 4.75% to 3.75%
  - b. Lower payroll growth from 3.75% to 3.50%
  - c. Minor changes to demographic assumptions
  - d. Population growth per year from 0.50% to 0.00%
  
- 2) Assumptions that were not changed:
  - a. Investment return will remain at 7.75%
  - b. Net real return remains at 4.75%
  - c. Inflation will remain at 3.00%
  - d. COLA assumption of 2.00% per year
  - e. Payroll growth remains at 3.50%

See also the Note VI (B) *Actuarial Assumptions* of the financial statement note disclosure on the Pension Plan.

**GENERAL FUNDS**  
YEAR ENDED JUNE 30, 2016

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**OPERATING FUND**

The government's primary fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

**TEACHERAGE FUND**

Accounts for all financial resources used in the housing of teachers.

**TRANSPORTATION FUND**

Accounts for all the Transportation funds received through the state that are used in the maintaining and operating vehicles used to transport students.

**INSTRUCTIONAL MATERIALS FUND**

Accounts for all the Instructional Materials funds received through the state for the purpose of acquiring study materials for the students.

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

GENERAL FUNDS  
**Combining Balance Sheet**  
**June 30, 2016**

	<u>Operational</u> <u>Fund #11000</u>	<u>Teacherage</u> <u>Fund #12000</u>	<u>Transportation</u> <u>Fund #13000</u>	<u>Total General</u> <u>Funds</u>
<b>Assets</b>				
Cash and cash equivalents	\$ 294,427	\$ 24,153	\$ 6,327	\$ 324,907
Receivables:				
Property taxes	12,100	-	-	12,100
Due from other governments	384	-	-	384
Due from other funds	<u>434,503</u>	<u>-</u>	<u>-</u>	<u>434,503</u>
<b>Total assets</b>	<u><u>\$ 741,414</u></u>	<u><u>\$ 24,153</u></u>	<u><u>\$ 6,327</u></u>	<u><u>\$ 771,894</u></u>
 <b>Liabilities, deferred inflows and fund balance</b>				
Liabilities:				
Accounts payable	\$ 11,042	\$ -	\$ 881	\$ 11,923
Accrued salaries	<u>30,377</u>	<u>-</u>	<u>6,327</u>	<u>36,704</u>
Total liabilities	41,419	-	7,208	48,627
 Deferred inflows of resources:				
Delinquent property taxes	11,888	-	-	11,888
 Fund balance:				
Unassigned	<u>688,107</u>	<u>24,153</u>	<u>(881)</u>	<u>711,379</u>
<b>Total liabilities, deferred inflows of resources, and fund balance</b>	<u><u>\$ 741,414</u></u>	<u><u>\$ 24,153</u></u>	<u><u>\$ 6,327</u></u>	<u><u>\$ 771,894</u></u>

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

GENERAL FUNDS  
**Combining Statement of Revenues, Expenditures, and  
 Changes in Fund Balance  
 Year Ended June 30, 2016**

	<b>General Funds</b>				<b>Total General Fund</b>
	<b>Operational Fund #11000</b>	<b>Teacherage Fund #12000</b>	<b>Transportation Fund #13000</b>	<b>Instructional Materials Fund #14000</b>	
<b>Revenues:</b>					
Taxes:					
Property	\$ 17,663	\$ -	\$ -	\$ -	\$ 17,663
Intergovernmental - federal grants	35,735	-	-	-	35,735
Intergovernmental - state grants	3,786,867	-	301,090	22,661	4,110,618
Contributions - private grants	3,208	-	-	-	3,208
Charges for services	2,440	2,200	-	-	4,640
Investment and interest income	1,034	-	-	-	1,034
Miscellaneous	<u>50,493</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,493</u>
<b>Total revenue</b>	<u>3,897,440</u>	<u>2,200</u>	<u>301,090</u>	<u>22,661</u>	<u>4,223,391</u>
<b>Expenditures:</b>					
Current:					
Instruction	1,866,492	-	-	22,661	1,889,153
Support services:					
Students	223,418	-	-	-	223,418
General Administration	298,773	-	-	-	298,773
School Administration	468,411	-	-	-	468,411
Central Services	326,896	-	-	-	326,896
Operation & Maintenance of Plant	672,807	-	-	-	672,807
Student transportation	3,529	-	292,609	-	296,138
Food services operations	51,789	-	-	-	51,789
Community services	<u>1,783</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,783</u>
<b>Total expenditures</b>	<u>3,913,898</u>	<u>-</u>	<u>292,609</u>	<u>22,661</u>	<u>4,229,168</u>
<i>Excess (deficiency) of revenues over expenditures</i>					
	(16,458)	2,200	8,481	-	(5,777)
<b>Fund balance at beginning of the year</b>	<u>704,565</u>	<u>21,953</u>	<u>(9,362)</u>	<u>-</u>	<u>717,156</u>
<b>Fund balance at end of the year</b>	<u>\$ 688,107</u>	<u>\$ 24,153</u>	<u>\$ (881)</u>	<u>\$ -</u>	<u>\$ 711,379</u>

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

OPERATIONAL FUND - NO. 11000  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)**  
**Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
<b>Revenues:</b>				
Taxes:				
Property	\$ 18,973	\$ 18,973	\$ 17,761	\$ (1,212)
Intergovernmental - federal sources:				
Forest reserve	-	20,122	20,123	1
Federal grants	38,000	38,000	15,612	(22,388)
Intergovernmental - state sources:				
State equalization guarantee	3,807,239	3,785,579	3,786,867	1,288
State grant	-	-	275,000	275,000
Contributions - private grants	18,000	18,000	3,208	(14,792)
Charges for services	4,400	4,400	2,441	(1,959)
Investment and interest income	1,500	1,500	1,034	(466)
Miscellaneous	2,500	2,500	50,493	47,993
<b>Total revenues</b>	<b>3,890,612</b>	<b>3,889,074</b>	<b>4,172,539</b>	<b>283,465</b>
<b>Expenditures:</b>				
Current:				
Instruction	1,862,034	1,885,932	1,868,414	17,518
Support services:				
Students	196,383	262,250	220,589	41,661
Instruction	36,263	-	-	-
General Administration	285,037	300,037	298,814	1,223
School Administration	480,944	467,944	467,440	504
Central Services	326,419	323,479	326,896	(3,417)
Operation & Maintenance of Plant	733,695	681,695	671,695	10,000
Student transportation	64,521	51,421	3,529	47,892
Other Support services	381,254	381,254	-	381,254
Food Services Operations	35,265	52,265	51,789	476
Community Services Operations	10,765	4,765	1,783	2,982
<b>Total expenditures</b>	<b>4,412,580</b>	<b>4,411,042</b>	<b>3,910,949</b>	<b>500,093</b>
<i>Excess (deficiency) of revenues over expenditures</i>	(521,968)	(521,968)	261,590	783,558
<b>Other financing uses:</b>				
Transfers out	-	-	(275,000)	(275,000)
<i>Net change in fund balance</i>	(521,968)	(521,968)	(13,410)	508,558
<i>Beginning cash balance budgeted</i>	521,968	521,968	-	(521,968)
<b>Fund balance at beginning of the year</b>	-	-	704,565	704,565
<b>Fund balance at end of the year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>691,155</b>	<b>\$ 691,155</b>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in property tax receivable			(1,587)	
Change in due from other governments			(126)	
Change in payables			(2,949)	
Change in deferred property taxes			1,614	
<b>Fund balance at end of the year (GAAP basis)</b>			<b>\$ 688,107</b>	



STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

TEACHERAGE FUND - NO. 12000  
**Statement of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)**  
 Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Charges for services	\$ 1,900	\$ 1,900	\$ 2,200	\$ 300
<b>Expenditures:</b>				
Current:				
Support services:				
Operation & Maintenance of Plant	23,953	23,953	-	23,953
<i>Excess (deficiency) of revenues over expenditures</i>	(22,053)	(22,053)	2,200	24,253
<i>Beginning cash balance budgeted</i>	22,053	22,053	-	(22,053)
<b>Fund balance at beginning of the year</b>	-	-	21,953	21,953
<b>Fund balance at end of the year</b>	\$ -	\$ -	24,153	\$ 24,153
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			-	
<b>Fund balance at end of the year (GAAP basis)</b>			\$ 24,153	

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

TRANSPORTATION FUND - NO. 13000  
**Statement of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - state sources:				
Transportation	\$ 307,885	\$ 301,090	\$ 301,090	\$ -
<b>Expenditures:</b>				
Current:				
Support services:				
Student transportation	<u>307,885</u>	<u>301,090</u>	<u>301,090</u>	<u>-</u>
<i>Excess of revenues over expenditures</i>	-	-	-	-
<b>Fund balance (deficit) at beginning of the year</b>	<u>-</u>	<u>-</u>	<u>(9,362)</u>	<u>(9,362)</u>
<b>Fund balance at end of the year</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u>(9,362)</u>	<u><u>\$ (9,362)</u></u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			<u>8,481</u>	
<b>Fund balance (deficit) at end of the year (GAAP basis)</b>			<u><u>\$ (881)</u></u>	

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

INSTRUCTIONAL MATERIALS FUND - NO. 14000  
**Statement of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - state sources:				
State instructional material	\$ 19,217	\$ 22,659	\$ 22,661	\$ 2
<b>Expenditures:</b>				
Current:				
Instruction	<u>19,217</u>	<u>22,659</u>	<u>22,661</u>	<u>(2)</u>
<i>Excess of revenues over expenditures</i>	-	-	-	-
<b>Fund balance at beginning of the year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of the year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			<u>-</u>	
<b>Fund balance at end of the year (GAAP basis)</b>			<u>\$ -</u>	

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MAJOR CAPITAL PROJECTS FUNDS  
AND  
MAJOR DEBT SERVICE FUND

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

BOND BUILDING FUND - NO. 31100  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)**  
**Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - state grants	\$ -	\$ -	\$ 9,406	\$ 9,406
<b>Expenditures:</b>				
Current:				
Support services:				
Operation & Maintenance of Plant	400,000	400,000	66,914	333,086
Capital outlay:				
Land and improvements	300,000	300,000	-	300,000
Construction in progress	<u>2,450,457</u>	<u>3,249,142</u>	<u>604,629</u>	<u>2,644,513</u>
<b>Total expenditures</b>	<u>3,150,457</u>	<u>3,949,142</u>	<u>671,543</u>	<u>3,277,599</u>
<i>Excess (deficiency) of revenues     over expenditures</i>	(3,150,457)	(3,949,142)	(662,137)	3,287,005
<b>Other financing sources:</b>				
Sale of bonds	<u>1,785,000</u>	<u>2,485,000</u>	-	<u>(2,485,000)</u>
<i>Net change in fund balance</i>	(1,365,457)	(1,464,142)	(662,137)	802,005
<i>Beginning cash balance budgeted</i>	1,365,457	1,464,142	-	(1,464,142)
<b>Fund balance at beginning of the year</b>	<u>-</u>	<u>-</u>	<u>1,464,143</u>	<u>1,464,143</u>
<b>Fund balance at end of the year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>802,006</u>	<u>\$ 802,006</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in bond issue			2,418,539	
Change in interest			<u>7,381</u>	
<b>Fund balance at end of the year (GAAP basis)</b>			<u>\$ 3,227,926</u>	

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

PUBLIC SCHOOL CAPITAL OUTLAY FUND - NO. 31200  
**Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - state grants	\$ -	\$ -	\$ -	\$ -
<b>Expenditures:</b>				
Current:				
Instruction	-	-	-	-
<i>Excess of revenues over expenditures</i>	-	-	-	-
<b>Fund balance at beginning of the year</b>	-	-	-	-
<b>Fund balance at end of the year</b>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			-	
<b>Fund balance at end of the year (GAAP basis)</b>			<u>\$ -</u>	

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

CAPITAL IMPROVEMENTS SB-9 FUND - NO. 31700

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

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues:</b>				
Taxes:				
Property	\$ 149,422	\$ 149,422	\$ 142,954	\$ (6,468)
Intergovernmental - state grants	<u>11,969</u>	<u>23,503</u>	<u>23,845</u>	<u>342</u>
<b>Total revenues</b>	<u>161,391</u>	<u>172,925</u>	<u>166,799</u>	<u>(6,126)</u>
<b>Expenditures:</b>				
Current:				
Support services:				
General Administration	1,494	1,494	1,430	64
Operation & Maintenance of Plant	144,041	154,775	105,047	49,728
Capital outlay:				
Buildings and improvements	17,000	17,800	17,800	-
Equipment	<u>30,000</u>	<u>30,000</u>	<u>29,578</u>	<u>422</u>
<b>Total expenditures</b>	<u>192,535</u>	<u>204,069</u>	<u>153,855</u>	<u>50,214</u>
<i>Excess (deficiency) of revenues over expenditures</i>	(31,144)	(31,144)	12,944	44,088
<b>Other financing uses:</b>				
Transfers out	<u>-</u>	<u>-</u>	<u>(10,000)</u>	<u>(10,000)</u>
<i>Net change in fund balance</i>	(31,144)	(31,144)	2,944	34,088
<i>Beginning cash balance budgeted</i>	31,144	31,144	-	(31,144)
<b>Fund balance at beginning of the year</b>	<u>-</u>	<u>-</u>	<u>100,620</u>	<u>100,620</u>
<b>Fund balance at end of the year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>103,564</u>	<u>\$ 103,564</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in property tax receivable			(65)	
Change in due from other governments			(759)	
Change in payables			(297)	
Change in deferred property taxes			<u>335</u>	
<b>Fund balance at end of the year (GAAP basis)</b>			<u>\$ 102,778</u>	



STATE OF NEW MEXICO  
MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6

DEBT SERVICE FUND - NO. 41000  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive
				(Negative)
<b>Revenues:</b>				
Taxes:				
Property	\$ 462,049	\$ 462,049	\$ 527,336	\$ 65,287
<b>Expenditures:</b>				
Current:				
Support services:				
General Administration	4,621	5,276	5,273	3
Debt service:				
Principal retirement	360,000	360,000	360,000	-
Bond interest paid	102,049	102,049	102,489	(440)
Reserves	374,543	373,888	-	373,888
<b>Total expenditures</b>	841,213	841,213	467,762	373,451
<i>Excess (deficiency) of revenues   over expenditures</i>	(379,164)	(379,164)	59,574	438,738
<i>Beginning cash balance budgeted</i>	379,164	379,164	-	(379,164)
<b>Fund balance at beginning of the year</b>	-	-	401,255	401,255
<b>Fund balance at end of the year</b>	\$ -	\$ -	460,829	\$ 460,829
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in property tax receivable			27,954	
Change in due from other governments			(1,279)	
Change in deferred property taxes			(26,442)	
<b>Fund balance at end of the year (GAAP basis)</b>			\$ 461,062	

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## NONMAJOR GOVERNMENTAL FUNDS

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**NONMAJOR GOVERNMENTAL FUNDS**  
YEAR ENDED JUNE 30, 2016

**Nonmajor Special Revenue Funds**

Special revenue funds are operating funds used to account for the proceeds of specific revenue sources that are intended for specific purposes other than special assessments or major capital projects.

- **FOOD SERVICE (Fund No. 21000)** Minimum Balance:   None

This program provides financing for the school breakfast and lunch program. Funding is provided from fees from patrons and USDA food reimbursements, under the National School Lunch Act of 1946, as amended, Public Law 79-396, Sections 2-4, 60 Stat. 230, 42 U.S.C. 1751 et seq.; 80 stat. 889, as amended; 84 stat. 270; and the Child Nutrition Act of 1966, as amended, Sections 4 and 10. Public Law 89-642, 80 stat. 886, 889, 42 U.S.C. 1773, 1779; Public Law 99-591, 100 stat. 3341; Public Law 100-71, 101 stat. 430.
- **ATHLETICS (Fund No. 22000)** Minimum Balance:   None

This fund provides financing for school athletic activities. Funding is provided by fees from patrons.
- **TITLE I (Fund No. 24101)** Minimum Balance:   None

To help local education agencies (LEAs) and schools improve the teaching and learning of children failing, or most at-risk of failing, to meet challenging State academic standards. Funding authorization: Elementary and Secondary Education Act of 1965, Title I, Part A, 20 U.S.C. 6301 et seq.
- **ENTITLEMENT IDEA-B (Fund No. 24106)**

The Entitlement IDEA-B program is to provide grants to states, that flow-through to schools, to assist them in providing a free appropriate public education to all children with disabilities. The program is funded by the United States government, under the Individuals with Disabilities Education Act, Part B, Section 611-617, and part D, Section 674 as amended, 20 U.S.C. 1711-1417 and 1420.
- **PRESCHOOL IDEA-B (Fund No. 24109)**

The Preschool program is for the purpose of enhancing Special Education for handicapped children from ages 3 to 5. The program is funded by the United States government, under the Individuals With Disabilities Act, Part B, Section 619, as amended, Public Laws 94-142, 99-457, 100-630, 101-497, and 101-476.
- **FRESH FRUITS AND VEGETABLES (Fund No. 24118)**

To assist States, through cash grants, in providing free fresh fruits and vegetables to school children in designated participating schools beginning in school year 2004/2006. Authorization granted under National School Lunch Act, as amended, 42 U.S.C. 1769.
- **IDEA-B "RISK POOL" (Fund No. 24120)**

The IDEA-B "Risk Pool" program is to provide grants to states, that flow-through to schools, to assist them in providing a free appropriate public education to all children with disabilities. The program is funded by the United States government, under the Individuals with Disabilities Education Act, Part B, Section 611-617, and part D, Section 674 as amended, 20 U.S.C. 1711-1417 and 1420.
- **IDEA-B STUDENT SUCCESS (Fund No. 24132)** Minimum Balance:   None

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

**NONMAJOR GOVERNMENTAL FUNDS**  
YEAR ENDED JUNE 30, 2016

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**Nonmajor Special Revenue Funds (cont'd)**

➤ TITLE III ENGLISH LANGUAGE (Fund No. 24153)

To ensure that limited English proficient children (LEP) and youth, including immigrant children and youth, attain English proficiency and meet the same standards as all children and youth are expected to meet; to provide assistance to Native American, Native Hawaiian, Native American Pacific Islander, and Alaskan native children with certain modifications relative to the unique status of native American language under Federal Law; to develop to the extent possible, the native language skills of such children. The fund is authorized through the Elementary and Secondary Education Act (ESEA), as amended, Title III, Part A, Sections 3101,3129.

➤ TITLE II TEACHER QUALITY (Fund No. 24154)

To provide grants to State Education Agencies (SEAs) on a formula basis to increase student academic achievement through strategies such as improving teacher and principal quality and increasing the number of highly qualified teachers in the classroom and highly qualified principals and assistant principals in schools and hold local educational agencies and schools accountable for improvements in the academic achievement. Authorization is granted through the Elementary and Secondary Education Act of 1965, as amended, Title II, Part A, Public Law 107-110.

➤ TITLE I SCHOOL IMPROVEMENT (Fund No. 24162)

To develop parental involvement in the school curriculum. The program is funded by the United States government under P.L. 100-297.

➤ USDA EQUIPMENT (Fund No. 24183)

Minimum Balance: None

For providing equipment to improve school food services. Authorization (040): Richard B. Russell National School Lunch Act, as amended, 42 U.S.C. 1751, 1758, 1759a,1761, 1765, 1766, 1769, 1772, 1773, 1779; School Breakfast Program (SBP); Child Nutrition Act of 1966, as amended, Public Laws 108-265, 104-193, 100-435, 99-661, 97-35; Special Milk Program (SMP); Child Nutrition Act of 1966, as amended; Child and Adult Care Food Program (CACFP); 89 Stat. 522-525, Summer Food Service Program (SFSP); Public Law 111-5. The 2010 Agriculture Appropriations Act (Public Law 111-80).

➤ TITLE XIX MEDICAID (Fund No. 25153)

To provide financial assistance from the Federal government which flows-through the State of New Mexico to school districts, for payments of medical assistance on behalf of cash assistance recipients, children, pregnant women and the aged who meet income and resource requirements, and other categorically-eligible groups. The program is funded by the U.S. government under the Social Security Act, Title XIX, as amended; Public Laws 92-223, 92-602, 93-66, 93-233, 96-499, 97-35, 97-2248, 98-369, 99-272, 99-509, 100-93, 100-202, 100-203, 100-360, 100-436, 100-485, 100-647, 101-166, 101-234, 101-239, 101-508, 101-517, 102-234, 102-170, 102-394, 103-66, 103-14, 103-333, 104-91, 104-191, 104-193, 104-208, and 104-134; Balanced Budget Act of 1997, Public Law 105-33.

➤ RURAL EDUCATION ACHIEVEMENT (Fund No. 25233)

To provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools. Authorization: Elementary and Secondary Education Act, as amended, Title VI, Part B.

➤ LANL FOUNDATION (Fund No. 26113)

Local grant sponsored by Los Alamos National Laboratory that was used to provide a scholarship to a senior high student that was to be used in a four-year program for educational efforts in pursuing an engineering degree at a New Mexico college or university.

➤ DUAL CREDIT INSTRUCTIONAL MATERIALS (Fund No. 27103)

To provide instructional materials to be used for a dual credit course approved by Higher Education Department (HED) and through a college/university for which the district has an approved agreement.

**NONMAJOR GOVERNMENTAL FUNDS**  
YEAR ENDED JUNE 30, 2016

**Nonmajor Special Revenue Funds (cont'd)**

➤ LIBRARIES GO BOND 2010 (Fund No. 27106)

To be used to fund each library facility for improvement or acquisition and to acquire library books and library resources to support the library program. Funds generated by GO Bonds may not be used to supplant existing or prior library material funding within school districts receiving these monies. This funding will supplement and be in addition to current and existing funding. Authorized through Senate Bill 2010 SB333

➤ LIBRARY GO BONDS 2012 (Fund No. 27107)

Funds to be used for library books and library resources for public school libraries statewide. Library resources include computers, software, projectors, televisions, other related hardware and software, shelving, desks, chairs, and book trucks/carts. Senate Bill 66, Laws of 2012, 2nd Session, Chapter 54, Section 10.B.(3).

➤ READS TO LEAD (Fund No. 27114)

Provides an aligned approach for districts and schools to ensure that children can read by the end of third grade—giving them essential skills for future career and college success. It also provides regional and district reading coaches, supports for intervention, and professional development for parents, teachers, reading coaches, and administrators.

➤ PRE-K INITIATIVE (Fund No. 27149)

The pre-k program shall address the total development needs of preschool children, including physical, cognitive, social and emotional needs, and shall include health care, nutrition, safety and multicultural sensitivity.

➤ BREAKFAST FOR ELEMENTARY STUDENTS (Fund No. 27155)

To provide elementary students with the nutrition necessary to facilitate learning.

➤ KINDERGARTEN 3-PLUS (Fund No. 27166)

To account for funds received to provide the opportunity for the district to address early literacy. The fullday kindergarten program is the first step in the implementation of a sequential early literacy approach to teaching reading.

➤ 2013 PRE-K CLASSROOMS (Fund No. 27177)

Minimum Balance: None

The pre-k program shall address the total development needs of preschool children, including physical, cognitive, social and emotional needs, and shall include health care, nutrition, safety and multicultural sensitivity.

➤ NEW MEXICO GROWN (Fund No. 27183)

Funds under this award are to be used to purchase locally grown New Mexico fresh fruits and vegetables, to be made available at no charge to students. Funds have been received as appropriation through the General Appropriations Act to distribute to school districts and charter schools.

➤ STATE DIRECTED ACTIVITIES (Fund No. 27200)

To account for funds received from the New Mexico Public Education Department for the support and direct services, including technical assistance, preparation and professional development and training. To support capacity building activities and improve the delivery of services by local agencies to improve results for children with disabilities.

**NONMAJOR GOVERNMENTAL FUNDS**  
YEAR ENDED JUNE 30, 2016

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**Nonmajor Capital Projects Funds**

➤ Special Capital Outlay – State Capital Projects Fund (Fund No. 31400) Minimum Balance: None

This fund provides financing for special appropriation monies received from the State of New Mexico under Chapter 367, Laws of 1993.



STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

NON-MAJOR GOVERNMENTAL FUNDS  
**Combining Balance Sheet**  
**June 30, 2016**

**Special Revenue Funds**

	<u>Food Service</u> <u>Fund #21000</u>	<u>Athletics</u> <u>Fund #22000</u>	<u>Title I</u> <u>Fund #24101</u>	<u>Entitlement</u> <u>IDEA-B</u> <u>Fund #24106</u>	<u>Preschool</u> <u>IDEA-B</u> <u>Fund #24109</u>
<b>Assets</b>					
Cash and cash equivalents	\$ 18,377	\$ 4,811	\$ 3,999	\$ 3,197	\$ -
Receivables:					
Grant	-	-	41,095	66,797	5,835
Food inventory	<u>1,298</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total assets</b>	<u>\$ 19,675</u>	<u>\$ 4,811</u>	<u>\$ 45,094</u>	<u>\$ 69,994</u>	<u>\$ 5,835</u>
<b>Liabilities, deferred inflows and fund balance</b>					
Liabilities:					
Accrued salaries	\$ 1,420	\$ -	\$ 3,999	\$ 3,197	\$ -
Due to other funds	<u>-</u>	<u>-</u>	<u>41,095</u>	<u>66,797</u>	<u>5,835</u>
Total liabilities	<u>1,420</u>	<u>-</u>	<u>45,094</u>	<u>69,994</u>	<u>5,835</u>
Fund balance:					
Non-spendable:					
Inventories	1,298	-	-	-	-
Restricted for:					
Special revenue funds	<u>16,957</u>	<u>4,811</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>18,255</u>	<u>4,811</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total liabilities and fund balance</b>	<u>\$ 19,675</u>	<u>\$ 4,811</u>	<u>\$ 45,094</u>	<u>\$ 69,994</u>	<u>\$ 5,835</u>

( cont'd; 1 of 7 )

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

NON-MAJOR GOVERNMENTAL FUNDS  
**Combining Balance Sheet**  
**June 30, 2016**

	<b>Special Revenue Funds</b>			
	Fresh Fruits and Vegetables Fund #24118	IDEA-B "Risk Pool" Fund #24120	IDEA-B Student Success Fund #24132	Title III English Language Fund #24153
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables:				
Grant	6,707	55	31,759	9,833
Food inventory	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total assets</b>	<u><u>\$ 6,707</u></u>	<u><u>\$ 55</u></u>	<u><u>\$ 31,759</u></u>	<u><u>\$ 9,833</u></u>
<b>Liabilities, deferred inflows and fund balance</b>				
Liabilities:				
Accrued salaries	\$ -	\$ -	\$ -	\$ -
Due to other funds	<u>6,707</u>	<u>55</u>	<u>31,759</u>	<u>9,833</u>
Total liabilities	<u><u>6,707</u></u>	<u><u>55</u></u>	<u><u>31,759</u></u>	<u><u>9,833</u></u>
Fund balance:				
Non-spendable:				
Inventories	-	-	-	-
Restricted for:				
Special revenue funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total liabilities and fund balance</b>	<u><u>\$ 6,707</u></u>	<u><u>\$ 55</u></u>	<u><u>\$ 31,759</u></u>	<u><u>\$ 9,833</u></u>

( cont'd; 2 of 7 )

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

NON-MAJOR GOVERNMENTAL FUNDS  
**Combining Balance Sheet**  
**June 30, 2016**

	<b>Special Revenue Funds</b>			
	Title II Teacher Quality Fund #24154	Title I School Improvement Fund #24162	USDA Equipment Fund #24183	Title XIX Medicaid Fund #25153
<b>Assets</b>				
Cash and cash equivalents	\$ 355	\$ -	\$ -	\$ 11,881
Receivables:				
Grant	8,582	8,111	-	-
Food inventory	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total assets</b>	<u><u>\$ 8,937</u></u>	<u><u>\$ 8,111</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 11,881</u></u>
<b>Liabilities, deferred inflows and fund balance</b>				
Liabilities:				
Accrued salaries	\$ 355	\$ -	\$ -	\$ -
Due to other funds	<u>8,582</u>	<u>8,111</u>	<u>-</u>	<u>-</u>
Total liabilities	<u><u>8,937</u></u>	<u><u>8,111</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Fund balance:				
Non-spendable:				
Inventories	-	-	-	-
Restricted for:				
Special revenue funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,881</u>
Total fund balance	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>11,881</u></u>
<b>Total liabilities and fund balance</b>	<u><u>\$ 8,937</u></u>	<u><u>\$ 8,111</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 11,881</u></u>

( cont'd; 3 of 7 )

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

NON-MAJOR GOVERNMENTAL FUNDS  
**Combining Balance Sheet**  
**June 30, 2016**

	<b>Special Revenue Funds</b>			
	Rural Education Achievement Fund #25233	LANL Foundation Fund #26113	Dual Credit Instructional Materials Fund #27103	Libraries GO Bond 2010 Fund #27106
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ 27,005	\$ -	\$ -
Receivables:				
Grant	24,055	-	1,053	1
Food inventory	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total assets</b>	<u><u>\$ 24,055</u></u>	<u><u>\$ 27,005</u></u>	<u><u>\$ 1,053</u></u>	<u><u>\$ 1</u></u>
 <b>Liabilities, deferred inflows and fund balance</b>				
Liabilities:				
Accrued salaries	\$ -	\$ -	\$ -	\$ -
Due to other funds	<u>24,055</u>	<u>-</u>	<u>1,053</u>	<u>1</u>
<b>Total liabilities</b>	<u><u>24,055</u></u>	<u><u>-</u></u>	<u><u>1,053</u></u>	<u><u>1</u></u>
Fund balance:				
Non-spendable:				
Inventories	-	-	-	-
Restricted for:				
Special revenue funds	<u>-</u>	<u>27,005</u>	<u>-</u>	<u>-</u>
<b>Total fund balance</b>	<u><u>-</u></u>	<u><u>27,005</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
<b>Total liabilities and fund balance</b>	<u><u>\$ 24,055</u></u>	<u><u>\$ 27,005</u></u>	<u><u>\$ 1,053</u></u>	<u><u>\$ 1</u></u>

( cont'd; 4 of 7 )

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

NON-MAJOR GOVERNMENTAL FUNDS  
**Combining Balance Sheet**  
**June 30, 2016**

	<b>Special Revenue Funds</b>			
	Libraries GO Bond 2012 Fund #27107	Reads to Lead Fund #27114	Pre-K Initiative Fund #27149	Breakfast for Elementary Students Fund #27155
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ -	\$ 2,861	\$ -
Receivables:				
Grant	13,348	19,537	80,251	-
Food inventory	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total assets</b>	<u><u>\$ 13,348</u></u>	<u><u>\$ 19,537</u></u>	<u><u>\$ 83,112</u></u>	<u><u>\$ -</u></u>
<b>Liabilities, deferred inflows and fund balance</b>				
Liabilities:				
Accrued salaries	\$ -	\$ -	\$ 2,861	\$ -
Due to other funds	<u>13,348</u>	<u>19,537</u>	<u>80,251</u>	<u>-</u>
Total liabilities	<u><u>13,348</u></u>	<u><u>19,537</u></u>	<u><u>83,112</u></u>	<u><u>-</u></u>
Fund balance:				
Non-spendable:				
Inventories	-	-	-	-
Restricted for:				
Special revenue funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
<b>Total liabilities and fund balance</b>	<u><u>\$ 13,348</u></u>	<u><u>\$ 19,537</u></u>	<u><u>\$ 83,112</u></u>	<u><u>\$ -</u></u>

( cont'd; 5 of 7 )

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

NON-MAJOR GOVERNMENTAL FUNDS  
**Combining Balance Sheet**  
**June 30, 2016**

	<b>Special Revenue Funds</b>			
	Kindergarten 3- Plus <u>Fund #27166</u>	2013 Pre-K Classrooms <u>Fund #27177</u>	New Mexico Grown <u>Fund #27183</u>	State Directed Activities <u>Fund #27200</u>
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 71,751
Receivables:				
Grant	-	16,883	-	-
Food inventory	-	-	-	-
<b>Total assets</b>	<b>\$ -</b>	<b>\$ 16,883</b>	<b>\$ -</b>	<b>\$ 71,751</b>
 <b>Liabilities, deferred inflows and fund balance</b>				
Liabilities:				
Accrued salaries	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	16,883	-	-
Total liabilities	-	16,883	-	-
Fund balance:				
Non-spendable:				
Inventories	-	-	-	-
Restricted for:				
Special revenue funds	-	-	-	71,751
Total fund balance	-	-	-	71,751
<b>Total liabilities and fund balance</b>	<b>\$ -</b>	<b>\$ 16,883</b>	<b>\$ -</b>	<b>\$ 71,751</b>

( cont'd; 6 of 7 )

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

NON-MAJOR GOVERNMENTAL FUNDS  
**Combining Balance Sheet**  
**June 30, 2016**

	Total Non-Major Special Revenue Funds	Special Capital Outlay - State Fund #31400	Total Nonmajor Governmental Funds
<b>Assets</b>			
Cash and cash equivalents	\$ 144,237	\$ -	\$ 144,237
Receivables:			
Grant	333,902	284	334,186
Food inventory	<u>1,298</u>	<u>-</u>	<u>1,298</u>
<b>Total assets</b>	<b><u>\$ 479,437</u></b>	<b><u>\$ 284</u></b>	<b><u>\$ 479,721</u></b>
<b>Liabilities, deferred inflows and fund balance</b>			
Liabilities:			
Accrued salaries	\$ 11,832	\$ -	\$ 11,832
Due to other funds	<u>333,902</u>	<u>284</u>	<u>334,186</u>
Total liabilities	<u>345,734</u>	<u>284</u>	<u>346,018</u>
Fund balance:			
Non-spendable:			
Inventories	1,298	-	1,298
Restricted for:			
Special revenue funds	<u>132,405</u>	<u>-</u>	<u>132,405</u>
Total fund balance	<u>133,703</u>	<u>-</u>	<u>133,703</u>
<b>Total liabilities and fund balance</b>	<b><u>\$ 479,437</u></b>	<b><u>\$ 284</u></b>	<b><u>\$ 479,721</u></b>

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STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

NON-MAJOR GOVERNMENTAL FUNDS  
**Combining Statement of Revenues, Expenditures, and  
 Changes in Fund Balance  
 Year Ended June 30, 2016**

	<b>Special Revenue Funds</b>				
	Food Service <u>Fund #21000</u>	Athletics <u>Fund #22000</u>	Title I <u>Fund #24101</u>	Entitlement IDEA-B <u>Fund #24106</u>	Preschool IDEA-B <u>Fund #24109</u>
<b>Revenues:</b>					
Intergovernmental - federal grants	\$ 180,519	\$ -	\$ 83,007	\$ 95,842	\$ 5,336
Intergovernmental - state grants	-	-	-	-	-
Charges for services	<u>3,094</u>	<u>45,468</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total revenues</b>	<u>183,613</u>	<u>45,468</u>	<u>83,007</u>	<u>95,842</u>	<u>5,336</u>
<b>Expenditures:</b>					
Current:					
Instruction	-	40,745	69,530	90,601	5,001
Support services:					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General Administration	-	-	4,557	5,241	335
School Administration	-	-	8,920	-	-
Student transportation	-	-	-	-	-
Food services operations	180,487	-	-	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total expenditures</b>	<u>180,487</u>	<u>40,745</u>	<u>83,007</u>	<u>95,842</u>	<u>5,336</u>
<i>Excess (deficiency) of revenues over expenditures</i>	3,126	4,723	-	-	-
<b>Fund balance at beginning of the year</b>	<u>15,129</u>	<u>88</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of the year</b>	<u>\$ 18,255</u>	<u>\$ 4,811</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

( cont'd; 1 of 6 )



STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

NON-MAJOR GOVERNMENTAL FUNDS  
**Combining Statement of Revenues, Expenditures, and  
 Changes in Fund Balance  
 Year Ended June 30, 2016**

	Special Revenue Funds				
	Fresh Fruits and Vegetables Fund #24118	IDEA-B "Risk Pool" Fund #24120	IDEA-B Student Success Fund #24132	Title III English Language Fund #24153	Title II Teacher Quality Fund #24154
<b>Revenues:</b>					
Intergovernmental - federal grants	\$ 6,707	\$ 55	\$ 39,763	\$ -	\$ 15,697
Intergovernmental - state grants	-	-	-	-	-
Charges for services	-	-	-	-	-
<b>Total revenues</b>	6,707	55	39,763	-	15,697
<b>Expenditures:</b>					
Current:					
Instruction	-	55	36,800	-	15,697
Support services:					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General Administration	-	-	2,963	-	-
School Administration	-	-	-	-	-
Student transportation	-	-	-	-	-
Food services operations	6,707	-	-	-	-
Capital outlay	-	-	-	-	-
<b>Total expenditures</b>	6,707	55	39,763	-	15,697
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-	-
<b>Fund balance at beginning of the year</b>	-	-	-	-	-
<b>Fund balance at end of the year</b>	\$ -	\$ -	\$ -	\$ -	\$ -

( cont'd; 2 of 6 )

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

NON-MAJOR GOVERNMENTAL FUNDS  
**Combining Statement of Revenues, Expenditures, and  
 Changes in Fund Balance  
 Year Ended June 30, 2016**

	Special Revenue Funds				
	Title I School Improvement Fund #24162	USDA Equipment Fund #24183	Title XIX Medicaid Fund #25153	Rural Education Achievement Fund #25233	LANL Foundation Fund #26113
<b>Revenues:</b>					
Intergovernmental - federal grants	\$ 8,111	\$ -	\$ 12,340	\$ 22,900	\$ -
Intergovernmental - state grants	-	-	-	-	-
Charges for services	-	-	-	-	-
<b>Total revenues</b>	8,111	-	12,340	22,900	-
<b>Expenditures:</b>					
Current:					
Instruction	8,111	-	-	22,900	6,197
Support services:					
Students	-	-	783	-	-
Instruction	-	-	-	-	-
General Administration	-	-	-	-	-
School Administration	-	-	-	-	-
Student transportation	-	-	-	-	-
Food services operations	-	-	-	-	-
Capital outlay	-	-	-	-	-
<b>Total expenditures</b>	8,111	-	783	22,900	6,197
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	11,557	-	(6,197)
<b>Fund balance at beginning of the year</b>	-	-	324	-	33,202
<b>Fund balance at end of the year</b>	\$ -	\$ -	\$ 11,881	\$ -	\$ 27,005

( cont'd; 3 of 6 )

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

NON-MAJOR GOVERNMENTAL FUNDS  
**Combining Statement of Revenues, Expenditures, and  
 Changes in Fund Balance  
 Year Ended June 30, 2016**

	<u>Special Revenue Funds</u>				
	Dual Credit Instructional Materials <u>Fund #27103</u>	Libraries GO Bond 2010 <u>Fund #27106</u>	Libraries GO Bond 2012 <u>Fund #27107</u>	Reads to Lead <u>Fund #27114</u>	Pre-K Initiative <u>Fund #27149</u>
<b>Revenues:</b>					
Intergovernmental - federal grants	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental - state grants	3,966	-	13,348	50,000	105,422
Charges for services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total revenues</b>	<u>3,966</u>	<u>-</u>	<u>13,348</u>	<u>50,000</u>	<u>105,422</u>
<b>Expenditures:</b>					
Current:					
Instruction	3,966	-	-	50,000	94,361
Support services:					
Students	-	-	-	-	-
Instruction	-	-	13,348	-	-
General Administration	-	-	-	-	1,061
School Administration	-	-	-	-	-
Student transportation	-	-	-	-	10,000
Food services operations	-	-	-	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total expenditures</b>	<u>3,966</u>	<u>-</u>	<u>13,348</u>	<u>50,000</u>	<u>105,422</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-	-
<b>Fund balance at beginning of the year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of the year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

( cont'd; 4 of 6 )

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

NON-MAJOR GOVERNMENTAL FUNDS  
**Combining Statement of Revenues, Expenditures, and  
 Changes in Fund Balance  
 Year Ended June 30, 2016**

**Special Revenue Funds**

	Breakfast for Elementary Students <u>Fund #27155</u>	Kindergarten 3- Plus <u>Fund #27166</u>	2013 Pre-K Classrooms <u>Fund #27177</u>	New Mexico Grown <u>Fund #27183</u>	State Directed Activities <u>Fund #27200</u>
<b>Revenues:</b>					
Intergovernmental - federal grants	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental - state grants	-	-	16,883	-	-
Charges for services	-	-	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>16,883</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>					
Current:					
Instruction	-	-	-	-	-
Support services:					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General Administration	-	-	-	-	-
School Administration	-	-	-	-	-
Student transportation	-	-	-	-	-
Food services operations	-	-	-	-	-
Capital outlay	-	-	16,883	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>16,883</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-	-
<b>Fund balance at beginning of the year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>71,751</u>
<b>Fund balance at end of the year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 71,751</u>

( cont'd; 5 of 6 )

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

NON-MAJOR GOVERNMENTAL FUNDS  
**Combining Statement of Revenues, Expenditures, and  
 Changes in Fund Balance  
 Year Ended June 30, 2016**

	Total Nonmajor Special Revenue <u>Funds</u>	Special Capital Outlay - State Fund #31400	Total Nonmajor Capital Projects <u>Funds</u>	Total Nonmajor Governmental <u>Funds</u>
<b>Revenues:</b>				
Intergovernmental - federal grants	\$ 470,277	\$ -	-	\$ 470,277
Intergovernmental - state grants	189,619	-	-	189,619
Charges for services	<u>48,562</u>	<u>-</u>	<u>-</u>	<u>48,562</u>
<b>Total revenues</b>	<u>708,458</u>	<u>-</u>	<u>-</u>	<u>708,458</u>
<b>Expenditures:</b>				
Current:				
Instruction	443,964	-	-	443,964
Support services:				
Students	783	-	-	783
Instruction	13,348	-	-	13,348
General Administration	14,157	-	-	14,157
School Administration	8,920	-	-	8,920
Student transportation	10,000	-	-	10,000
Food services operations	187,194	-	-	187,194
Capital outlay	<u>16,883</u>	<u>-</u>	<u>-</u>	<u>16,883</u>
<b>Total expenditures</b>	<u>695,249</u>	<u>-</u>	<u>-</u>	<u>695,249</u>
<i>Excess (deficiency) of revenues over expenditures</i>	13,209	-	-	13,209
<b>Fund balance at beginning of the year</b>	<u>120,494</u>	<u>-</u>	<u>-</u>	<u>120,494</u>
<b>Fund balance at end of the year</b>	<u>\$ 133,703</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 133,703</u>

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NONMAJOR GOVERNMENTAL FUNDS  
BUDGETARY PRESENTATION

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

FOOD SERVICE FUND - NO. 21000  
**Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - state grants	\$ 168,500	\$ 168,500	\$ 172,932	\$ 4,432
Charges for services	<u>2,800</u>	<u>2,800</u>	<u>3,094</u>	<u>294</u>
<b>Total revenues</b>	171,300	171,300	176,026	4,726
<b>Expenditures:</b>				
Current:				
Food Services Operations	<u>171,300</u>	<u>171,300</u>	<u>171,300</u>	<u>-</u>
<i>Excess of revenues over expenditures</i>	-	-	4,726	4,726
<b>Fund balance at beginning of the year</b>	<u>-</u>	<u>-</u>	<u>15,129</u>	<u>15,129</u>
<b>Fund balance at end of the year</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u>19,855</u>	<u><u>\$ 19,855</u></u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in inventory			<u>(1,600)</u>	
<b>Fund balance at end of the year (GAAP basis)</b>			<u><u>\$ 18,255</u></u>	



STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

ATHLETICS FUND - NO. 22000  
**Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Charges for services	\$ 41,000	\$ 43,000	\$ 45,468	\$ 2,468
<b>Expenditures:</b>				
Current:				
Instruction	41,000	43,000	40,745	2,255
<i>Excess of revenues over expenditures</i>	-	-	4,723	4,723
<b>Fund balance at beginning of the year</b>	-	-	88	88
<b>Fund balance at end of the year</b>	\$ -	\$ -	4,811	\$ 4,811
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			-	
<b>Fund balance at end of the year (GAAP basis)</b>			\$ 4,811	

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

TITLE I FUND - NO. 24101  
**Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - federal grants	\$ 72,190	\$ 87,244	\$ 75,351	\$ (11,893)
<b>Expenditures:</b>				
Current:				
Instruction	63,252	69,530	69,530	-
Support services:				
Students	-	3,000	-	3,000
General Administration	-	5,776	4,557	1,219
School Administration	<u>8,938</u>	<u>8,938</u>	<u>8,920</u>	<u>18</u>
<b>Total expenditures</b>	<u>72,190</u>	<u>87,244</u>	<u>83,007</u>	<u>4,237</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(7,656)	(7,656)
<b>Fund balance at beginning of the year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of the year</b>	<u>\$ -</u>	<u>\$ -</u>	(7,656)	<u>\$ (7,656)</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			<u>7,656</u>	
<b>Fund balance at end of the year (GAAP basis)</b>			<u>\$ -</u>	

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

ENTITLEMENT IDEA-B FUND - NO. 24106

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

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - federal grants	\$ 86,669	\$ 95,842	\$ 84,471	\$ (11,371)
<b>Expenditures:</b>				
Current:				
Instruction	81,428	90,601	90,601	-
Support services:				
General Administration	5,241	5,241	5,241	-
<b>Total expenditures</b>	86,669	95,842	95,842	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(11,371)	(11,371)
<b>Fund balance at beginning of the year</b>	-	-	-	-
<b>Fund balance at end of the year</b>	\$ -	\$ -	(11,371)	\$ (11,371)
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			11,371	
<b>Fund balance at end of the year (GAAP basis)</b>			\$ -	

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

PRESCHOOL IDEA-B FUND - NO. 24109  
**Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - federal grants	\$ 4,196	\$ 5,388	\$ 232	\$ (5,156)
<b>Expenditures:</b>				
Current:				
Instruction	3,861	5,053	5,001	52
Support services:				
General Administration	335	335	335	-
<b>Total expenditures</b>	4,196	5,388	5,336	52
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(5,104)	(5,104)
<b>Fund balance at beginning of the year</b>	-	-	-	-
<b>Fund balance at end of the year</b>	\$ -	\$ -	(5,104)	\$ (5,104)
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			5,104	
<b>Fund balance at end of the year (GAAP basis)</b>			\$ -	

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

FRESH FRUITS AND VEGETABLES FUND - NO. 24118  
**Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - federal grants	\$ -	\$ 8,925	\$ 3,717	\$ (5,208)
<b>Expenditures:</b>				
Current:				
Food Services Operations	-	8,925	6,707	2,218
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(2,990)	(2,990)
<b>Fund balance at beginning of the year</b>	-	-	-	-
<b>Fund balance at end of the year</b>	\$ -	\$ -	(2,990)	\$ (2,990)
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			2,990	
<b>Fund balance at end of the year (GAAP basis)</b>			\$ -	

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

IDEA-B "RISK POOL" FUND - NO. 24120  
**Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - federal grants	\$ -	\$ 69	\$ 8,730	\$ 8,661
<b>Expenditures:</b>				
Current:				
Instruction	-	69	55	14
<i>Excess of revenues over expenditures</i>	-	-	8,675	8,675
<b>Fund balance at beginning of the year</b>	-	-	-	-
<b>Fund balance at end of the year</b>	<u>\$ -</u>	<u>\$ -</u>	8,675	<u>\$ 8,675</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			(8,675)	
<b>Fund balance at end of the year (GAAP basis)</b>			<u>\$ -</u>	

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

IDEA-B STUDENT SUCCESS FUND - NO. 24132  
**Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - federal grants	\$ 40,000	\$ 40,000	\$ 8,004	\$ (31,996)
<b>Expenditures:</b>				
Current:				
Instruction	40,000	36,800	36,800	-
Support services:				
General Administration	-	3,200	2,963	237
<b>Total expenditures</b>	40,000	40,000	39,763	237
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(31,759)	(31,759)
<b>Fund balance at beginning of the year</b>	-	-	-	-
<b>Fund balance at end of the year</b>	\$ -	\$ -	(31,759)	\$ (31,759)
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			31,759	
<b>Fund balance at end of the year (GAAP basis)</b>			\$ -	

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

TITLE III ENGLISH LANGUAGE FUND - NO. 24153  
**Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - federal grants	\$ -	\$ -	\$ -	\$ -
<b>Expenditures:</b>				
Current:				
Instruction	-	-	-	-
<i>Excess of revenues over expenditures</i>	-	-	-	-
<b>Fund balance at beginning of the year</b>	-	-	-	-
<b>Fund balance at end of the year</b>	\$ -	\$ -	-	\$ -
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			-	
<b>Fund balance at end of the year (GAAP basis)</b>			\$ -	



STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

TITLE II TEACHER QUALITY FUND - NO. 24154  
**Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - federal grants	\$ -	\$ 15,697	\$ 14,571	\$ (1,126)
<b>Expenditures:</b>				
Current:				
Instruction	-	14,442	15,697	(1,255)
Support services:				
General Administration	-	1,255	-	1,255
<b>Total expenditures</b>	-	15,697	15,697	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(1,126)	(1,126)
<b>Fund balance at beginning of the year</b>	-	-	-	-
<b>Fund balance at end of the year</b>	\$ -	\$ -	(1,126)	\$ (1,126)
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			1,126	
<b>Fund balance at end of the year (GAAP basis)</b>			\$ -	

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

TITLE I SCHOOL IMPROVEMENT FUND - NO. 24162  
**Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - federal grants	\$ -	\$ 11,818	\$ -	\$ (11,818)
<b>Expenditures:</b>				
Current:				
Instruction	-	11,818	8,111	3,707
<i>Excess (deficiency) of revenues   over expenditures</i>	-	-	(8,111)	(8,111)
<b>Fund balance at beginning of the year</b>	-	-	-	-
<b>Fund balance at end of the year</b>	<u>\$ -</u>	<u>\$ -</u>	(8,111)	<u>\$ (8,111)</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			8,111	
<b>Fund balance at end of the year (GAAP basis)</b>			<u>\$ -</u>	

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

USDA EQUIPMENT FUND - NO. 24183  
**Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - federal grants	\$ -	\$ -	\$ 10,116	\$ 10,116
<b>Expenditures:</b>				
Instruction	-	-	-	-
<i>Excess of revenues over expenditures</i>	-	-	10,116	10,116
<b>Fund balance at beginning of the year</b>	-	-	-	-
<b>Fund balance at end of the year</b>	\$ -	\$ -	10,116	\$ 10,116
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			(10,116)	
<b>Fund balance at end of the year (GAAP basis)</b>			\$ -	

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

TITLE XIX MEDICAID FUND - NO. 25153  
**Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - federal grants	\$ 5,000	\$ 5,000	\$ 12,340	\$ 7,340
<b>Expenditures:</b>				
Current:				
Support services:				
Students	4,600	4,600	783	3,817
General Administration	400	400	-	400
<b>Total expenditures</b>	5,000	5,000	783	4,217
<i>Excess of revenues over expenditures</i>	-	-	11,557	11,557
<b>Fund balance at beginning of the year</b>	-	-	324	324
<b>Fund balance at end of the year</b>	\$ -	\$ -	11,881	\$ 11,881
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			-	
<b>Fund balance at end of the year (GAAP basis)</b>			\$ 11,881	

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

RURAL EDUCATION ACHIEVEMENT FUND - NO. 25233  
**Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - federal grants	\$ -	\$ 22,900	\$ 6,069	\$ (16,831)
<b>Expenditures:</b>				
Current:				
Instruction	-	22,900	22,900	-
<i>Excess (deficiency) of revenues     over expenditures</i>	-	-	(16,831)	(16,831)
<b>Fund balance at beginning of the year</b>	-	-	-	-
<b>Fund balance at end of the year</b>	<u>\$ -</u>	<u>\$ -</u>	(16,831)	<u>\$ (16,831)</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			16,831	
<b>Fund balance at end of the year (GAAP basis)</b>			<u>\$ -</u>	

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

LANL FOUNDATION FUND - NO. 26113  
**Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Contributions - private grants	\$ -	\$ -	\$ -	\$ -
<b>Expenditures:</b>				
Current:				
Instruction	30,300	30,300	6,197	24,103
<i>Excess (deficiency) of revenues over expenditures</i>	(30,300)	(30,300)	(6,197)	24,103
<i>Beginning cash balance budgeted</i>	30,300	30,300	-	(30,300)
<b>Fund balance at beginning of the year</b>	-	-	33,202	33,202
<b>Fund balance at end of the year</b>	\$ -	\$ -	27,005	\$ 27,005
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			-	
<b>Fund balance at end of the year (GAAP basis)</b>			\$ 27,005	

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

DUAL CREDIT INSTRUCTIONAL MATERIALS FUND - NO. 27103  
**Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - state grants	\$ -	\$ 3,967	\$ 3,733	\$ (234)
<b>Expenditures:</b>				
Current:				
Instruction	-	3,967	3,966	1
<i>Excess (deficiency) of revenues     over expenditures</i>	-	-	(233)	(233)
<b>Fund balance at beginning of the year</b>	-	-	-	-
<b>Fund balance at end of the year</b>	<u>\$ -</u>	<u>\$ -</u>	(233)	<u>\$ (233)</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			<u>233</u>	
<b>Fund balance at end of the year (GAAP basis)</b>			<u>\$ -</u>	

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

LIBRARIES GO BOND 2010 FUND - NO. 27106

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

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - state grants	\$ 18,560	\$ 18,560	\$ 8,935	\$ (9,625)
<b>Expenditures:</b>				
Current:				
Support services:				
Instruction	18,560	18,560	13,348	5,212
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(4,413)	(4,413)
<b>Fund balance at beginning of the year</b>	-	-	-	-
<b>Fund balance at end of the year</b>	\$ -	\$ -	(4,413)	\$ (4,413)
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			4,413	
<b>Fund balance at end of the year (GAAP basis)</b>			\$ -	



STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

LIBRARIES GO BOND 2012 FUND - NO. 27107

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

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - state grants	\$ -	\$ -	\$ -	\$ -
<b>Expenditures:</b>				
Current:				
Instruction	-	-	-	-
<i>Excess of revenues over expenditures</i>	-	-	-	-
<b>Fund balance at beginning of the year</b>	-	-	-	-
<b>Fund balance at end of the year</b>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			-	
<b>Fund balance at end of the year (GAAP basis)</b>			<u>\$ -</u>	

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

READS TO LEAD FUND - NO. 27114  
**Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - state grants	\$ 50,000	\$ 50,000	\$ 63,725	\$ 13,725
<b>Expenditures:</b>				
Current:				
Instruction	50,000	50,000	50,000	-
<i>Excess of revenues over expenditures</i>	-	-	13,725	13,725
<b>Fund balance at beginning of the year</b>	-	-	-	-
<b>Fund balance at end of the year</b>	\$ -	\$ -	13,725	\$ 13,725
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			(13,725)	
<b>Fund balance at end of the year (GAAP basis)</b>			\$ -	

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

PRE-K INITIATIVE FUND - NO. 27149  
**Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)**  
 Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - state grants	\$ 106,186	\$ 106,186	\$ 69,988	\$ (36,198)
<b>Expenditures:</b>				
Current:				
Instruction	95,125	95,125	94,361	764
Support services:				
General Administration	1,061	1,061	1,061	-
Student transportation	10,000	10,000	10,000	-
<b>Total expenditures</b>	106,186	106,186	105,422	764
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(35,434)	(35,434)
<b>Fund balance at beginning of the year</b>	-	-	-	-
<b>Fund balance at end of the year</b>	\$ -	\$ -	(35,434)	\$ (35,434)
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			35,434	
<b>Fund balance at end of the year (GAAP basis)</b>			\$ -	

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

BREAKFAST FOR ELEMENTARY STUDENTS FUND - NO. 27155  
**Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - state grants	\$ -	\$ -	\$ 1,010	\$ 1,010
<b>Expenditures:</b>				
Instruction	-	-	-	-
<i>Excess of revenues over expenditures</i>	-	-	1,010	1,010
<b>Fund balance at beginning of the year</b>	-	-	-	-
<b>Fund balance at end of the year</b>	\$ -	\$ -	1,010	\$ 1,010
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			(1,010)	
<b>Fund balance at end of the year (GAAP basis)</b>			\$ -	

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

KINDERGARTEN 3-PLUS FUND - NO. 27166

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

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - state grants	\$ 43,281	\$ -	\$ 23,368	\$ 23,368
<b>Expenditures:</b>				
Current:				
Instruction	15,198	-	-	-
Support services:				
General Administration	3,462	-	-	-
School Administration	1,011	-	-	-
Student transportation	21,199	-	-	-
Food Services Operations	2,411	-	-	-
<b>Total expenditures</b>	<u>43,281</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess of revenues over expenditures</i>	-	-	23,368	23,368
<b>Fund balance at beginning of the year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of the year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>23,368</u>	<u>\$ 23,368</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(23,368)	
<b>Fund balance at end of the year (GAAP basis)</b>			<u>\$ -</u>	

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

2013 PRE-K CLASSROOMS FUND - NO. 27177

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

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - state grants	\$ 364,838	\$ 364,838	\$ -	\$ (364,838)
<b>Expenditures:</b>				
Capital outlay:				
Construction in progress	<u>364,838</u>	<u>364,838</u>	<u>16,883</u>	<u>347,955</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(16,883)	(16,883)
<b>Fund balance at beginning of the year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of the year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>(16,883)</u>	<u>\$ (16,883)</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			<u>16,883</u>	
<b>Fund balance at end of the year (GAAP basis)</b>			<u>\$ -</u>	

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

NEW MEXICO GROWN FUND - NO. 27183  
**Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - state grants	\$ -	\$ 386	\$ -	\$ (386)
<b>Expenditures:</b>				
Current:				
Food Services Operations	-	386	-	386
<i>Excess of revenues over expenditures</i>	-	-	-	-
<b>Fund balance at beginning of the year</b>	-	-	-	-
<b>Fund balance at end of the year</b>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			-	
<b>Fund balance at end of the year (GAAP basis)</b>			<u>\$ -</u>	

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

STATE DIRECTED ACTIVITIES FUND - NO. 27200  
**Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - state grants	\$ -	\$ -	\$ -	\$ -
<b>Expenditures:</b>				
Current:				
Instruction	-	-	-	-
<i>Excess of revenues over expenditures</i>	-	-	-	-
<b>Fund balance at beginning of the year</b>	-	-	<u>71,751</u>	<u>71,751</u>
<b>Fund balance at end of the year</b>	<u>\$ -</u>	<u>\$ -</u>	71,751	<u>\$ 71,751</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			-	
<b>Fund balance at end of the year (GAAP basis)</b>			<u>\$ 71,751</u>	



STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

SPECIAL CAPITAL OUTLAY - STATE FUND - NO. 31400  
**Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Intergovernmental - state grants	\$ -	\$ -	\$ -	\$ -
<b>Expenditures:</b>				
Current:				
Instruction	-	-	-	-
<i>Excess of revenues over expenditures</i>	-	-	-	-
<b>Other financing sources:</b>				
Transfers in	-	-	285,000	285,000
<i>Net change in fund balance</i>	-	-	285,000	285,000
<b>Fund balance at beginning of the year</b>	-	-	-	-
<b>Fund balance at end of the year</b>	<u>\$ -</u>	<u>\$ -</u>	285,000	<u>\$ 285,000</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			(285,000)	
<b>Fund balance at end of the year (GAAP basis)</b>			<u>\$ -</u>	

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**OTHER SUPPLEMENTAL INFORMATION**  
(Schedules Required by the New Mexico State Auditor)

Schedule of Changes in Assets and Liabilities – Agency Funds

Schedule of Pledged Collateral

Cash Reconciliation

Schedule of Vendor Information

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

FIDUCIARY FUNDS  
**Schedule of Changes in Assets and Liabilities - All Agency Funds**  
**Year Ended June 30, 2016**

Activity		Balance			Balance
<u>Fund</u>	<u>ASSETS</u>	<u>June 30, 2015</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30, 2016</u>
23130	Central Office	\$ 738	\$ 1,238	\$ 1,221	\$ 755
23131	Flower Acct. (Bereavement)	11	47	38	20
23199	Interest Clearing	1,610	163	58	1,715
23211	Class Of 2011	1,891	-	-	1,891
23212	Class Of 2012	308	-	-	308
23213	Class Of 2013	2,110	-	-	2,110
23214	Class Of 2014	5,979	-	-	5,979
23215	Class Of 2015	1,424	-	-	1,424
23216	Class Of 2016	2,305	2,383	4,651	37
23217	Class Of 2017	4,115	5,193	5,691	3,617
23218	Class Of 2018	1,982	317	-	2,299
23219	Class Of 2019	995	1,284	25	2,254
23220	Class Of 2020	1,081	869	-	1,950
23221	Class Of 2021	-	353	-	353
23230	MS/HS- Admin. Acct.	366	-	-	366
23233	Annual Account	3,692	-	2,045	1,647
23235	Scholarship Account	13,973	5,000	3,000	15,973
23236	Driving Permits	614	-	-	614
23238	HS Accerlated Lost Book	437	-	-	437
23239	Ski Club	170	-	-	170
23240	Desert Rose Floral (C. Lujan)	7	-	7	-
23241	MS/HS Student Activity	2,628	1,412	454	3,586
23242	7/8th Boys Basketball	285	11,187	4,386	7,086
23244	7th/8th Girls Basketball	609	-	-	609
23245	Custodian's	44	-	-	44
23250	HS Cheerleaders	336	-	-	336
23251	HS Drill Team	-	442	337	105
23253	Letterman (HS Boys B.B)	28	589	22	595
23254	Letterwomen (HS Girls B.B.)	1,573	3,549	5,122	-
23255	HS Baseball	392	-	-	392
23256	HS Cross-Country	398	238	374	262
23257	HS Track	495	-	-	495
23258	HS Volleyball	215	5,112	5,327	-
23259	MS/HS Honor Society	83	-	-	83
23261	HS Girls Softball	287	-	-	287
23263	Science Fund	28	1,500	1,522	6
23272	HS Biology Club	20	-	-	20
23276	FFA	3,045	24,444	23,576	3,913
23277	MS FFA	-	300	300	-
23278	Journalism Club	358	-	-	358
23279	Incentive Program Carry-Over	83	-	-	83
23280	Industrial Arts	\$ 1,432	\$ -	\$ -	\$ 1,432

( cont'd; 1 of 2 )

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

FIDUCIARY FUNDS  
**Schedule of Changes in Assets and Liabilities - All Agency Funds**  
**Year Ended June 30, 2016**

Activity		Balance			Balance
<u>Fund</u>	<u>ASSETS</u>	<u>June 30, 2015</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30, 2016</u>
23281	Mariachi Band	\$ 320	\$ -	\$ -	\$ 320
23282	Mesa Club	2,210	353	-	2,563
23283	HS Student Council	673	2,893	1,276	2,290
23284	MS Student Council	283	532	635	180
23290	MVHS Library	236	-	-	236
23421	Ojo Elem- Class Of 2021	33	-	-	33
23422	Ojo Elem- Class Of 2022	368	-	-	368
23423	Ojo Elem- Class Of 2023	60	-	-	60
23424	Ojo Elem- Class Of 2024	59	-	-	59
23425	Ojo Elem- Class Of 2025	54	-	-	54
23432	Ojo Elem Book Fair	1	-	-	1
23433	Ojo Golden Apple	1,728	-	-	1,728
23435	Ojo Elem. Student Council	250	-	-	250
23437	Ojo Elem. 5/6th Basketball	3,606	2,455	894	5,167
23439	Ojo Elem. Library	165	-	-	165
23441	Ojo Elem. Incentive	6,013	8,067	6,677	7,403
23443	Ojo Elem. PTO	585	-	-	585
23444	Ojo Elem Kinds in Need	110	-	110	-
23530	El Rito- Admin. Acct.	484	-	-	484
23531	El Rito Elmer Glue	500	-	182	318
23532	El Rito Golden Apple	3,000	-	-	3,000
23537	El Rito Boys/Girls B.B. (4/6th)	2,370	2,261	1,200	3,431
23539	El Rito Book Fair	170	-	-	170
23583	El Rito Student Council	442	-	-	442
23585	El Rito Library	168	-	-	168
23597	El Rito Elem.Student Activity	13,024	7,035	6,744	13,315
23598	El Rito--PTO	<u>316</u>	<u>-</u>	<u>310</u>	<u>6</u>
	Pooled cash and investments	<u>\$ 93,375</u>	<u>\$ 89,216</u>	<u>\$ 76,184</u>	<u>\$ 106,407</u>
 <u>LIABILITIES</u>					
	Deposits held for others	<u>\$ 93,375</u>	<u>\$ 89,216</u>	<u>\$ 76,184</u>	<u>\$ 106,407</u>

( 2 of 2 )

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

SCHEDULE OF PLEDGED COLLATERAL  
**June 30, 2016**

	<u>New Mexico Bank &amp; Trust</u>	<u>Century Bank</u>	<u>New Mexico Finance Authority</u>	<u>Total</u>
<b>Cash on deposit at June 30, 2016:</b>				
Checking and savings	\$ 2,544,208	\$ 119,177	\$ 2,425,920	\$ 5,089,305
Less: FDIC coverage	(250,000)	(119,177)	-	(369,177)
Uninsured funds	<u>\$ 2,294,208</u>	<u>\$ -</u>	<u>\$ 2,425,920</u>	<u>\$ 4,720,128</u>
<b>Amount requiring pledged collateral:</b>				
50% collateral requirement	\$ 1,147,104	\$ -	\$ 1,212,960	\$ 2,360,064
Pledged collateral	<u>1,450,316</u>	<u>-</u>	<u>2,425,920</u>	<u>3,876,236</u>
Excess (deficiency) of pledged collateral	<u>\$ 303,212</u>	<u>\$ -</u>	<u>\$ 1,212,960</u>	<u>\$ 1,516,172</u>

Pledged collateral of financial institutions consists of the following at June 30, 2016

<u>New Mexico Bank &amp; Trust:</u>	<u>Maturity</u>	<u>CUSIP #</u>	<u>Market Value</u>
GNMA	12/20/2063	36178FLQ7	<u>\$ 1,450,316</u>

The above securities are held at Federal Reserve, Kansas City, KS.

State of New Mexico:

Detail of the pledged collateral to the District is unavailable because the bank commingles pledged collateral for all state funds it holds. However, the State Treasurer's Office Collateral Bureau monitors the pledged collateral for all state funds.

STATE OF NEW MEXICO  
MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6

CASH RECONCILIATION  
Year Ended June 30, 2016

	Beginning Cash	Receipts	Distributions	Other	Net Cash End of Period	Adjustments to the report	Total Cash on Report
Operations	\$ 711,962	\$ 4,172,539	\$ 3,910,949	\$ (275,000)	\$ 698,552	\$ (404,125)	\$ 294,427
Teacherage	21,953	2,200	-	-	24,153	-	24,153
Transportation	-	301,090	301,090	-	-	6,327	6,327
Instructional Materials	-	22,661	22,661	-	-	-	-
Food Services	12,231	176,026	171,300	-	16,957	1,420	18,377
Athletics	88	45,468	40,745	-	4,811	-	4,811
Federal Flowthrough Funds	(129,450)	205,193	254,516	-	(178,773)	186,324	7,551
Federal Direct Funds	(53,977)	252,504	311,019	-	(112,492)	125,626	13,134
Local Grants	33,202	-	6,197	-	27,005	-	27,005
State Flowthrough Funds	(40,463)	170,759	189,618	-	(59,322)	133,934	74,612
Bond Building	1,464,143	9,406	671,543	-	802,006	2,425,920	3,227,926
Public School Capital Outlay	-	-	-	-	-	-	-
Special Capital Outlay - State	(285,284)	-	-	285,000	(284)	284	-
Capital Improvements SB-9	95,344	166,799	153,855	(10,000)	98,288	-	98,288
Debt Service	384,144	527,336	467,762	-	443,718	-	443,718
Agency Funds	93,375	89,214	76,182	-	106,407	-	106,407
<b>Total</b>	<b>\$ 2,307,268</b>	<b>\$ 6,141,195</b>	<b>\$ 6,577,437</b>	<b>\$ -</b>	<b>\$ 1,871,026</b>	<b>\$ 2,475,710</b>	<b>\$ 4,346,736</b>

<u>Account Name</u>	<u>Account Type</u>	<u>Bank Name</u>	<u>Bank Amount</u>		
Operational	Checking - Interest	Community Bank	\$ 2,544,208	Adjustments to report:	
Activities	Checking - Interest	Century Bank	119,177	Interfund loan receivable	\$ 434,503
Bond Building	Escrow	NMFA	<u>2,425,920</u>	Interfund loan payable	(434,503)
			<u>\$ 5,089,305</u>	Bond Issue	2,425,920
				Unmailed checks	<u>49,790</u>
				Total adjustment to the report	<u>\$ 2,475,710</u>
				Adjustments to cash:	
				Bank Balance	\$ 5,089,305
				Cash on hand	50
				Outstanding deposits	-
				Outstanding checks	(742,619)
				Errors	-
				Total adjusted cash	<u>\$ 4,346,736</u>

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

SCHEDULE OF VENDOR INFORMATION  
 (Individual Purchases in Exceeding \$60,000, Excluding Gross Receipts Tax)  
**Year Ended June 30, 2016**

Prepared by (Agency Staff Name): Brenda Halder Title: Business Manager Date: October 28, 2016

<u>RFB/REP #</u>	<u>Type of Procurement</u>	<u>Awarded To</u>	<u>Amount of Awarded Contract</u>	<u>Amount of Amended Contract</u>	<u>Name and Physical Address of All Respondents</u>	<u>In-State / Out-of-State Vendor</u>	<u>Veteran's Preference N/A for Federal Funds</u>	<u>Scope of Work</u>
2014-2015-001	Request for Proposal	Bradbury Stamm Construction, Inc.	\$ 8,335,392	\$ 607,401	Albuquerque, NM	yes	no	Ojo Caliente Elementary Renovation and Addition Project.
2015-2016	Invitation to Bid	Ferrellgas, Inc.	\$1.25 per gallon		Las Vegas, NM	yes	no	Vendor shall deliver and supply liquid petroleum gas to the district as needed.
2015-2016	Request for Proposal	LSG and Associates, LLC	\$70.00 per hour		Albuquerque, NM	yes	no	Speech and Lanuage Therapy, Psychologist, Orientation and Mobility, Diagnostician, Social Worker and Vision Therapist.



## COMPLIANCE SECTION

Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with Government Auditing Standards

§

Report on Compliance for Each Major Federal Program;  
Report on Internal Control Over Compliance; and  
Report on the Schedule of Expenditures of  
Federal Awards Required By Uniform Guidance

§

Schedule of Findings and Questioned Costs:  
Summary of Auditor's Results  
Financial Statement Findings  
Federal Award Findings

§

Summary Schedule of Prior Year Audit Findings

§

Schedule of Expenditures of Federal Awards  
Notes to the Schedule of Expenditures of Federal Awards

§

Required Disclosure

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

INDEPENDENT AUDITORS' REPORT

Tim Keller, State Auditor  
The Board of Education and  
The Audit Committee of Mesa Vista Consolidated School District No. 6

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, the budgetary comparisons of the general fund and major special revenue funds, of the Mesa Vista Consolidated School District No. 6 as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Mesa Vista Consolidated School District No. 6's basic financial statements, and the combining and individual funds and related budgetary comparisons of Mesa Vista Consolidated School District No. 6, presented as supplemental information, and have issued our report thereon dated November 2, 2016.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit, of the financial statements, we considered Mesa Vista Consolidated School District No. 6'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 Mesa Vista Consolidated School District No. 6's internal control. Accordingly, we do not express an opinion on the effectiveness of Mesa Vista Consolidated School District No. 6'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 Mesa Vista Consolidated School District No. 6's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a *material weakness*, yet important enough to merit attention by those charged with governance.

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

Tim Keller, State Auditor  
The Board of Education and  
The Audit Committee of Mesa Vista Consolidated School District No. 6

### Compliance and other matters

As part of obtaining reasonable assurance about whether Mesa Vista Consolidated School District No. 6's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. We also noted certain other matters that are required to be reported pursuant to Government Auditing Standards and pursuant to Section 12-6-5, NMSA 1978, which are described in the accompanying schedule of findings and questioned costs as findings 2016-001 through 2016-003.

### Mesa Vista Consolidated School District No. 6's Response to Findings

Mesa Vista Consolidated School District No. 6 responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Mesa Vista Consolidated School District No. 6's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Mesa Vista Consolidated School District No. 6'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.

*Accounting & Financial Solutions, LLC*  
Farmington, New Mexico  
November 2, 2016

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL  
OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY UNIFORM GUIDANCE

INDEPENDENT AUDITOR'S REPORT

Tim Keller, State Auditor  
The Board of Education and  
The Audit Committee of Mesa Vista Consolidated School District No. 6

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

We have audited Mesa Vista Consolidated School District No. 6's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Mesa Vista Consolidated School District No. 6's major federal programs for the year ended June 30, 2016. Mesa Vista Consolidated School District No. 6'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 Mesa Vista Consolidated School District No. 6's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Mesa Vista Consolidated School District No. 6'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 Mesa Vista Consolidated School District No. 6's compliance.

***Opinion on Each Major Federal Program***

In our opinion, Mesa Vista Consolidated School District No. 6 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Tim Keller, State Auditor  
The Board of Education and  
The Audit Committee of Mesa Vista Consolidated School District No. 6

### **Report on Internal Control Over Compliance**

Management of Mesa Vista Consolidated School District No. 6 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 Mesa Vista Consolidated School District No. 6'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 Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Mesa Vista Consolidated School District No. 6'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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Accounting & Financial Solutions, LLC*  
Farmington, New Mexico  
November 2, 2016

SCHEDULE OF EXPENDITURES  
OF FEDERAL AWARDS

STATE OF NEW MEXICO  
**MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
**Year Ended June 30, 2016**

<u>Federal Grantor/Pass - Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	Pass-Through Entity Identifying Number	<u>Passed To Subrecipients</u>	<u>Cluster Programs</u>	<u>Federal Expenditures</u>
<b>U.S. Department of Agriculture:</b>					
Direct Program:					
Forest Reserve	10.665	11000	\$ -		<u>\$ 20,123</u>
Pass-Through Program From:					
New Mexico Department of Education:					
<u>Child Nutrition Cluster:</u>					
USDA National School Lunch Program	10.555	21000	-	\$ 105,002	
USDA School Breakfast Program	10.553	21000	-	<u>67,897</u>	
Total Child Nutrition Cluster					172,899
Fresh Fruits and Vegetables	10.582	24118	-		6,707
Pass-Through Program From:					
New Mexico Human Service Department:					
USDA Commodities Program	10.565	21000	-		<u>7,588</u>
<i>Subtotal Pass-Through Programs</i>					<u>187,194</u>
<i>Total U.S. Department of Agriculture</i>					<u>207,317</u>
<b>U.S. Department of Education:</b>					
Direct Programs:					
Elementary School Counseling	84.215E	25215	-		287,336
Rural Education Achievement	84.358A	25233	-		<u>22,900</u>
<i>Subtotal Direct Programs</i>					<u>310,236</u>
Pass-Through Programs From:					
New Mexico Department of Education:					
<u>Special Education (IDEA) Cluster:</u>					
Entitlement IDEA-B	84.027	24106	-	95,842	
Preschool IDEA-B	84.173	24109	-	5,336	
IDEA-B "Risk Pool"	84.027	24120	-	55	
IDEA-B Student Success	84.027A	24132	-	<u>39,763</u>	
Total Special Education (IDEA) Cluster					140,996
Title I	84.010	24101	-		83,007
Title II Teacher Quality	84.367	24154	-		15,697
Title I School Improvement	84.010	24162	-		<u>8,111</u>
<i>Subtotal Pass-Through Programs</i>					<u>247,811</u>
<i>Total U.S. Department of Education</i>					<u>558,047</u>
<b>U.S. Department of Health and Human Services:</b>					
Pass-Through Program From:					
New Mexico Department of Health:					
Title XIX Medicaid	93.778	25153	<u>-</u>		<u>783</u>
Total Expenditures of Federal Awards			<u>\$ -</u>		<u>\$ 766,147</u>

See the accompanying notes to the Schedule of Expenditures of Federal Awards.



**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
 YEAR ENDED JUNE 30, 2016

**1. Scope of audit pursuant to OMB Uniform Grant Guidance**

All federal grant operations of Mesa Vista Consolidated School District No. 6 (the “District”) are included in the scope of the Office of management and Budget (“OMB”) Uniform Grant Guidance audit (the “Single Audit”). The Single Audit was performed in accordance with the provisions of the OMB Circular Compliance Supplement (Revised August 2016 the “Compliance Supplement”). Compliance testing of all requirements are described in the Compliance Supplement, was performed for the grants programs noted below. These programs represent all federal award programs and other grants with fiscal year 2016 cash and non-cash expenditures to ensure coverage of at least 20% (LOW risk auditee) of federally granted funds. Actual coverage is approximately 44% of total cash and non-cash federal award program expenditures. Total cash expenditures were in the amount of Total cash expenditures were in the amount of \$758,559 and all non-cash expenditures amounted to \$7,588.

<u>Major Federal Award Program Description</u>	<u>Fiscal 2016 Expenditure</u>
Cash assistance:	
Elementary School Counseling	\$ 287,336

The District did not have any federal program that were considered high risk Type A programs for the 2016.

The U.S. Department of Education is the School District’s oversight agency for single audit.

**2. Summary of significant accounting policies**

Basis of presentation

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal grant activity of the District under programs of the federal government for the year ended June 30, 2016. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Uniform Grant Guidance. Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position and changes in net position of the District. All federal programs considered active during the year ended June 30, 2016, are reflected on the Schedule. An active federal program is defined as a federal program for which there were receipts or disbursements of funds or accrued (deferred) grant revenue adjustments during the fiscal year or a federal program considered as not completed or closed out at the beginning of the fiscal year. The Schedule is prepared using the accrual basis of accounting. Grant revenues are recorded for financial reporting purposes when the District has met the qualifications for the respective grant. Grant revenues for the Food Donation Program are based upon commodities received, at amounts per standard price listing, published quarterly by the United States Department of Agriculture (the “USDA”). In addition, there is no federal insurance in effect during the year and loan or loan guarantee outstanding at year end.

Accrued and deferred reimbursements

Various reimbursement procedures are used for Federal awards received by the School District. Consequently, timing differences between expenditures and program reimbursements can exist at the beginning and end of the year. Accrued balances at year end represent an excess of reimbursable expenditures over receipts to date. Deferred balance at year-end represent an excess of cash receipts over reimbursable expenditure to date. Generally, accrued or deferred balances covered by differences in the timing of cash receipts and expenditures will be reversed in the remaining grant period.

**3. Reconciliation of Federal Awards to Expenditure of Federal Awards**

The differences between the federal awards received (Intergovernmental sources – federal) during the year ended June 30, 2016 and the federal awards expended during the year are as follows:

Federal sources	\$ 793,348
Indirect costs from federal programs	(15,612)
Unexpended federal sources	(11,589)
Prior year federal sources expended	-
Total expenditures of federal awards	\$ 766,147

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
 YEAR ENDED JUNE 30, 2016

**4. Unexpended Federal Awards**

There were federal awards received during the year ended June 30, 2016 that were not expended during the year. These awards will be reported in subsequent years when they have been expended. Those amounts are as follows:

	<u>CFDA #</u>	<u>Fund #</u>	PY Federal Sources		Unexpended Awards		
			Carryover	Expended	Carryover	2016	Total
			<u>During 2016</u>	<u>From PY</u>	<u>Awards</u>		<u>Total</u>
Food Service	10.555	21000	\$ -	\$ -	\$ 32		\$ 32
Title XIX Medicaid	93.778	25153	-	324	11,557		11,881
			<u>\$ -</u>	<u>\$ 324</u>	<u>\$ 11,589</u>		<u>\$ 11,913</u>

**5. Federal Awards Receivable**

There are federal programs that have not received reimbursement for expenditures made within those programs. The District expects to receive all reimbursement of federal awards in the following year and a receivable has been reported for those reimbursements. The following programs reported a receivable for the expenditures that had not been reimbursed as of June 30, 2016.

<u>Grantor/Program</u>	<u>CFDA #</u>	<u>Fund #</u>	<u>Grant Receivable</u>
U.S. Dept. of Education:			
Title I	84.010	24101	\$ 41,095
Entitlement IDEA-B	84.027	24106	66,797
Preschool IDEA-B	84.173	24109	5,835
Fresh Fruits and Vegetables	10.582	24118	6,707
IDEA-B "Risk Pool"	84.027	24120	55
IDEA-B Student Success	84.027A	24132	31,759
Title III English Language	84.365	24153	9,833
Title II Teacher Quality	84.367	24154	8,582
Title I School Improvement	84.010	24162	8,111
Elementary School Counseling	84.215E	25215	100,317
Rural Education Achievement	84.358A	25233	24,055
			<u>\$ 303,146</u>

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
 YEAR ENDED JUNE 30, 2016

I. SUMMARY OF AUDIT RESULTS

	<u>Yes</u>	<u>No</u>	<u>Occurrences</u>
<b>FINANCIAL STATEMENTS:</b>			
Type of auditor's report issued: <u>Unmodified</u>			
Internal control over financial reporting:			
Material weakness(es) identified?	—	✓	—
Significant Deficiency(ies) identified?	—	✓	—
Noncompliance material to financial statements noted?	—	✓	—
<b>FEDERAL AWARDS:</b>			
Internal control over major programs:			
Material weakness(es) identified?	—	✓	—
Significant Deficiency(ies) identified?	—	✓	—
Type of auditor's report issued on compliance with major programs: <u>Unmodified</u>			
Any audit findings disclosed that are required to be reported in accordance with Section 200.516 of the Uniform Guidance?	—	✓	—
The programs treated as major programs include:			
<u><b>Name of Federal Program or Cluster</b></u>			
Elementary School Counseling			
<u><b>CFDA Number</b></u>			
84.215E			
The threshold for distinguishing types A and B programs: <u>\$750,000</u>			
Auditee qualified as low-risk auditee?	✓	—	

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
YEAR ENDED JUNE 30, 2016

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II. FINDINGS RELATED TO FINANCIAL STATEMENTS

2016-001 – LACK OF CASH CONTROL  
*Other Non-Compliance*

Condition: Three out of thirty receipts tested had cash missing. On the first receipt, the executive secretary claims she did not count the deposit that she was receiving and simply took it to the bank. The deposit was \$1 short. On the second receipt, the executive secretary claims she gave the \$105 deposit to an employee to take to the bank. The employee claims that no deposit was ever given to him. No money was ever deposited or found. On the third receipt, the total of all receipts from the fund raiser totaled \$4,542, but the amount deposited was \$4,495, a difference of \$47. The deposit record shows that check #4970 was written down, but then crossed out with no total next to it. Copies of all the checks show that check #4970 was for \$47. The District doesn't know what happened to that check. Issuer of check stated on October 18, 2016 that the check has never cleared the bank.

Criteria: (Required for financial audits performed under Government Auditing Standards): The District must maintain control over all cash per 6-NMAC-2.2.1.14.11.

Cause: The District did not deposit money received or safe guard documentation proving that it was deposited.

Effect of condition: The District is lacking control over cash which is a violation of 1978 NMSA 6-10-2 and 6-NMAC-2.2.1.14.11.

Recommendation: The District must maintain control over all cash receipts.

Management's response: Employee is no longer employed with District. Errors were performed during the period of July of 2015 thru December 31, 2015. On several occasions, meetings were conducted in regards to these errors and reports were placed in personal record. Effective January 1, 2016, new employee was hired to Executive Secretary position. Current employee is following all procedures in place and Business Manager and Superintendent and will continue to monitor cash control.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
YEAR ENDED JUNE 30, 2016

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II. FINDINGS - FINANCIAL STATEMENTS AUDIT (cont'd)

2016-002 – DORMANT FUNDS  
*Other Non-Compliance*

Condition: The District has special revenue funds in the general ledger that are carrying balances forward from year to year but are not being utilized. The District is working with the Department of Education to get these funds transferred, repaid or spent. These funds are as follows:

<u>Fund #</u>	<u>Fund Name</u>	<u>Amount</u>
24153	Title III English Language	(9,833)
27106	Library Go Bond 2010	(1)
27200	State Directed Activities	71,751

Criteria: Good accounting policy necessitates the review of the general ledger to ensure that all existing funds are being utilized and that any funds that are not being used yet are carrying balances and appropriately adjusted.

Cause: Management is not following procedures to review the general ledger to ensure that the Cooperative gets the benefit of all funds available to the Cooperative and minimize the work required to maintain the general ledger.

Effect of condition: The extra funds that are not being utilized, but are carrying balances, create additional work for the District during the preparation of reports and the reviewing of the general ledger.

Recommendation: Management should implement procedures to review the general ledger to identify funds that are not being utilized so that cash balances can be used, covered, or reverted back to the originator.

Management's response: District's Business Manager will implement procedures to review the cash balances according to the General Ledger to identify funds that are not being used and proceed with a cash transfer request for approval by the Board of Education and State Department of Education. Business Manager has started in 16/17 School Year to carry on with cash transfer requests and will continue throughout the School Year.

For the last two years district's Business Manager has asked permission to either budget or transfer fund 27200-State Directed Activities to operational fund. State Department of Education has denied both requests. District will work with the State Department of Education to approve budget authority.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
YEAR ENDED JUNE 30, 2016

II. FINDINGS - FINANCIAL STATEMENTS AUDIT (cont'd)

2016-003 – BUDGET LINE ITEMS(S) OVER EXPENDED

*Other Non-Compliance*

Condition: There were unfavorable variances between actual and budgeted line item expenditures. The following funds had unfavorable variances between budgeted amounts at fiscal yearend: The District is working to improve the budget tracking process.

Instructional Materials	Instruction	\$	2
Title II Teacher Quality	Instruction	\$	1,255

Criteria: According to NMSA 1978 Section 22-8-11 B all fiscal agents of public monies have a responsibility to monitor spending to comply with established budget guidelines.

Cause: Improper monitoring of line item expenditures by comparing budgeted amounts and actual amounts spent allowed unfavorable (negative) variances, overspending of line item budgets, to occur.

Effect of condition: Violation of NMSA 1978 Section 22-8-11 B, over spending of public monies. Over expended budget line item could lead to expenditures being paid in excess of the authorized budget.

Recommendation: Management should implement immediate steps to provide adequate financial reports to allow for proper and timely monitoring of line item expenditures. Budget adjustment requests should be approved by the Board of Education and State Department of Education (when required) to receive approval to make necessary changes to the records prior to being presented for audit.

Management's response: Mesa Vista School District's Business Manager will implement steps to allow for proper and timely monitoring of line item expenditures. Monthly budget adjustments requests will be submitted to the Board of Education and State Department of Education for approval to make necessary changes. Business Manager has started in 16/17 School Year to carry on with monitoring of line item expenditures and will continue throughout the School Year.

Instructional Materials (14000) was over expended by \$2 in budget, however when all districts enter budget in OBMS all dollars are rounded up with no cents. During the middle of our fiscal year, district received funding in the amount of \$3,443.64 for Instructional Materials. Business Manager entered into accounting system \$3,443.64. However, PED rounded amount to \$3,443.00. We are a very low funded district and Business Manager accounts for every dollar and penny that is issued. District is hoping in the future, PED will allow cents to be entered into OBMS.

III. AUDIT FINDINGS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

There were no findings required to be reported relating to federal awards.

## SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2016

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### I. NOT RESOLVED

There were no findings to be reported from the prior year.

### II. RESOLVED

2012 – 003 UNTIMELY DEPOSITS

*Current Status:* Resolved. Not repeated in the current year.

2013 – 006 PURCHASE BEFORE PURCHASE ORDER

*Current Status:* Resolved. Not repeated in the current year.

2016 – 001 TRAVEL REIMBURSEMENT

*Current Status:* Resolved. Not repeated in the current year.

2016 – 002 MISSING BACKGROUND CHECKS

*Current Status:* Resolved. Not repeated in the current year.

## REQUIRED DISCLOSURE

YEAR ENDED JUNE 30, 2016

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The independent public accountants assisted in the preparation of the financial statements.

An exit conference was held November 3, 2016 during which the audit findings were discussed. The exit conference was attended by the following individuals:

### MESA VISTA CONSOLIDATED SCHOOL DISTRICT NO. 6

Andy R. Lopez	President, Board of Education
Ernesto Valdez	Superintendent/ Member, Audit Committee
Brenda Halder	Business Manager/ Member, Audit Committee

### ACCOUNTING & FINANCIAL SOLUTIONS, LLC

Terry Ogle, CPA	Partner
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