

**STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS**

**AUDITED FINANCIAL STATEMENTS
AND OTHER FINANCIAL INFORMATION
JUNE 30, 2016**

Woodard , Cowen & Co.

Certified Public Accountants

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS
JUNE 30, 2016

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STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

OFFICIAL ROSTER

June 30, 2016

BOARD OF EDUCATION

Greg Cory	President
Gina Klinekole	Vice President
Shane Holder	Secretary
Rifle Salas	Member
Marc Beatty	Member

SCHOOL OFFICIALS

Dr. George Bickert	Superintendent
Caron Snow	Director of Finance

Woodard, Cowen & Co.

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Timothy Keller
New Mexico State Auditor
School Board
Ruidoso Municipal Schools
Ruidoso, New Mexico

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of Ruidoso Municipal Schools (the District) as of and for the year ended June 30, 2016, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's non-major governmental, fiduciary funds and the budgetary comparisons for all non-major 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 misstatements, 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 of material misstatement.

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

The District has omitted the Management Discussion and Analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, 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. Our opinion on the basic financial statements is not affected by the omission of the Management Discussion and Analysis.

Other Information

Accounting principles generally accepted in the United States of America require that the Schedule of Proportionate Share of the Net Pension Liability on page 89, the Schedule of Contributions on page 90, with the notes to the required supplementary information of page 91 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 this required supplementary information in accordance with the 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.

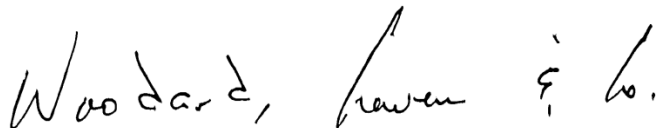
Our audit was conducted for the purpose of forming opinions on the District's financial statements, the combining and individual fund financial statements and budgetary comparisons. The Schedule of Expenditures of Federal Awards and the schedules required by Section 2.2.2 NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of changes in assets and liabilities – agency funds, the Schedule of Expenditures of Federal Awards, and the additional schedules listed as “required supplemental information” in the table of contents 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, except for the Vendor Listing on pages 92 and 93 of this report, 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 changes in assets and liabilities – agency funds and the additional schedules listed as “required supplemental information” in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The Schedule of Vendor Information schedule on pages 92 and 93 of this report 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 14, 2016 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Woodward, Steven E. Co." The signature is written in a cursive, slightly slanted style.

Portales, New Mexico
November 14, 2016

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF NET POSITION

June 30, 2016

<u>ASSETS</u>	Governmental Activities Primary Government
Current:	
Cash	\$ 12,722,855
Due from other governments	413,738
Property Taxes Receivable	254,937
Inventory	5,326
Non-current:	
Capital assets, Net	55,337,999
Total assets	<u>\$ 68,734,855</u>
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows from pensions	2,113,685
 <u>LIABILITIES</u>	
Current:	
Accounts Payable	\$ -
Accrued Payroll	708,817
Accrued Interest Payable	281,700
Compensated Absences	74,454
Debt due within one year	3,155,000
Non-current:	
Bond premium (net of amortization of \$75,625)	439,849
Net Pension Liability	22,057,035
Debt due in more than one year	25,100,000
Total liabilities	<u>51,816,855</u>
 DEFERRED INFLOWS OF RESOURCES	
Deferred inflows from pensions	1,484,214
Unearned Revenue	37,915
Total deferred inflows of resources	<u>1,522,129</u>
 <u>NET POSITION</u>	
Net Investment in Capital Assets	27,082,999
Restricted for:	
Debt Service	3,928,342
Bond Building	1,105,839
Senate Bill Nine	2,250,037
Athletics	37,063
Cafeteria	331,533
Instructional Materials	50,118
Unrestricted	(17,276,375)
Total net position	<u>\$ 17,509,556</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue & Changes in Net Position
Primary government:					
Governmental Activities:					
Instruction	\$ 9,420,225	\$ 50,909	\$ 955,735	\$ -	\$ (8,413,581)
Support Services					
Support Services-Students	1,877,062	-	748,010	-	(1,129,052)
Support Services-Instruction	474,440	-	30,355	-	(444,085)
Support Services-General Administration	487,609	-	55,813	-	(431,796)
Support Services-School Administration	1,084,681	-	42,413	-	(1,042,268)
Central Services	571,518	-	-	-	(571,518)
Operation & Maintenance of Plant	4,278,556	-	-	-	(4,278,556)
Student Transportation	967,455	-	968,435	-	980
Food Services-Operations	1,009,469	137,910	997,367	-	125,808
Community Services-Operations	-	-	-	-	-
Other Support Services	1,526	-	-	-	(1,526)
Bond Interest Paid	791,589	-	-	-	(791,589)
Bond Issuance Cost	97,284	-	-	-	(97,284)
Depreciation-Unallocated	2,089,610	-	-	-	(2,089,610)
Total governmental activities	\$ 23,151,024	\$ 188,819	\$ 3,798,128	\$ -	\$ (19,164,077)
General Revenues:					
Property Taxes:					
Levied for General Purposes					235,235
Levied for Debt Service					4,007,530
Levied for Capital Projects					1,348,038
State Equalization Guarantee					14,123,615
Federal Sources					792,955
Private Grants					2,027
Indirect Costs					31,929
Interest Earnings					24,797
Rent					95,100
Fees					51,547
Gain on Land Trade					402,569
Miscellaneous					5,657
			Total general revenues		21,120,999
			Change in net position		1,956,922
			Net position - beginning		15,551,694
			Restatement		940
			Restated Balance		15,552,634
			Net position - ending	\$	17,509,556

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

BALANCE SHEET-- GOVERNMENTAL FUNDS

June 30, 2016

	GENERAL	FOOD SERVICES	TITLE I	IDEA B ENTITLEMENT
ASSETS				
Cash on Deposit	\$ 4,970,115	\$ 326,207	\$ -	\$ -
Due from Other Funds	413,729	-	-	-
Due from Other Agencies	-	-	162,220	178,291
Property Tax Receivable	11,168	-	-	-
Inventory	-	5,326	-	-
TOTAL ASSETS	\$ 5,395,012	\$ 331,533	\$ 162,220	\$ 178,291
LIABILITIES AND FUND BALANCE				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Payroll	708,817	-	-	-
Inter Agency Payable	-	-	-	-
Due to Other Funds	-	-	162,220	178,291
TOTAL LIABILITIES	708,817	-	162,220	178,291
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	7,557	-	-	-
Unearned Revenue	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	7,557	-	-	-
FUND BALANCE				
Nonspendable	-	5,326	-	-
Restricted:				
Transportation	981	-	-	-
Instructional Materials	50,118	-	-	-
Capital projects Funds	-	-	-	-
Debt Service	-	-	-	-
Cafeteria	-	326,207	-	-
Athletics	-	-	-	-
Special Revenue Funds	-	-	-	-
Unassigned	4,627,539	-	-	-
TOTAL FUND BALANCE	4,678,638	331,533	-	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 5,395,012	\$ 331,533	\$ 162,220	\$ 178,291

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

SENATE BILL NINE	DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
\$ 2,227,476	\$ 3,858,480	\$ 1,340,573	\$ 12,722,851
-	-	-	413,729
-	-	73,227	413,738
61,674	181,352	743	254,937
-	-	-	5,326
<u>\$ 2,289,150</u>	<u>\$ 4,039,832</u>	<u>\$ 1,414,543</u>	<u>\$ 13,810,581</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	708,817
-	-	73,218	-
-	-	73,218	413,729
-	-	-	1,122,546
40,784	119,482	728	168,551
-	-	37,915	37,915
<u>40,784</u>	<u>119,482</u>	<u>38,643</u>	<u>206,466</u>
-	-	-	5,326
-	-	-	981
-	-	-	50,118
2,248,366	-	1,107,866	3,356,232
-	3,920,350	1,194	3,921,544
-	-	-	326,207
-	-	37,063	37,063
-	-	156,559	156,559
-	-	-	4,627,539
<u>2,248,366</u>	<u>3,920,350</u>	<u>1,302,682</u>	<u>12,481,569</u>
<u>\$ 2,289,150</u>	<u>\$ 4,039,832</u>	<u>\$ 1,414,543</u>	<u>\$ 13,810,581</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

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	\$ 12,481,569
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	55,337,999
Compensated absences	(74,454)
Property taxes receivable not available for current year expenditures and therefore are deferred in the funds	168,551
Net Pension Liability not reported in the funds	(22,057,035)
Deferred outflows of resources related to pensions not reported in the funds	2,113,685
Deferred inflows of resources related to pension not reported in the funds	(1,484,214)
Accrued Interest Payable not reported in funds	(281,700)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	(28,255,000)
Bond Premium not included in funds	<u>(439,845)</u>
Net position of governmental activities	<u><u>\$ 17,509,556</u></u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCE-- GOVERNMENTAL FUNDS

Year Ended June 30, 2016

	General	FOOD SERVICES	TITLE I	IDEA B ENTITLEMENT
REVENUE				
Federal Programs	\$ 521,438	\$ 989,798	\$ 468,284	\$ 600,728
State Programs	1,062,284	-	-	-
State Equalization	14,123,615	-	-	-
Interest Earnings	11,201	760	-	-
Private/Direct Grants	-	-	-	-
Fees	51,547	137,910	-	-
Indirect Cost	31,929	-	-	-
Rent and Royalties	95,100	-	-	-
Refunds of Prior Year's Expenditures	7,426	-	-	-
Forest Reserve	94,557	-	-	-
Sale of Bond Proceeds	-	-	-	-
Premium on Bond Sale	-	-	-	-
Local Property Taxes	234,926	-	-	-
TOTAL REVENUES	16,234,023	1,128,468	468,284	600,728
EXPENDITURES				
Current				
Instruction	8,586,966	-	83,658	282,389
Support Services				
Support Services-Students	1,050,176	-	324,430	302,941
Support Services-Instruction	434,144	-	23,058	-
Support Services-General Administration	382,169	-	37,138	15,398
Support Services-School Administration	1,041,812	-	-	-
Central Services	577,153	-	-	-
Operation & Maintenance of Plant	2,311,102	-	-	-
Student Transportation	921,764	-	-	-
Other Support Services	-	-	-	-
Food Services-Operations	-	1,001,900	-	-
Community Services-Operations	-	-	-	-
Acquisition & Construction	-	-	-	-
Debt Service				
Other Bond Services	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
TOTAL EXPENDITURES	15,305,286	1,001,900	468,284	600,728
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	928,737	126,568	-	-
Other Financing Sources (uses)				
Refunds to PED	-	-	-	-
Transfers In/Out	-	-	-	-
Total Other Financial Sources	-	-	-	-
Net Change In Fund Balance	928,737	126,568	-	-
FUND BALANCE				
as of June 30, 2015	3,749,447	204,965	-	-
Restatement	454	-	-	-
Restated Balance	3,749,901	204,965	-	-
FUND BALANCE as of June 30, 2016	\$ 4,678,638	\$ 331,533	\$ -	\$ -

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

SENATE BILL NINE	DEBT SERVICE	Other Governmental Funds	Total Governmental
\$ -	\$ -	\$ 450,137	\$ 3,030,385
-	-	402,088	1,464,372
-	-	-	14,123,615
4,478	4,547	3,811	24,797
-	-	2,027	2,027
-	-	50,353	239,810
-	-	-	31,929
-	-	-	95,100
-	-	556	7,982
-	-	-	94,557
-	-	-	-
-	5,291	-	5,291
1,346,367	4,000,364	367	5,582,024
<u>1,350,845</u>	<u>4,010,202</u>	<u>909,339</u>	<u>24,701,889</u>
-	-	548,424	9,501,437
-	-	216,442	1,893,989
-	-	21,384	478,586
13,255	39,387	3,281	490,628
-	-	53,710	1,095,522
-	-	-	577,153
-	-	-	2,311,102
-	-	45,691	967,455
-	1,526	-	1,526
-	-	7,569	1,009,469
-	-	-	-
1,753,964	-	921,681	2,675,645
-	-	-	-
-	3,035,000	-	3,035,000
-	693,513	-	693,513
<u>1,767,219</u>	<u>3,769,426</u>	<u>1,818,182</u>	<u>24,731,025</u>
(416,374)	240,776	(908,843)	(29,136)
-	-	-	-
-	-	-	-
<u>(416,374)</u>	<u>240,776</u>	<u>(908,843)</u>	<u>(29,136)</u>
2,664,740	3,679,574	2,211,039	12,509,765
-	-	486	940
<u>2,664,740</u>	<u>3,679,574</u>	<u>2,211,525</u>	<u>12,510,705</u>
<u>\$ 2,248,366</u>	<u>\$ 3,920,350</u>	<u>\$ 1,302,682</u>	<u>\$ 12,481,569</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE OF
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	\$ (29,136)
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 depreciation exceeded capital outlay in the current year.	(1,391,231)
Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered "available" revenues in the governmental funds, and are instead reported as deferred revenues. They are however, recorded as revenues in the Statement of Activities.	8,779
(Increase)/Decrease in pension expense from the difference in allocated pension expense less the District's actual pension contributions.	140,069
Expenses in the statement of activities which do not require use of current financial resources	
Gain on Land Trade	402,569
Bond Premium	(5,291)
Interest from Bond Refi	(251,402)
Bond Issuance Costs	(97,284)
Decrease in interest Payable	77,701
Increase in compensated absences	(8,477)
Bond Principal	3,035,000
Bond Premium Amortization	<u>75,625</u>
Change in Net Position	<u>\$ 1,956,922</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS
COMBINED STATEMENT OF REVENUE AND EXPENDITURES--BUDGET
(NON-GAAP) AND ACTUAL-GENERAL FUND
Year Ended June 30, 2016

	General Fund			VARIANCE
	ORIGINAL BUDGET	BUDGET	ACTUAL	Favorable (Unfavorable)
REVENUE				
Residential/Non-Residential Taxes	\$ 225,558	\$ 225,558	\$ 231,315	\$ 5,757
Fees-Users	25,000	25,000	51,547	26,547
Interest Income	2,500	2,500	11,201	8,701
State Equalization	14,323,372	14,323,372	14,123,615	(199,757)
Impact Aid	304,413	304,413	409,465	105,052
Rent	65,000	65,000	95,100	30,100
Access Board	-	-	111,973	111,973
Refunds	-	-	7,426	7,426
Indirect Cost - (DFG)	1,300	1,300	-	(1,300)
Indirect Cost - (Flow Through Grants)	24,000	24,000	31,929	7,929
Forest Reserve	-	-	94,557	94,557
State Sources	967,359	1,052,842	1,062,284	9,442
TOTAL REVENUE	<u>15,938,502</u>	<u>16,023,985</u>	<u>16,230,412</u>	<u>\$ 196,985</u>
Cash Balance Budgeted	2,460,543	2,512,162		
TOTAL REVENUE & CASH	<u>\$ 18,399,045</u>	<u>\$ 18,536,147</u>		
EXPENDITURES				
Current				
Instruction	9,209,895	9,279,747	8,589,820	\$ 689,927
Support Services				
Support Services-Students	1,606,347	1,606,347	1,050,176	556,171
Support Services-Instruction	659,591	659,591	434,144	225,447
Support Services-General Administration	617,715	617,715	382,169	235,546
Support Services-School Administration	1,212,926	1,212,926	1,041,812	171,114
Central Services	671,220	671,220	577,153	94,067
Operation & Maintenance of Plant	2,703,309	2,703,309	2,311,102	392,207
Student Transportation	855,494	922,744	921,764	980
Other Support Services	862,548	862,548	-	862,548
TOTAL EXPENDITURES	<u>\$ 18,399,045</u>	<u>\$ 18,536,147</u>	<u>\$ 15,308,140</u>	<u>\$ 3,228,007</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 16,230,412
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 16,234,023</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 15,308,140
Differences-budget to GAAP	
Accounts Payable	(2,854)
Total Expenditures (GAAP Basis)	<u>\$ 15,305,286</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--CAFETERIA

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Fees-Users	\$ 160,000	\$ 160,000	\$ 137,910	\$ (22,090)
Interest Income	400	400	760	360
Federal Revenue	915,500	915,500	951,409	35,909
TOTAL REVENUE	<u>1,075,900</u>	<u>1,075,900</u>	<u>\$ 1,090,079</u>	<u>\$ 14,179</u>
Cash Balance Budgeted	<u>209,126</u>	<u>209,126</u>		
TOTAL REVENUE & CASH	<u>\$ 1,285,026</u>	<u>\$ 1,285,026</u>		
EXPENDITURES				
Current				
Food Services-Operations	\$ 1,285,026	\$ 1,285,026	\$ 966,207	\$ 318,819
TOTAL EXPENDITURES	<u>\$ 1,285,026</u>	<u>\$ 1,285,026</u>	<u>\$ 966,207</u>	<u>\$ 318,819</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 1,090,079
Differences-Budget to GAAP	
Property tax Receivable	
Prior Year Tax Receivables	
Current Year Receivable	
Prior Year Receivable	
Current Year Deferral	
Prior Year Deferral	
Commodities Received	38,389
Total Revenues (GAAP Basis)	<u>\$ 1,128,468</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 966,207
Differences-budget to GAAP	
Cost of Commodities Used	38,389
Inventory Adjustment	(2,696)
Total Expenditures (GAAP Basis)	<u>\$ 1,001,900</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--TITLE I

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 528,056	\$ 496,559	\$ 461,165	\$ (35,394)
TOTAL REVENUE	<u>528,056</u>	<u>496,559</u>	<u>\$ 461,165</u>	<u>\$ (35,394)</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 528,056</u>	<u>\$ 496,559</u>		
EXPENDITURES				
Current				
Instruction	\$ 150,019	\$ 103,387	\$ 83,658	\$ 19,729
Support Services				
Support Services-Students	309,017	324,432	324,430	2
Support Services-Instruction	24,911	24,631	23,058	1,573
Support Services-General Administration	44,109	44,109	37,138	6,971
Support Services-School Administration	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 528,056</u>	<u>\$ 496,559</u>	<u>\$ 468,284</u>	<u>\$ 28,275</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 461,165
Differences-Budget to GAAP	
Current Year Receivable	162,220
Prior Year Receivable	(155,101)
Total Revenues (GAAP Basis)	<u>\$ 468,284</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 468,284
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 468,284</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--ENTITLEMENT

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 471,584	\$ 607,773	\$ 607,519	\$ (254)
TOTAL REVENUE	<u>471,584</u>	<u>607,773</u>	<u>\$ 607,519</u>	<u>\$ (254)</u>
Cash Balance Budgeted	<u> </u>	<u> </u>		
TOTAL REVENUE & CASH	<u>\$ 471,584</u>	<u>\$ 607,773</u>		
EXPENDITURES				
Current				
Instruction	\$ 243,539	\$ 282,389	\$ 282,389	\$ -
Support Services				
Support Services-Students	210,387	307,726	302,941	4,785
Support Services-Instruction	-	-	-	-
Support Services-General Administration	17,658	17,658	15,398	2,260
TOTAL EXPENDITURES	<u>\$ 471,584</u>	<u>\$ 607,773</u>	<u>\$ 600,728</u>	<u>\$ 7,045</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 607,519
Differences-Budget to GAAP	
Current Year Receivable	178,291
Prior Year Receivable	(185,082)
Total Revenues (GAAP Basis)	<u>\$ 600,728</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 600,728
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 600,728</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

SCHEDULE OF FIDUCIARY ASSETS & LIABILITIES--AGENCY FUND

June 30, 2016

ASSETS	
Cash on Deposit	\$ 212,951
Due from Operational	-
TOTAL ASSETS	<u>\$ 212,951</u>
LIABILITIES	
Due to Student Groups	\$ 212,951
TOTAL LIABILITIES	<u>\$ 212,951</u>

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

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

I. Summary of Significant Accounting Policies

A. Reporting Entity

Ruidoso Municipal School 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 Village of Ruidoso and surrounding area. The District is responsible for all activities related to public elementary and secondary school education within its jurisdiction. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

The 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 Ruidoso Municipal School District's management who is responsible for their integrity and objectivity. The financial statements of the District conform to generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (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.

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic – but not the only – criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of the governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens, A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, there were no component units.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the school district. For the most part, the effect of interfund 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 is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes 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 uncollectible amounts, in the year for which they are levied, even if not available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

I. Summary of Significant Accounting Policies (continued)

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

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

Property taxes, 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 Funds – 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.

FOOD SERVICES – The purpose of this account is to receive income from lunch sales or state and federal school lunch grants, and to make disbursements for those activities, which have as their purpose the preparation and serving of meals, lunches or snacks in connection with bona-fide food service operations in agreement with the School Lunch Division of the State Department of Education. Authority for the creation of this fund is NMSA 1978, 22-13-13.

TITLE I – The Title I project provides remedial instruction in language arts for educationally deprived students in low-income areas. The project is funded by the Federal Government through the New Mexico State Department of Education under the Elementary and Secondary Education Act of 1965, Title I, Chapter I, part A, 20 U.S.C. 2701 et seq.

IDEA B ENTITLEMENT – P.L. 94-142, Individuals with Disabilities Education Act—to account for a federal grant restricted to the operation and maintenance of meeting the special education need of children with disabilities. Authority for the creation of this fund is Individuals with Disabilities Act, Part B, Sec. 611, as amended; Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100-630 and 101-476; 20 U.S.C. 1401-1419, Public Law 105-17

SB 9 (Capital Projects Fund) – To account for 2 mill levy restricted by board resolution for erecting, remodeling, making additions to, providing equipment for, furnishing school buildings, and improving school grounds and maintenance of school buildings and grounds exclusive of salary expense of employees. Authority for the creation of this fund is NMSA 1978, 22-25-1 to 22-25-10.

Debt Service Fund – 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.

The government also reports the following fund types:

Governmental Funds:

Nonmajor Special Revenue Funds – The District accounts for resources restricted to, or designated for, a specific purpose by the District or a grantor in a special revenue fund.

Nonmajor Debt Service Funds – The District accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds in a debt service fund.

Nonmajor Capital Project Funds – The proceeds from long-term debt financing and revenues and expenditures related to authorized construction and other capital asset acquisitions are accounted for in a capital projects fund.

Fiduciary Funds:

Agency Funds – The District accounts for resources held for others in a custodial capacity in agency funds. The District's Agency Fund is the Student Activity Fund.

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

I. Summary of Significant Accounting Policies (continued)

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

Similar to private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. The government has elected not to follow subsequent private-sector guidance. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

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.

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

D. Assets, liabilities, and net assets 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.

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 of the District must follow the investment policies listed below.

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 to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

The School 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. The assessed valuation for the 2016 fiscal year was \$675,783,723. 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.

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

I. Summary of Significant Accounting Policies (continued)

D. Assets, liabilities, and net assets or equity (continued)

3. Inventories

The food inventories are valued at cost using the first-in/first-out (FIFO) method. USDA Commodities are recorded at estimated costs. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

4. Capital assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental-wide financial statements. The government defines capital assets as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life that extends beyond a single reporting period. The District is capitalizing qualifying software and library books as required. 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.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

<u>Assets</u>	<u>Years</u>
Buildings	40
Building Improvements	20
Vehicles and Equipment	5

5. Compensated absences

All District employees on a 12 month contract earn annual leave at a rate of 10 days per year. Twelve month District employees, upon receipt of a second consecutive 12 month contract earn 15 days per year. Employees shall not accumulate more than 15 days of annual leave upon termination; employees are paid for their accrued annual leave, up to a maximum of 15 days.

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 assets. 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. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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.

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

I. Summary of Significant Accounting Policies (continued)

D. Assets, liabilities, and net assets or equity (continued)

7. Fund equity

For the government-wide financial statements, net assets are reported as restricted when constraints are placed on net asset use are either 1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws and regulations of other governments; 2) Imposed by law through constitutional provisions or enabling legislation.

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

8. Comparative data/reclassifications

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

9. Indirect Costs

The School 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.

10. Salaries and Wages

The School District pays all salaries and wages due teachers on or before June 30th of each year.

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 \$14,123,615 in state equalization guarantee distributions during the year ended June 30, 2016.

D. Assets, liabilities, and net assets or equity

12. Revenues

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 \$922,744 in transportation distributions during the year ended June 30, 2016.

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

II. Reconciliation of government-wide and fund financial statements

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes reconciliation between fund *balance total governmental funds and net assets - governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains, long-term liabilities, including bonds payable, is not due and payable in the current period and therefore is not reported in the funds." The details of the \$28,255,000 difference are as follows:

Bonds Payable	\$ 28,255,000
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	<u>\$ 28,255,000</u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between *net changes in fund balances - total governmental funds and changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that 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." The details of this \$1,391,231 difference are as follows:

Capital Outlay	\$ 698,379
Depreciation expense	<u>2,089,610</u>
Net adjustment to increase net changes in fund balances – total government funds to arrive at changes in net assets of governmental activities	<u>\$ (1,391,231)</u>

Another element of that reconciliation states "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this \$3,035,000 difference are as follows:

Principal repayments:	
General obligation debt	\$ 3,035,000
Net adjustment to decrease net changes in fund balances- total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 3,035,000</u>

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

III. 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.

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 reappropriated 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. The legal level of budgetary control is at the function level.

Actual expenditures may not exceed the budget on the function level, 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:

- 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.
- In May or June, the budget is approved by the Board of Education
- 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.
- 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.
- 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 Fund	\$ 18,399,045	\$ 15,308,142
Special Revenue Fund	3,279,787	2,947,145
Debt Service	7,483,617	3,769,430
Capital Projects Fund	5,894,779	2,688,900
	<u>\$ 35,057,228</u>	<u>\$ 24,713,617</u>

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

III. Stewardship, compliance, and accountability (continued)

B. Deficit fund equity

There were not any deficit fund balances at June 30, 2016.

IV. Detailed notes on all funds

A. Cash and temporary investments

At June 30, 2016, the carrying amount of the District's deposits was \$12,266,986 and the bank balance was \$13,216,832. Of this balance \$250,000 was covered by federal depository insurance and \$14,750,000 was covered by collateral held in the District's name in joint safekeeping by a third party.

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 collateral pledged is identified in the Supplementary Information 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.

Custodial Credit Risk – Deposits

Custodial Credit Risk is the risk that in the event of bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial risk. As of June 30, 2016, none of the government's bank balance of \$13,216,832 was exposed to custodial risk as follows:

Uninsured and Uncollateralized	\$ 0
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STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

IV. Detailed notes on all funds (continued)

B. Receivables

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

	Due From Other Agencies	Property Taxes Receivable
General Funds	\$ -	\$ 11,168
Senate Bill Nine	-	61,674
Debt Service	-	181,352
Ed Tech Debt Service	-	743
Title I	162,220	-
Entitlement	178,291	-
New Mexico Autism Project	299	-
IDEA B Risk Pool	390	-
Preschool	10,129	-
Title I School Improvement	19,417	-
Teacher/Principal Training	4,822	-
Rural and Low Income Schools	11,824	-
Pre-K Initiative	2,492	-
Breakfast for Elementary Students	3,372	-
2012 GO Bond Student Library	20,482	-
Totals	<u>\$ 413,738</u>	<u>\$ 254,937</u>

Governmental funds reported *deferred inflows of resources* 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. Amounts due to the District from delinquent property tax due to the County Treasurer were not available. At the end of the current fiscal year, the various components of *unavailable revenue* and *unearned revenue* reported in the governmental funds were as follows:

	<u>Unavailable</u>
Grant draw downs prior to meeting all eligibility requirements	\$ 37,915
Property Taxes – Delinquent	<u>168,551</u>
Total deferred/unearned revenue for governmental funds	<u>\$ 206,466</u>

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

IV. Detailed notes on all funds (continued)

C. Capital Assets

Capital asset activity for the year ended June 30, 2015, was as follows:

	Balance 06/30/14	Adjustments	Increases	Decreases	Balance 06/30/15
Governmental Activities					
Capital Assets not being depreciated					
Land	\$ 1,340,817	\$ -	\$ 820,000	\$ 417,431	\$ 1,743,386
Construction in Progress	-	-	-	-	-
Total Capital Assets not being depreciated	1,340,817	-	820,000	417,431	1,743,386
Capital Assets being depreciated					
Buildings & Improvements	67,073,841	-	536,107	-	67,609,948
Land Improvements	10,266,809	-	-	-	10,266,809
Equipment	2,001,110	-	162,272	4,290	2,159,092
Total Capital Assets being depreciated	79,341,760	-	698,379	4,290	80,035,849
Less: Accumulated Depreciation					
Buildings & Improvements	19,709,737	-	1,516,116	-	21,225,853
Land Improvements	3,198,037	-	449,037	-	3,647,074
Equipment	1,448,142	-	124,457	4,290	1,568,309
Total Accumulated Depreciation	24,355,916	-	2,089,610	4,290	26,441,236
Net Capital Assets being depreciated	54,985,844	-	(1,391,231)	-	53,594,613
Total Net Capital Assets	\$ 56,326,661	\$ -	\$ (571,231)	\$ 417,431	\$ 55,337,999

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

Depreciation expense was not charged to function/programs of the School District because the detail information was not available due to historical date not being available.

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

IV. Detailed notes on all funds (continued)

D. Long-term debt – General Obligation Bonds

Series	Original Amount	Interest Rate	Balance 6/30/2015	Additions	Retirements	Balance 6/30/2016	Amount Due in One Year
2006	14,500,000	5.00%	1,000,000	-	1,000,000	-	-
2007	8,500,000	5.00%	6,100,000	-	5,500,000	600,000	600,000
2008	3,000,000	4.00%	1,850,000	-	1,400,000	450,000	250,000
		2.00%-					
2011	9,000,000	2.875%	8,400,000	-	300,000	8,100,000	100,000
2013	5,000,000	2.00%-3.00%	3,985,000	-	710,000	3,275,000	100,000
2014	9,980,000	1.50%-3.00%	9,730,000	-	225,000	9,505,000	1,300,000
2015	6,325,000	1.25%-2.00%		6,325,000	-	6,325,000	805,000
Total	\$ 56,305,000		\$ 31,065,000	\$ 6,325,000	9,135,000	\$ 28,255,000	\$ 3,155,000

Fiscal Year	Principal	Interest	Total
2017	3,155,000	620,070	3,775,070
2018	2,550,000	521,613	3,071,613
2019	2,725,000	476,488	3,201,488
2020	3,000,000	425,238	3,425,238
2021	2,950,000	366,644	3,316,644
2022-2025	13,875,000	833,451	14,708,451
	\$ 28,255,000	\$ 3,243,504	\$ 31,498,504

The bonds and bond interest are paid from property tax levies enacted specifically for the debt retirement. The revenues pledged totaled \$3,938,494 at June 30, 2016, and equal to 100% of the tax levies enacted to repay the bonded indebtedness. The bonds were sold to erect and furnish facilities for the District. The property tax levies will expire when the related bond indebtedness is repaid.

During the year ended June 30, 2016, the District recognized \$3,938,494 in property taxes pledged to retire the bonded indebtedness, and retired \$3,728,513 in bond principal and interest.

Legal Debt Margin

The legal debt margin is specified by Article IX Section 11 of the Constitution of the State of New Mexico as not greater than 6% of the assessed value of the taxable property within the School District. Based on these criteria, the maximum general obligation debt permissible is \$40,547,023 including \$28,255,000 debt outstanding based on the 2016 initial valuation.

Advance Refunding of Debt

On May 20, 2014, the District issued \$9,980,000 in General Obligation Bonds with interest rates from 1.5% to 3.0% to advance refund \$9,980,000 of the \$11,980,000 outstanding Series 2006 General Obligation Bonds with an interest rate of 5.0%. The District chose to undertake this advance refunding to reduce future interest expenditures by taking advantage of lower interest rates.

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

IV. Detailed notes on all funds (continued)

D. Long-term debt – General Obligation Bonds (continued)

Summary of savings comparison of prior debt service to refunding debt service:

Date	Prior Debt Service	Unrefunded Bonds	2015 Refunding Bonds	New Debt Service	Savings
2/1/2016	\$ 118,075	\$ -	\$ -	\$ -	\$ 118,075
8/1/2016	118,075	-	890,720	890,720	(772,645)
2/1/2017	118,075	-	48,544	48,544	69,531
8/1/2017	618,075	-	548,544	548,544	69,531
2/1/2018	108,075	-	44,794	44,794	63,281
8/1/2018	858,075	-	794,794	794,794	63,281
2/1/2019	93,988	-	39,169	39,169	54,819
8/1/2019	993,988	-	939,169	939,169	54,819
2/1/2020	76,925	-	32,419	32,419	44,506
8/1/2020	1,126,925	-	1,057,419	1,057,419	69,506
2/1/2021	56,813	-	23,450	23,450	33,363
8/1/2021	1,356,813	-	1,123,450	1,123,450	233,363
2/1/2022	31,375	-	12,450	12,450	18,925
8/1/2022	1,631,375	-	1,257,450	1,257,450	373,925
	<u>\$ 7,306,650</u>	<u>\$ -</u>	<u>\$ 6,812,370</u>	<u>\$ 6,812,370</u>	<u>\$ 494,280</u>

The total gross savings of \$494,280 less the \$97,284 paid by the District results in a present value savings percentage of principal of 5.4334%.

E. Compensated Absences

Liability for Compensated Absences

Balance June 30, 2015	Vacation Used	Vacation Accrued	Balance June 30, 2016	Amount Due in One Year
\$65,977	\$45,174	\$53,651	\$74,454	\$74,454

The operational fund, which is a part of the general fund, has typically been used in the past to liquidate other long term liabilities such as compensated absences.

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

V. 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. 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.

C. Employee retirement plan

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

General Information about the Pension Plan

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

V. Other information (continued)

C. Employee retirement plan (continued)

Chapter 288, Laws of 2009 changed the eligibility requirements for new members first employed on or after July 1, 2010. The eligibility for a member who either becomes a new member on or before July 1, 2010, or 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 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 65 or on July 1 of the year following the member's retirement date, whichever is later. Prior to June 20, 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 be 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 retirement. 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 year or more years of service credit have 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 provided 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 years 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 state of retirement, the balance will be paid in a lump sum to the member's surviving beneficiary. If the disabled member survives to age 60, the regular optional forms of payment are then applied. A member with five or more years of earned service credit on deferred status may retire on disability retirement when eligible under the Rule of 75 or when the member attains age 65.

Contributions. The contribution requirements of defined benefit plan members and the District are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from the District were \$1,345,438 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2014. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2015, the District's reported a liability of \$22,057,035 for its proportionate share of the net pension liability. The District's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by section 22-

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

V. Other information (continued)

C. Employee retirement plan (continued)

11-21, NMSA 1978. At June 30, 2015, the District's proportion was .34053%, which was an decrease of .00619% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the District recognized pension expense of \$1,214,382. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Beginning balance	\$ 1,345,438	\$ 3,130,166
Changes of assumptions	758,637	-
Net difference between projected and actual earnings on pension plan investments	-	(1,225,405)
Changes in proportion	-	261,020
2015 Actual Employer Contributions	(1,345,438)	-
2016 Actual Employer Contributions	1,355,048	-
Differences between expected and actuarial experience	-	219,980
Proportionate change in deferred outflow	-	-
Net amortization of deferred amounts from changes in proportion	-	(901,547)
Total	<u>\$2,113,685</u>	<u>\$ 1,484,214</u>

\$373,630 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date June 30, 2016 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	(\$513,745)
2018	(\$458,472)
2019	(\$59,703)
2020	\$306,342

Actuarial assumptions. As described above, the total ERB pension liability and net liability are based on an actuarial valuation performed as of June 30, 2015. The liabilities reflect the impact of Senate Bill 115, signed into law on March 29, 2013 and new assumptions adopted by the Board of Trustees on June 12, 2015. Specifically, the liabilities measured as of June 30, 2015 incorporate the following assumptions:

1. All members with an annual salary of more than \$20,000 will contribute 10.70% during the fiscal year ending June 30, 2015 and thereafter.
2. Members hired after June 30, 2013 will have an actuarially reduced retirement benefit if they retire before age 55 and their COLA will be deferred until age 67.
3. COLA's for most retirees are reduced until ERB attains a 100% funded status.
4. These assumptions were adopted by ERB on June 30, 2015 in conjunction with the six-year experience study period ending June 30, 2014.
5. For those purposes of projecting future benefits, it is assumed that the full COLA is paid in all future years.

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

V. Other information (continued)

D. Post-retirement health care benefits

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

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

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

V. Other information (continued)

D. Post-retirement health care benefits (continued)

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

The 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, 2014, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The District's contributions to the RHCA for the years ended June 30, 2016, 2015 and 2014 were \$195,313, \$193,599 and \$191,136, respectively, which equal the required contributions for each year.

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

V. Other information (continued)

E. Interfund Balances

Due from	Due to Operational
Title I	162,220
Entitlement	178,291
New Mexico Autism Project	299
IDEA B Risk Pool	390
Preschool	10,129
School Improvement	19,417
Teacher/Principal Training	4,822
Rural and Low Income Schools	11,824
Pre-K Initiative	2,492
Breakfast for Elementary Students	3,372
2012 GO Bond Student Library	20,482
	<u>\$ 413,738</u>

F. Fund Balances Classified

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned upon the use of the resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented here.

Fund Balances	General Fund	Food Service	Senate Bill 9	Debt Service	Non-Major Governmental Funds	Total
Non-Spendable:						
Inventory	\$ -	\$ 5,326	\$ -	\$ -	\$ -	\$ 5,326
Total Nonspendable	-	5,326	-	-	-	5,326
Restricted for:						
Debt Service	-	-	-	3,920,350	1,194	3,921,544
Capital Improvements	-	-	2,248,366	-	1,107,866	3,356,232
Athletics	-	-	-	-	37,063	37,063
Cafeteria	-	326,207	-	-	-	326,207
Instructional Materials	50,118	-	-	-	-	50,118
Transportation	981	-	-	-	-	981
Special Revenue	-	-	-	-	156,559	156,559
Total restricted	51,099	326,207	2,248,366	3,920,350	1,302,682	7,848,704
Unassigned	4,627,539	-	-	-	-	4,627,539
Total Fund Balances	<u>\$ 4,678,638</u>	<u>\$ 331,533</u>	<u>\$ 2,248,366</u>	<u>\$ 3,920,350</u>	<u>\$ 1,302,682</u>	<u>\$ 12,481,569</u>

G. Restatement of Fund Balance

Beginning fund balance was restated for \$940 for the following reasons.

Fund Balance July 1, 2015	\$ 12,509,765
Voided check from prior year expenditure in Operating Fund	454
Voided check from prior year expenditure in Athletic Fund	486
Restated fund balance July 1, 2015	<u>\$ 12,510,705</u>

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

V. Other information (continued)

H. Restatement of Net Position

Beginning Net Position was restated for \$940 for the following reasons.

Net position July 1, 2015	\$	15,551,694
Voided check from prior year expenditure in Operating Fund		454
Voided check from prior year expenditure in Athletic Fund		486
Restated net position July 1, 2015	\$	<u>15,552,634</u>

NON-MAJOR GOVERNMENTAL FUNDS

ALL FUNDS – All funds were created by management directive.

Special Revenue

ATHLETICS – This is an auxiliary fund to account for budgeted athletics of the school for activities that are considered to be non-instructional. Authority for the creation of this fund is NMAC 6.20.2.

NEW MEXICO AUTISM PROJECT – To account for funds provided to the District to support the District's implementation of the NMAP and improve outcomes for students with Autism Spectrum Disorders. Authority for the creation of this fund is Individuals with Disabilities Act, Part B, Sec. 611, as amended; Public Laws 91-230,93-380,94-142,98-199,99-457,100-630 and 101-476; 20 U.S.C. 1401-1419, Public Law 105-17

IDEA B – PRESCHOOL – To account for revenue received under the Preschool Public Act P.L. 99-457 for the purpose of providing special educational services to the developmentally delayed preschool children. This fund is federally funded and is restricted to expenditure by grant application. Required by the New Mexico State Department of Education Manual of Procedures for New Mexico School Districts to be accounted for as a separate fund.

IDEA B – EARLY INTERVENTION – To account for a federal grant restricted to the operation and maintenance of meeting the special education needs of children with disabilities. (Authority, Individuals with Disabilities Act, Part B Sec 611, as amended; P.L. 91-230, 93-380, 94-142, 98-199, 99-457, 100-630, and 101-476; U.S.C. 1401-1419, P.L. 105-17)

IDEA B – RISK POOL – To account for a federal grant restricted to the operation and maintenance of meeting the special education needs of children with disabilities. (Authority, Individuals with Disabilities Act, Part B Sec 611, as amended; P.L. 91-230, 93-380, 94-142, 98-199, 99-457, 100-630, and 101-476; U.S.C. 1401-1419, P.L. 105-17)

IDEA B – RESULTS PLAN – To provide funding to schools for professional development, coaching, technical assistance, and additional funds to support school improvement targeted to early elementary reading achievement. Authority for this fund comes from the Individuals with Disabilities Act, Part B.

ENGLISH LANGUAGE ACQUISITION – To ensure that limited English proficient children and youth, including immigrant children and youth, attain English proficiency and meet the same challenging State academic content and student academic achievement standards as all children and youth are expected to meet. The authority for the creation of this fund is the Elementary and Secondary Education Act, as amended, Title III, Part A, Sections 3101, 3129.

TEACHER/PRINCIPAL TRAINING – To provide grants to State Education Agencies 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 student academic achievement. The authority for the creation of this fund is the Elementary and Secondary Education Act of 1965 as amended, Title II, Part A, Public Law 107-110.

RURAL AND LOW INCOME SCHOOLS – To account for federal grant assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools, and specifically to provide funds for teacher recruitment, retention, and teacher professional development, educational technology, and parental involvement activities. Authority for this fund comes from the Elementary and Secondary Education Act of 1965, as amended, Title VI, Part B, as amended.

TITLE I SCHOOL IMPROVEMENT – to help local education agencies and schools improve the teaching and learning of children failing, or most at-risk of failing, to meet challenging state academic standards. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Public Education Department. Authority for the creation of this fund is the Elementary and Secondary Education Act of 1965, Title I, Part A, 20 USC 6301 et seq.

NON-MAJOR GOVERNMENTAL FUNDS

ALL FUNDS – All funds were created by management directive.

Special Revenue (continued)

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

IMPACT AID INDIAN EDUCATION – To account for federal funds providing assistance for Indian students' needs, support services and special projects. (Authority, P.L. 103-382)

TITLE XIX MEDICAID – The purpose of this fund is to account for reimbursement of health-related services of Medicaid eligible students receiving related services, for administrative time study, and for a statement of service costs study. Authorized by the Social Security Act.

CHILD & ADULT CARE FOOD PROGRAM – To account for revenues received to coordinate child health improvements. (Authority, State Grant Provision and the Ruidoso Board of Education)

INDIAN EDUCATION FORMULA – To account for funds received to support projects to improve educational opportunities and achievements of Native American children. (Authority, Title IX, Part A, Subpart 1, as amended, of the Elementary and Secondary Education Act of 1965, P.L. 103-382, 20 U.S.C. 7811-7818, 25 U.S.C. 2001)

2009 DUAL CREDIT INSTRUCTIONAL MATERIALS – This fund was created to account for funds provided to the District to pay for required textbooks and materials needed for dual credit activities. The authority and funding for this fund is provided under HB214 which amended Section 21-1-1.2 and Section 21-13-19 related to dual credit.

2012 G.O. BOND LIBRARY FUND SB-66 – This fund is used to account for the revenue and expenditures to acquire supplementary library books, equipment, and library resources for public schools and juvenile detention libraries statewide.

NEW MEXICO READS TO LEAD – To account for the funding provided by the PED for the purchase of K-3 non-fiction books, K-3 non-fiction classroom libraries, and K-3 non-fiction text materials. Fund was created under the state-wide reading initiative authorized under NM Section 22-13-1.3.

PRE K INITIATIVE – To account for state program used to provide center-based education services to four-year-olds within the district. This state fund initiative was established in 2005.

INDIAN EDUCATION ACT – To account for state funds used to increase academic achievement and provide culturally relevant learning experiences for American Indian students. Funding and authority provided through the NM PED.

BREAKFAST FOR ELEMENTARY STUDENTS – To account for funds used to provide elementary students with breakfast in the classroom. Creation authorized by the Child Nutrition Act of the United States Department of Agriculture.

SUICIDE PREVENTION – The purpose of this fund is to account for the agreement used to provide integrated primary and behavioral health care for adolescents through a school based health center. The authority and funding for this agreement is provided by the contract between the REC and the New Mexico Department of Health.

TANF GRADS – To provide assistance to needy families with children so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families. Authorized by the Social Security Act Title IV, Part A, as amended; Personal Responsibility Act and Work Opportunity Reconciliation Act of 1996, Public Law 104-193 Balance Budget Act of 1997, Public Law 105-33.

NON-MAJOR GOVERNMENTAL FUNDS

ALL FUNDS – All funds were created by management directive.

Special Revenue (continued)

GRADS INSTRUCTION – To provide assistance to needy families with children so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families. Authorized by the Social Security Act Title IV, Part A, as amended; Personal Responsibility Act and Work Opportunity Reconciliation Act of 1996, Public Law 104-193 Balance Budget Act of 1997, Public Law 105-33.

GRADS PLUS – To provide assistance to needy families with children so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families. Authorized by the Social Security Act Title IV, Part A, as amended; Personal Responsibility Act and Work Opportunity Reconciliation Act of 1996, Public Law 104-193 Balance Budget Act of 1997, Public Law 105-33.

NON-MAJOR GOVERNMENTAL FUNDS

ALL FUNDS – All funds were created by management directive.

Debt Service

BOND BUILDING (Capital Projects Fund) – To account for the costs of capital improvements, such as erecting, remodeling, making additions to, providing equipment for and furnishing school buildings, purchasing and improving school grounds funded from the sale of General Obligation Bonds.

ED TECH DEBT SERVICE - This fund is established to receive revenue for the payment of interest and principal on outstanding general obligation school bond issues.

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2016

	SPECIAL REVENUE			
	ATHLETICS	NEW MEXICO AUTISM PROJECT	PRESCHOOL	EARLY INTERVENTION
ASSETS				
Cash on Deposit	\$ 37,063	\$ -	\$ -	\$ 32
Due From Other Funds	-	-	-	-
Due From Other Agencies	-	299	10,129	-
Property Taxes Receivable	-	-	-	-
Inventory	-	-	-	-
TOTAL ASSETS	\$ 37,063	\$ 299	\$ 10,129	\$ 32
LIABILITIES AND FUND BALANCE				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Payroll	-	-	-	-
Due to Other Funds	-	299	10,129	-
TOTAL LIABILITIES	-	299	10,129	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	-
Unearned Revenue	-	-	-	32
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	32
FUND BALANCE				
Nonspendable	-	-	-	-
Restricted:				
Transportation				
Instructional Materials				
Capital Projects Funds				
Debt Service				
Cafeteria	-	-	-	-
Athletics	37,063	-	-	-
Special Revenue Funds	-	-	-	-
Unassigned	-	-	-	-
TOTAL FUND BALANCE	37,063	-	-	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 37,063	\$ 299	\$ 10,129	\$ 32

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2016

	SPECIAL REVENUE			
	IMPACT AID SPECIAL EDUCATION	IMPACT AID INDIAN EDUCATION	TITLE XIX MEDICAID 3-21 YEARS	CHILD & ADULT FOOD PROGRAM
ASSETS				
Cash on Deposit	\$ 6,881	\$ 96,611	\$ 33,690	\$ 9,307
Due From Other Funds	-	-	-	-
Due From Other Agencies	-	-	-	-
Property Taxes Receivable	-	-	-	-
Inventory	-	-	-	-
TOTAL ASSETS	<u>\$ 6,881</u>	<u>\$ 96,611</u>	<u>\$ 33,690</u>	<u>\$ 9,307</u>
LIABILITIES AND FUND BALANCE				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Payroll	-	-	-	-
Due to Other Funds	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	-
Unearned Revenue	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE				
Nonspendable	-	-	-	-
Restricted:				
Transportation				
Instructional Materials				
Capital Projects Funds				
Debt Service				
Cafeteria				
Athletics				
Special Revenue Funds	6,881	96,611	33,690	9,307
Unassigned	-	-	-	-
TOTAL FUND BALANCE	<u>6,881</u>	<u>96,611</u>	<u>33,690</u>	<u>9,307</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 6,881</u>	<u>\$ 96,611</u>	<u>\$ 33,690</u>	<u>\$ 9,307</u>

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

SPECIAL REVENUE

INDIAN ED FORMULA	2009 DUAL CREDIT INSTRUCTIONAL MATERIALS	2012 GO BOND LIBRARY FUND SB-66	NEW MEXICO READS TO LEAD	PRE K INITIATIVE	INDIAN EDUCATION ACT
\$ 33,457	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	20,482	-	2,492	-
-	-	-	-	-	-
<u>\$ 33,457</u>	<u>\$ -</u>	<u>\$ 20,482</u>	<u>\$ -</u>	<u>\$ 2,492</u>	<u>\$ -</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	20,482	-	2,492	-
-	-	20,482	-	2,492	-
-	-	-	-	-	-
33,457	-	-	-	-	-
33,457	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 33,457</u>	<u>\$ -</u>	<u>\$ 20,482</u>	<u>\$ -</u>	<u>\$ 2,492</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2016

	SPECIAL REVENUE			
	BREAKFAST FOR ELEMENTARY STUDENTS	KINDERGARTEN THREE PLUS AFTER SCHOOL	SUICIDE PREVENTION	GRADS
ASSETS				
Cash on Deposit	\$ -	\$ -	\$ 4,426	\$ 174
Due From Other Funds	-	-	-	-
Due From Other Agencies	3,372	-	-	-
Property Taxes Receivable	-	-	-	-
Inventory	-	-	-	-
TOTAL ASSETS	\$ 3,372	\$ -	\$ 4,426	\$ 174
LIABILITIES AND FUND BALANCE				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Payroll	-	-	-	-
Due to Other Funds	3,372	-	-	-
TOTAL LIABILITIES	3,372	-	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	-
Unearned Revenue	-	-	4,426	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	4,426	-
FUND BALANCE				
Nonspendable	-	-	-	-
Restricted:				
Transportation				
Instructional Materials				
Capital Projects Funds				
Debt Service				
Cafeteria				
Athletics				
Special Revenue Funds	-	-	-	174
Unassigned				
TOTAL FUND BALANCE	-	-	-	174
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 3,372	\$ -	\$ 4,426	\$ 174

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

SPECIAL REVENUE		SPECIAL REVENUE		DEBT SERVICE		TOTAL NON MAJOR FUNDS
GRADS INSTRUCTION	GRADS PLUS	BOND BUILDING	SPECIAL CAPITAL OUTLAY	ED TECH DEBT SERVICE		
\$ 4,050	\$ 5,837	\$ 1,105,839	\$ 2,027	\$ 1,179	\$ 1,340,573	
-	-	-	-	-	-	-
-	-	-	-	-	73,227	73,227
-	-	-	-	743	743	743
-	-	-	-	-	-	-
<u>\$ 4,050</u>	<u>\$ 5,837</u>	<u>\$ 1,105,839</u>	<u>\$ 2,027</u>	<u>\$ 1,922</u>	<u>\$ 1,414,543</u>	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	73,218
-	-	-	-	-	-	73,218
-	-	-	-	-	728	728
-	-	-	-	-	-	37,915
-	-	-	-	-	728	38,643
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	1,105,839	2,027	-	1,107,866	1,107,866
-	-	-	-	1,194	1,194	1,194
-	-	-	-	-	-	37,063
4,050	5,837	-	-	-	156,559	156,559
-	-	-	-	-	-	-
<u>4,050</u>	<u>5,837</u>	<u>1,105,839</u>	<u>2,027</u>	<u>1,194</u>	<u>1,302,682</u>	
<u>\$ 4,050</u>	<u>\$ 5,837</u>	<u>\$ 1,105,839</u>	<u>\$ 2,027</u>	<u>\$ 1,922</u>	<u>\$ 1,414,543</u>	

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2016

	SPECIAL REVENUE			
	ATHLETICS	NEW MEXICO AUTISM PROJECT	PRESCHOOL	EARLY INTERVENTION
REVENUE				
Federal Programs	\$ -	\$ 6,276	\$ 26,576	\$ -
State Programs	-	-	-	-
State Equalization	-	-	-	-
Interest Earnings	102	-	-	-
Private/Direct Grants	-	-	-	-
Charges for Services	-	-	-	-
Fees	50,353	-	-	-
Donations	-	-	-	-
Sale of Property	-	-	-	-
Miscellaneous	-	-	-	-
Indirect Cost	-	-	-	-
Rent and Royalties	-	-	-	-
Local Property Taxes	-	-	-	-
Refund of Prior Year's Expenditures	556	-	-	-
TOTAL REVENUES	51,011	6,276	26,576	-
EXPENDITURES				
Current				
Instruction	64,477	5,858	25,691	-
Support Services				
Support Services-Students	-	418	-	-
Support Services-Instruction	-	-	-	-
Support Services-General Administration	-	-	885	-
Support Services-School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services-Operations	-	-	-	-
Community Services-Operations	-	-	-	-
Acquisition & Construction	-	-	-	-
TOTAL EXPENDITURES	64,477	6,276	26,576	-
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(13,466)	-	-	-
Other Financing Sources (uses)				
Refunds to PED	-	-	-	-
Transfer/Refunds	-	-	-	-
Total Other Financial Sources	-	-	-	-
Net Change In Fund Balance	(13,466)	-	-	-
FUND BALANCE				
as of June 30, 2015	50,043	-	-	-
Restatement	486	-	-	-
Restated Balance	50,529	-	-	-
FUND BALANCE as of June 30, 2016	\$ 37,063	\$ -	\$ -	\$ -

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2016

	SPECIAL REVENUE			
	IMPACT AID SPECIAL EDUCATION	IMPACT AID INDIAN EDUCATION	TITLE XIX MEDICAID 3-21 YEARS	CHILD & ADULT FOOD PROGRAM
REVENUE				
Federal Programs	\$ 41,478	\$ 102,366	\$ 30,965	\$ 2,151
State Programs	-	-	-	-
State Equalization	-	-	-	-
Interest Earnings	-	-	-	-
Private/Direct Grants	-	-	-	-
Charges for Services	-	-	-	-
Fees	-	-	-	-
Donations	-	-	-	-
Sale of Property	-	-	-	-
Miscellaneous	-	-	-	-
Indirect Cost	-	-	-	-
Rent and Royalties	-	-	-	-
Local Property Taxes	-	-	-	-
Refund of Prior Year's Expenditures	-	-	-	-
TOTAL REVENUES	41,478	102,366	30,965	2,151
EXPENDITURES				
Current				
Instruction	28,394	366	3,124	2,372
Support Services				
Support Services-Students	39,839	73,459	7,559	-
Support Services-Instruction	-	-	-	-
Support Services-General Administration	-	-	-	-
Support Services-School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services-Operations	-	-	-	-
Community Services-Operations	-	-	-	-
Acquisition & Construction	-	-	-	-
TOTAL EXPENDITURES	68,233	73,825	10,683	2,372
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(26,755)	28,541	20,282	(221)
Other Financing Sources (uses)				
Refunds to PED	-	-	-	-
Transfer/Refunds	-	-	-	-
Total Other Financial Sources	-	-	-	-
Net Change In Fund Balance	(26,755)	28,541	20,282	(221)
FUND BALANCE				
as of June 30, 2015	33,636	68,070	13,408	9,528
Restatement	-	-	-	-
Restated Balance	33,636	68,070	13,408	9,528
FUND BALANCE as of June 30, 2016	\$ 6,881	\$ 96,611	\$ 33,690	\$ 9,307

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

SPECIAL REVENUE					
INDIAN ED FORMULA	2009 DUAL CREDIT INSTRUCTIONAL MATERIALS	2012 GO BOND LIBRARY FUND SB-66	NEW MEXICO READS TO LEAD	PRE K INITIATIVE	INDIAN EDUCATION ACT
\$ 59,907	\$ -	\$ -	\$ -	\$ -	\$ -
-	8,562	21,384	79,144	115,606	18,146
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
59,907	8,562	21,384	79,144	115,606	18,146
-	8,562	-	79,144	66,980	18,146
59,907	-	-	-	-	-
-	-	21,384	-	-	-
-	-	-	-	-	-
-	-	-	-	17,935	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	30,691	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
59,907	8,562	21,384	79,144	115,606	18,146
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2016

	SPECIAL REVENUE			
	BREAKFAST FOR ELEMENTARY STUDENTS	KINDERGARTEN THREE PLUS AFTER SCHOOL	SUICIDE PREVENTION	GRADS
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	7,569	132,175	2,747	2,738
State Equalization	-	-	-	-
Interest Earnings	-	-	-	-
Private/Direct Grants	-	-	-	-
Charges for Services	-	-	-	-
Fees	-	-	-	-
Donations	-	-	-	-
Sale of Property	-	-	-	-
Miscellaneous	-	-	-	-
Indirect Cost	-	-	-	-
Rent and Royalties	-	-	-	-
Local Property Taxes	-	-	-	-
Refund of Prior Year's Expenditures	-	-	-	-
TOTAL REVENUES	7,569	132,175	2,747	2,738
EXPENDITURES				
Current				
Instruction	-	102,230	2,747	-
Support Services				
Support Services-Students	-	7,648	-	3,458
Support Services-Instruction	-	-	-	-
Support Services-General Administration	-	-	-	-
Support Services-School Administration	-	7,297	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	15,000	-	-
Other Support Services	-	-	-	-
Food Services-Operations	7,569	-	-	-
Community Services-Operations	-	-	-	-
Acquisition & Construction	-	-	-	-
TOTAL EXPENDITURES	7,569	132,175	2,747	3,458
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	-	-	(720)
Other Financing Sources (uses)				
Refunds to PED	-	-	-	-
Transfer/Refunds	-	-	-	-
Total Other Financial Sources	-	-	-	-
Net Change In Fund Balance	-	-	-	(720)
FUND BALANCE				
as of June 30, 2015	-	-	-	894
Restatement	-	-	-	-
Restated Balance	-	-	-	894
FUND BALANCE as of June 30, 2016	\$ -	\$ -	\$ -	\$ 174

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

SPECIAL REVENUE		CAPITAL PROJECTS		DEBT SERVICE	
GRADS INSTRUCTION	GRADS PLUS	BOND BUILDING	CAPITAL OUTLAY	ED TECH DEBT SERVICE	TOTAL NON MAJOR FUNDS
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 450,137
5,410	8,607	-	-	-	402,088
-	-	-	-	-	-
-	-	3,709	-	-	3,811
-	-	-	2,027	-	2,027
-	-	-	-	-	-
-	-	-	-	-	50,353
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	367	367
-	-	-	-	-	556
5,410	8,607	3,709	2,027	367	909,339
-	5,529	-	-	-	548,424
-	-	-	-	-	-
5,410	-	-	-	-	216,442
-	-	-	-	-	21,384
-	-	-	-	4	3,281
-	4,000	-	-	-	53,710
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	45,691
-	-	-	-	-	-
-	-	-	-	-	7,569
-	-	-	-	-	-
-	-	921,681	-	-	921,681
5,410	9,529	921,681	-	4	1,818,182
-	(922)	(917,972)	2,027	363	(908,843)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(922)	(917,972)	2,027	363	(908,843)
4,050	6,759	2,023,811	-	831	2,211,039
-	-	-	-	-	486
4,050	6,759	2,023,811	-	831	2,211,525
\$ 4,050	\$ 5,837	\$ 1,105,839	\$ 2,027	\$ 1,194	\$ 1,302,682

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--ATHLETICS

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Fees-Users	\$ 30,379	\$ 50,365	\$ 50,353	\$ (12)
Donations/Gifts	-	-	-	-
Interest Income	50	50	102	52
Refunds	-	-	556	556
TOTAL REVENUE	<u>30,429</u>	<u>50,415</u>	<u>\$ 51,011</u>	<u>\$ 596</u>
Cash Balance Budgeted	<u>40,343</u>	<u>50,043</u>		
TOTAL REVENUE & CASH	<u>\$ 70,772</u>	<u>\$ 100,458</u>		
EXPENDITURES				
Current				
Instruction	\$ 70,772	\$ 100,458	\$ 64,477	\$ 35,981
TOTAL EXPENDITURES	<u>\$ 70,772</u>	<u>\$ 100,458</u>	<u>\$ 64,477</u>	<u>\$ 35,981</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 51,011
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 51,011</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 64,477
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 64,477</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--NEW MEXICO AUTISM PROJECT

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ 7,340	\$ 5,977	\$ (1,363)
TOTAL REVENUE	<u>-</u>	<u>7,340</u>	<u>5,977</u>	<u>(1,363)</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 7,340</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 5,860	\$ 5,858	\$ 2
Support Services				
Support Services-Students	-	1,480	418	1,062
TOTAL EXPENDITURES	<u>-</u>	<u>7,340</u>	<u>6,276</u>	<u>1,064</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 5,977
Differences-Budget to GAAP	
Prior Year Tax Receivables	-
Current Year Receivable	299
Total Revenues (GAAP Basis)	<u>\$ 6,276</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 6,276
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 6,276</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVEUE FUND--IDEA B PRESCHOOL

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 26,577	\$ 26,578	\$ 23,794	\$ (2,784)
TOTAL REVENUE	<u>26,577</u>	<u>26,578</u>	<u>\$ 23,794</u>	<u>\$ (2,784)</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 26,577</u>	<u>\$ 26,578</u>		
EXPENDITURES				
Current				
Instruction	\$ 25,582	\$ 25,693	\$ 25,691	\$ 2
Support Services				
Support Services-Students	-	-	-	-
Support Services-Instruction	-	-	-	-
Support Services-General Administration	995	885	885	-
TOTAL EXPENDITURES	<u>\$ 26,577</u>	<u>\$ 26,578</u>	<u>\$ 26,576</u>	<u>\$ 2</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 23,794
Differences-Budget to GAAP	
Current Year Receivable	10,129
Prior Year Receivable	(7,347)
Total Revenues (GAAP Basis)	<u>\$ 26,576</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 26,576
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 26,576</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--IDEA-B RISK POOL

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ 396	\$ 449	\$ 53
TOTAL REVENUE	<u>-</u>	<u>396</u>	<u>449</u>	<u>53</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 396</u>		
EXPENDITURES				
Current				
Support Services-Students	\$ -	\$ 396	\$ 390	\$ 6
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 396</u>	<u>\$ 390</u>	<u>\$ 6</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 449
Differences-Budget to GAAP	
Current Year Receivable	390
Prior Year Receivable	(449)
Total Revenues (GAAP Basis)	<u>\$ 390</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 390
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 390</u>

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--IDEA-B RESULTS PLAN

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 40,000	\$ 7,500	\$ 7,500	\$ -
TOTAL REVENUE	<u>40,000</u>	<u>7,500</u>	<u>7,500</u>	<u>-</u>
Cash Balance Budgeted	-	-		
TOTAL REVENUE & CASH	<u>\$ 40,000</u>	<u>\$ 7,500</u>		
EXPENDITURES				
Current				
Support Services-Students	\$ 40,000	\$ 7,500	\$ 7,500	\$ -
TOTAL EXPENDITURES	<u>\$ 40,000</u>	<u>\$ 7,500</u>	<u>\$ 7,500</u>	<u>-</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 7,500
Differences-Budget to GAAP	
Current Year Receivable	-
Prior Year Receivable	-

Total Revenues (GAAP Basis) \$ 7,500

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 7,500
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 7,500</u>

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--ENGLISH LANGUAGE ACQUISITION

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Fees-Users	\$ -	\$ -	\$ -	\$ -
Interest Income	-	-	-	-
Federal Revenue	18,712	21,028	3,348	(17,680)
TOTAL REVENUE	<u>18,712</u>	<u>21,028</u>	<u>\$ 3,348</u>	<u>\$ (17,680)</u>
Cash Balance Budgeted	-	-		
TOTAL REVENUE & CASH	<u>\$ 18,712</u>	<u>\$ 21,028</u>		
EXPENDITURES				
Current				
Instruction	18,712	21,028	8,732	12,296
TOTAL EXPENDITURES	<u>\$ 18,712</u>	<u>\$ 21,028</u>	<u>\$ 8,732</u>	<u>\$ 12,296</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 3,348
Differences-Budget to GAAP	
Current Year Receivable	5,384
Total Revenues (GAAP Basis)	<u>\$ 8,732</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 8,732
Differences-budget to GAAP	
Cost of Commodities Used	-
Inventory Adjustment	-
Total Expenditures (GAAP Basis)	<u>\$ 8,732</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--TEACHER/PRINCIPAL TRAINING & RECRUITING

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 81,292	\$ 86,555	\$ 204,538	\$ 117,983
TOTAL REVENUE	<u>81,292</u>	<u>86,555</u>	<u>\$ 204,538</u>	<u>\$ 117,983</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 81,292</u>	<u>\$ 86,555</u>		
EXPENDITURES				
Current				
Instruction	\$ 59,436	\$ 40,747	\$ 40,553	\$ 194
Support Services				
Support Services-Students	\$ 18,744	\$ 18,744	\$ 18,744	\$ -
Support Services-General Administration	3,112	2,392	2,392	-
Support Services-School Administration	-	24,672	24,478	194
TOTAL EXPENDITURES	<u>\$ 81,292</u>	<u>\$ 86,555</u>	<u>\$ 86,167</u>	<u>\$ 388</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 204,538
Differences-Budget to GAAP	
Current Year Receivable	4,822
Prior Year Receivable	(123,193)
Total Revenues (GAAP Basis)	<u>\$ 86,167</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 86,167
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 86,167</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--RURAL & LOW INCOME SCHOOLS

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 33,588	\$ 33,588	\$ 21,180	\$ (12,408)
TOTAL REVENUE	<u>33,588</u>	<u>33,588</u>	<u>\$ 21,180</u>	<u>\$ (12,408)</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 33,588</u>	<u>\$ 33,588</u>		
EXPENDITURES				
Current				
Instruction	\$ 33,588	\$ 33,588	\$ 19,243	\$ 14,345
TOTAL EXPENDITURES	<u>\$ 33,588</u>	<u>\$ 33,588</u>	<u>\$ 19,243</u>	<u>\$ 14,345</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 21,180
Differences-Budget to GAAP	
Current Year Receivable	11,824
Prior Year Receivable	(13,761)
Total Revenues (GAAP Basis)	<u>\$ 19,243</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 19,243
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 19,243</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND - TITLE I SCHOOL IMPROVEMENT

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 70,000	\$ 100,000	\$ 38,969	\$ (61,031)
TOTAL REVENUE	<u>70,000</u>	<u>100,000</u>	<u>\$ 38,969</u>	<u>\$ (61,031)</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 70,000</u>	<u>\$ 100,000</u>		
EXPENDITURES				
Current				
Instruction	\$ 70,000	\$ 100,000	\$ 58,386	\$ 41,614
TOTAL EXPENDITURES	<u>\$ 70,000</u>	<u>\$ 100,000</u>	<u>\$ 58,386</u>	<u>\$ 41,614</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 38,969
Differences-Budget to GAAP	
Current Year Receivable	19,417
Total Revenues (GAAP Basis)	<u>\$ 58,386</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 58,386
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 58,386</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND - IMPACT AID SPECIAL EDUCATION

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ 41,434	\$ 41,478	\$ 44
TOTAL REVENUE	<u>-</u>	<u>41,434</u>	<u>\$ 41,478</u>	<u>\$ 44</u>
Cash Balance Budgeted	<u>33,679</u>	<u>33,679</u>		
TOTAL REVENUE & CASH	<u>\$ 33,679</u>	<u>\$ 75,113</u>		
EXPENDITURES				
Current				
Instruction	\$ 17,833	\$ 29,409	\$ 28,394	\$ 1,015
Support Services				
Support Services-Students	15,846	42,829	39,839	2,990
Support Services-General Administration	-	2,875	-	2,875
TOTAL EXPENDITURES	<u>\$ 33,679</u>	<u>\$ 75,113</u>	<u>\$ 68,233</u>	<u>\$ 6,880</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 41,478
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 41,478</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 68,233
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 68,233</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND - IMPACT AID INDIAN EDUCATION

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ 102,366	\$ 102,366	\$ -
TOTAL REVENUE	<u>-</u>	<u>102,366</u>	<u>\$ 102,366</u>	<u>\$ -</u>
Cash Balance Budgeted	<u>67,350</u>	<u>68,070</u>		
TOTAL REVENUE & CASH	<u>\$ 67,350</u>	<u>\$ 170,436</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 7,917	\$ 366	\$ 7,551
Support Services				
Support Services-Students	67,350	155,995	73,459	82,536
Support Services-General Administration	-	6,524	-	6,524
TOTAL EXPENDITURES	<u>\$ 67,350</u>	<u>\$ 170,436</u>	<u>\$ 73,825</u>	<u>\$ 96,611</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 102,366
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 102,366</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 73,825
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 73,825</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND - TITLE XIX MEDICAID 3 TO 21

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ 6,141	\$ 30,965	\$ 24,824
TOTAL REVENUE	<u>-</u>	<u>6,141</u>	<u>\$ 30,965</u>	<u>\$ 24,824</u>
Cash Balance Budgeted	<u>7,367</u>	<u>13,407</u>		
TOTAL REVENUE & CASH	<u>\$ 7,367</u>	<u>\$ 19,548</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 3,200	\$ 3,124	\$ 76
Support Services				
Support Services-Students	\$ 7,367	\$ 16,348	\$ 7,559	\$ 8,789
TOTAL EXPENDITURES	<u>\$ 7,367</u>	<u>\$ 19,548</u>	<u>\$ 10,683</u>	<u>\$ 8,865</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 30,965
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 30,965</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 10,683
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 10,683</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND - CHILD & ADULT FOOD PROGRAM

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ -	\$ 2,151	\$ 2,151
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ 2,151</u>	<u>\$ 2,151</u>
Cash Balance Budgeted	<u>8,559</u>	<u>8,559</u>		
TOTAL REVENUE & CASH	<u>\$ 8,559</u>	<u>\$ 8,559</u>		
EXPENDITURES				
Current				
Instruction	\$ 8,559	\$ 8,559	\$ 2,372	\$ 6,187
TOTAL EXPENDITURES	<u>\$ 8,559</u>	<u>\$ 8,559</u>	<u>\$ 2,372</u>	<u>\$ 6,187</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 2,151
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 2,151</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 2,372
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 2,372</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND - INDIAN ED FORMULA GRANT

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 79,973	\$ 79,973	\$ 80,508	\$ 535
TOTAL REVENUE	<u>79,973</u>	<u>79,973</u>	<u>\$ 80,508</u>	<u>\$ 535</u>
Cash Balance Budgeted	<u>-</u>	<u>12,856</u>		
TOTAL REVENUE & CASH	<u>\$ 79,973</u>	<u>\$ 92,829</u>		
EXPENDITURES				
Current				
Support Services-Students	\$ 79,973	\$ 92,829	\$ 59,907	\$ 32,922
TOTAL EXPENDITURES	<u>\$ 79,973</u>	<u>\$ 92,829</u>	<u>\$ 59,907</u>	<u>\$ 32,922</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 80,508
Differences-Budget to GAAP	
Current Year Deferral	(33,457)
Prior Year Deferral	12,856
Total Revenues (GAAP Basis)	<u>\$ 59,907</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 59,907
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 59,907</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND - 2009 DUAL CREDIT INSTRUCTIONAL MATERIALS

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ -	\$ 8,562	\$ 8,562	\$ -
TOTAL REVENUE	<u>-</u>	<u>8,562</u>	<u>8,562</u>	<u>-</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 8,562</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 8,562	\$ 8,562	\$ -
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 8,562</u>	<u>\$ 8,562</u>	<u>\$ -</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 8,562
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 8,562</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 8,562
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 8,562</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND - 2012 G.O. BOND STUDENT LIBRARY

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ 21,384	\$ 21,384	\$ 8,640	\$ (12,744)
TOTAL REVENUE	<u>21,384</u>	<u>21,384</u>	<u>\$ 8,640</u>	<u>\$ (12,744)</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 21,384</u>	<u>\$ 21,384</u>		
EXPENDITURES				
Current				
Support Services				
Support Services-Instruction	\$ 21,384	\$ 21,384	\$ 21,384	\$ -
TOTAL EXPENDITURES	<u>\$ 21,384</u>	<u>\$ 21,384</u>	<u>\$ 21,384</u>	<u>\$ -</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 8,640
Differences-Budget to GAAP	
Current Year Receivable	20,482
Prior Year Receivable	(7,738)
Total Revenues (GAAP Basis)	<u>\$ 21,384</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 21,384
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 21,384</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND - NEW MEXICO READS TO LEAD

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ 97,500	\$ 97,500	\$ 81,353	\$ (16,147)
TOTAL REVENUE	<u>97,500</u>	<u>97,500</u>	<u>\$ 81,353</u>	<u>\$ (16,147)</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 97,500</u>	<u>\$ 97,500</u>		
EXPENDITURES				
Current				
Instruction	\$ 97,500	\$ 97,500	\$ 79,144	\$ 18,356
Support Services				
Support Services-General Administration	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 97,500</u>	<u>\$ 97,500</u>	<u>\$ 79,144</u>	<u>\$ 18,356</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 81,353
Differences-Budget to GAAP	
Prior Year Tax Receivables	(2,209)
Current Year Receivable	-
Total Revenues (GAAP Basis)	<u>\$ 79,144</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 79,144
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 79,144</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--PREK INITIATIVE

Year Ended June 30, 2016

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ 158,248	\$ 126,186	\$ 127,612	\$ 1,426
TOTAL REVENUE	<u>158,248</u>	<u>126,186</u>	<u>\$ 127,612</u>	<u>\$ 1,426</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 158,248</u>	<u>\$ 126,186</u>		
EXPENDITURES				
Current				
Instruction	\$ 107,523	\$ 76,061	\$ 66,980	\$ 9,081
Support Services				
Support Services-School Administration	20,033	19,433	17,935	1,498
Student Transportation	30,692	30,692	30,691	1
TOTAL EXPENDITURES	<u>\$ 158,248</u>	<u>\$ 126,186</u>	<u>\$ 115,606</u>	<u>\$ 10,580</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 127,612
Differences-Budget to GAAP	
Current Year Receivable	2,492
Prior Year Receivable	(14,498)
Total Revenues (GAAP Basis)	<u>\$ 115,606</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 115,606
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 115,606</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--INDIAN EDUCATION ACT

Year Ended June 30, 2016

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ -	\$ 25,000	\$ 42,839	\$ (17,839)
TOTAL REVENUE	<u>-</u>	<u>25,000</u>	<u>42,839</u>	<u>(17,839)</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 25,000</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 25,000	\$ 18,146	\$ 6,854
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 25,000</u>	<u>\$ 18,146</u>	<u>\$ 6,854</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 42,839
Differences-Budget to GAAP	
Prior Year Tax Receivables	(24,693)
Current Year Receivable	-

Total Revenues (GAAP Basis) \$ 18,146

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 18,146
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 18,146</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--BREAKFAST FOR ELEMENTARY STUDENTS

Year Ended June 30, 2016

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ -	\$ 7,569	\$ 7,951	\$ (382)
TOTAL REVENUE	<u>-</u>	<u>7,569</u>	<u>7,951</u>	<u>(382)</u>
Cash Balance Budgeted	-	-		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 7,569</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 7,569	\$ 7,569	\$ -
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 7,569</u>	<u>7,569</u>	<u>-</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 7,951
Differences-Budget to GAAP	
Current Year Receivable	3,372
Prior Year Receivable	(3,754)
Total Revenues (GAAP Basis)	<u>\$ 7,569</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 7,569
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 7,569</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--KINDERGARTEN THREE PLUS

Year Ended June 30, 2016

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ 186,277	\$ 132,175	\$ 135,087	\$ (2,912)
TOTAL REVENUE	<u>186,277</u>	<u>132,175</u>	<u>\$ 135,087</u>	<u>\$ (2,912)</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 186,277</u>	<u>\$ 132,175</u>		
EXPENDITURES				
Current				
Instruction	\$ 147,494	\$ 102,230	\$ 102,230	\$ -
Support Services				
Support Services-Students	10,241	7,647	7,648	(1)
Support Services-School Administration	8,316	7,298	7,297	1
Operation & Maintenance of Plant	5,226	-	-	-
Student Transportation	15,000	15,000	15,000	-
TOTAL EXPENDITURES	<u>\$ 186,277</u>	<u>\$ 132,175</u>	<u>\$ 132,175</u>	<u>\$ -</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 135,087
Current Year Receivable	-
Prior Year Receivable	(2,912)

Total Revenues (GAAP Basis) \$ 132,175

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 132,175
Differences-budget to GAAP	

Total Expenditures (GAAP Basis) \$ 132,175

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND - SUICIDE PREVENTION

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ -	\$ 2,000	\$ 2,000	\$ -
TOTAL REVENUE	<u>-</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>
Cash Balance Budgeted	<u>1,174</u>	<u>5,174</u>		
TOTAL REVENUE & CASH	<u>\$ 1,174</u>	<u>\$ 7,174</u>		
EXPENDITURES				
Current				
Instruction	\$ 1,174	\$ 7,174	\$ 2,747	\$ 4,427
TOTAL EXPENDITURES	<u>\$ 1,174</u>	<u>\$ 7,174</u>	<u>\$ 2,747</u>	<u>\$ 4,427</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 2,000
Differences-Budget to GAAP	
Current Year Deferral	(4,426)
Prior Year Deferral	5,173
Total Revenues (GAAP Basis)	<u>\$ 2,747</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 2,747
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 2,747</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND - GRADS

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ -	\$ 3,000	\$ 2,738	\$ (262)
TOTAL REVENUE	<u>-</u>	<u>3,000</u>	<u>\$ 2,738</u>	<u>\$ (262)</u>
Cash Balance Budgeted	<u>887</u>	<u>887</u>		
TOTAL REVENUE & CASH	<u>\$ 887</u>	<u>\$ 3,887</u>		
EXPENDITURES				
Current				
Instruction	\$ 887	\$ 425	\$ -	\$ 425
Support Services				
Support Services-Students	-	3,462	3,458	4
TOTAL EXPENDITURES	<u>\$ 887</u>	<u>\$ 3,887</u>	<u>\$ 3,458</u>	<u>\$ 429</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 2,738
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 2,738</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 3,458
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 3,458</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND - GRADS INSTRUCTION

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ -	\$ 6,500	\$ 5,410	\$ (1,090)
TOTAL REVENUE	<u>-</u>	<u>6,500</u>	<u>5,410</u>	<u>(1,090)</u>
Cash Balance Budgeted	<u>4,045</u>	<u>4,045</u>		
TOTAL REVENUE & CASH	<u>\$ 4,045</u>	<u>\$ 10,545</u>		
EXPENDITURES				
Current				
Instruction	\$ 4,045	\$ 5,113	\$ -	\$ 5,113
Support Services				
Support Services-Students	-	5,432	5,410	22
TOTAL EXPENDITURES	<u>\$ 4,045</u>	<u>\$ 10,545</u>	<u>\$ 5,410</u>	<u>\$ 5,135</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 5,410
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 5,410</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 5,410
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 5,410</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--GRADS PLUS

Year Ended June 30, 2016

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ -	\$ 10,000	\$ 8,607	\$ (1,393)
TOTAL REVENUE	<u>-</u>	<u>10,000</u>	<u>8,607</u>	<u>(1,393)</u>
Cash Balance Budgeted	<u>6,449</u>	<u>6,759</u>		
TOTAL REVENUE & CASH	<u>\$ 6,449</u>	<u>\$ 16,759</u>		
EXPENDITURES				
Current				
Instruction	\$ 3,086	\$ 7,586	\$ 5,529	\$ 2,057
Support Services				
Support Services-School Administration	3,363	9,173	4,000	5,173
TOTAL EXPENDITURES	<u>\$ 6,449</u>	<u>\$ 16,759</u>	<u>\$ 9,529</u>	<u>\$ 7,230</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 8,607
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 8,607</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 9,529
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 9,529</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--CAPITAL PROJECTS FUND--BOND BUILDING

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Interest Income	\$ 2,000	\$ 2,000	\$ 3,709	\$ 1,709
TOTAL REVENUE	<u>2,000</u>	<u>2,000</u>	<u>\$ 3,709</u>	<u>\$ 1,709</u>
Cash Balance Budgeted	<u>2,002,234</u>	<u>2,023,811</u>		
TOTAL REVENUE & CASH	<u>\$ 2,004,234</u>	<u>\$ 2,025,811</u>		
EXPENDITURES				
Current				
Acquisition & Construction	\$ 2,004,234	\$ 2,025,811	\$ 921,681	\$ 1,104,130
TOTAL EXPENDITURES	<u>\$ 2,004,234</u>	<u>\$ 2,025,811</u>	<u>\$ 921,681</u>	<u>\$ 1,104,130</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 3,709
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 3,709</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 921,681
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 921,681</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--SPECIAL CAPITAL OUTLAY-LOCAL

Year Ended June 30, 2016

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Donations/Gifts	-	2,027	2,027	-
TOTAL REVENUE	-	2,027	<u>\$ 2,027</u>	<u>\$ -</u>
Cash Balance Budgeted	-	-		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 2,027</u>		
EXPENDITURES				
Current				
Instruction				\$ -
Acquisition & Construction	\$ -	\$ 2,027	\$ -	\$ 2,027
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 2,027</u>	<u>\$ -</u>	<u>\$ 2,027</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 2,027
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 2,027</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ -
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ -</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
ACTUAL (NON GAAP BUDGETARY BASIS)--DEBT SERVICE FUND--ED TECH DEBT SERVICE

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Residential/Non-Residential Taxes	\$ -	\$ 336	\$ 351	\$ 15
TOTAL REVENUE	<u>-</u>	<u>336</u>	<u>351</u>	<u>15</u>
 Cash Balance Budgeted	 -	 -		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 336</u>		
EXPENDITURES				
Current				
Support Services				
Support Services-General Administration	\$ -	\$ 336	\$ 4	\$ 332
Debt Service Reserve	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>336</u>	<u>4</u>	<u>332</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 351
Differences-Budget to GAAP	
Property tax Receivable	16
Total Revenues (GAAP Basis)	<u>\$ 367</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 4
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 4</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS
COMBINING BALANCE SHEET -- GENERAL FUND

June 30, 2016

	Operational	Transportation	Instructional Materials	TOTALS
ASSETS				
Cash on Deposit	\$ 4,919,016	\$ 981	\$ 50,118	\$ 4,970,115
Due from Other Funds	413,729	-	-	413,729
Property Tax Receivable	11,168	-	-	11,168
TOTAL ASSETS	\$ 5,343,913	\$ 981	\$ 50,118	\$ 5,395,012
LIABILITIES AND FUND BALANCE				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Payroll	708,817	-	-	708,817
TOTAL LIABILITIES	708,817	-	-	708,817
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	7,557	-	-	7,557
Unearned Revenue	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	7,557	-	-	7,557
FUND BALANCE				
Nonspendable	-	-	-	-
Restricted:				
Transportation	-	981	-	981
Instructional Materials	-	-	50,118	50,118
Unassigned	4,627,539	-	-	4,627,539
TOTAL FUND BALANCE	4,627,539	981	50,118	4,678,638
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 5,343,913	\$ 981	\$ 50,118	\$ 5,395,012

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCE -- GENERAL FUND

Year Ended June 30, 2016

	Operational	Transportation	Instructional Materials	TOTALS
REVENUE				
Federal Programs	\$ 521,438	\$ -	\$ -	\$ 521,438
State Programs	-	922,744	139,540	1,062,284
State Equalization	14,123,615	-	-	14,123,615
Interest Earnings	11,201	-	-	11,201
Fees	51,547	-	-	51,547
Indirect Cost	31,929	-	-	31,929
Rent and Royalties	95,100	-	-	95,100
Refund of Prior Year's Expenditures	5,657	-	1,769	7,426
Forest Reserve	94,557	-	-	94,557
Local Property Taxes	234,926	-	-	234,926
TOTAL REVENUES	15,169,970	922,744	141,309	16,234,023
EXPENDITURES				
Current				
Instruction	8,444,157	-	142,809	8,586,966
Support Services	-	-	-	-
Support Services-Students	1,050,176	-	-	1,050,176
Support Services-Instruction	434,144	-	-	434,144
Support Services-General Administration	382,169	-	-	382,169
Support Services-School Administration	1,041,812	-	-	1,041,812
Central Services	577,153	-	-	577,153
Operation & Maintenance of Plant	2,311,102	-	-	2,311,102
Student Transportation	-	921,764	-	921,764
TOTAL EXPENDITURES	14,240,713	921,764	142,809	15,305,286
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	929,257	980	(1,500)	928,737
Other Financing Sources (uses)				
Refunds to PED	-	-	-	-
Transfer IN (OUT)	-	-	-	-
Total Other Financial Sources	-	-	-	-
Net Change In Fund Balances	929,257	980	(1,500)	928,737
FUND BALANCE				
as of June 30, 2015	3,697,828	1	51,618	3,749,447
Restatement	454	-	-	454
Restated Balance	3,698,282	1	51,618	3,749,901
FUND BALANCE as of June 30, 2016	\$ 4,627,539	\$ 981	\$ 50,118	\$ 4,678,638

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--GENERAL FUND--OPERATIONAL

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Residential/Non-Residential Taxes	\$ 225,558	\$ 225,558	\$ 231,315	\$ 5,757
Fees-Users	25,000	25,000	51,547	26,547
Interest Income	2,500	2,500	11,201	8,701
State Equalization	14,323,372	14,323,372	14,123,615	(199,757)
Impact Aid	304,413	304,413	409,465	105,052
Rent	65,000	65,000	95,100	30,100
Access Board	-	-	111,973	111,973
Refunds	-	-	5,657	5,657
Indirect Cost - (DFG)	1,300	1,300	-	(1,300)
Indirect Cost - (Flow Through Grants)	24,000	24,000	31,929	7,929
Forest Reserve	-	-	94,557	94,557
TOTAL REVENUE	14,971,143	14,971,143	\$ 15,166,359	\$ 195,216
Cash Balance Budgeted	<u>2,460,543</u>	<u>2,460,543</u>		
TOTAL REVENUE & CASH	\$ 17,431,686	\$ 17,431,686		
EXPENDITURES				
Current				
Instruction	\$ 9,098,030	\$ 9,098,030	\$ 8,447,011	\$ 651,019
Support Services				
Support Services-Students	1,606,347	1,606,347	1,050,176	556,171
Support Services-Instruction	659,591	659,591	434,144	225,447
Support Services-General Administration	617,715	617,715	382,169	235,546
Support Services-School Administration	1,212,926	1,212,926	1,041,812	171,114
Central services	671,220	671,220	577,153	94,067
Operation & Maintenance of Plant	2,703,309	2,703,309	2,311,102	392,207
Other Support Services	862,548	862,548	-	862,548
TOTAL EXPENDITURES	\$ 17,431,686	\$ 17,431,686	\$ 14,243,567	\$ 3,188,119

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 15,166,359
Differences-Budget to GAAP	
Property tax Receivable	3,611
Total Revenues (GAAP Basis)	<u>15,169,970</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 14,243,567
Differences-budget to GAAP	
Accounts Payable	(2,854)
Total Expenditures (GAAP Basis)	<u>\$ 14,240,713</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--GENERAL FUND--TRANSPORTATION FUND

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Sources	\$ 855,494	\$ 922,744	\$ 922,744	-
TOTAL REVENUE	<u>855,494</u>	<u>922,744</u>	<u>\$ 922,744</u>	<u>\$ -</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 855,494</u>	<u>\$ 922,744</u>		
EXPENDITURES				
Current				
Student Transportation	\$ 855,494	\$ 922,744	\$ 921,764	\$ 980
TOTAL EXPENDITURES	<u>\$ 855,494</u>	<u>\$ 922,744</u>	<u>\$ 921,764</u>	<u>\$ 980</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 922,744
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 922,744</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 921,764
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 921,764</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--GENERAL FUND--INSTRUCTIONAL MATERIALS FUND

Year Ended June 30, 2016

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Refunds	\$ -	\$ -	\$ 1,769	\$ 1,769
State Sources	111,865	130,098	139,540	9,442
TOTAL REVENUE	<u>111,865</u>	<u>130,098</u>	<u>\$ 141,309</u>	<u>\$ 11,211</u>
Cash Balance Budgeted	<u>-</u>	<u>51,619</u>		
TOTAL REVENUE & CASH	<u>\$ 111,865</u>	<u>\$ 181,717</u>		
EXPENDITURES				
Current				
Instruction	\$ 111,865	\$ 181,717	\$ 142,809	\$ 38,908
TOTAL EXPENDITURES	<u>\$ 111,865</u>	<u>\$ 181,717</u>	<u>\$ 142,809</u>	<u>\$ 38,908</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 141,309
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 141,309</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 142,809
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 142,809</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--CAPITAL PROJECTS FUND - SENATE BILL 9

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Residential/Non-Residential Taxes	\$ 1,301,562	\$ 1,301,562	\$ 1,325,477	\$ 23,915
Interest Income	2,300	2,300	4,478	2,178
State Flow Through Grants	-	44,548	-	(44,548)
TOTAL REVENUE	<u>\$ 1,303,862</u>	<u>\$ 1,348,410</u>	<u>\$ 1,329,955</u>	<u>\$ (18,455)</u>
Cash Balance Budgeted	<u>2,586,683</u>	<u>2,586,683</u>		
TOTAL REVENUE & CASH	<u>\$ 3,890,545</u>	<u>\$ 3,935,093</u>		
EXPENDITURES				
Current				
Support Services				
Support Services-General Administration	\$ 15,000	\$ 15,000	\$ 13,255	\$ 1,745
Acquisition & Construction	3,875,545	3,920,093	1,753,964	2,166,129
TOTAL EXPENDITURES	<u>\$ 3,890,545</u>	<u>\$ 3,935,093</u>	<u>\$ 1,767,219</u>	<u>\$ 2,167,874</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 1,329,955
Differences-Budget to GAAP	
Property tax Receivable	20,890
Total Revenues (GAAP Basis)	<u>\$ 1,350,845</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 1,767,219
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 1,767,219</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
ACTUAL (NON GAAP BUDGETARY BASIS)--DEBT SERVICE FUND

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Residential/Non-Residential Taxes	\$ 3,886,279	\$ 3,886,279	\$ 3,938,494	\$ 52,215
Interest Income	1,560	1,560	4,547	2,987
Bond Proceeds	-	-	5,291	5,291
TOTAL REVENUE	<u>3,887,839</u>	<u>3,887,839</u>	<u>\$ 3,948,332</u>	<u>\$ 60,493</u>
Cash Balance Budgeted	<u>3,595,778</u>	<u>3,595,778</u>		
TOTAL REVENUE & CASH	<u>\$ 7,483,617</u>	<u>\$ 7,483,617</u>		
EXPENDITURES				
Current				
Support Services-General Administration	\$ 50,000	\$ 50,000	\$ 39,387	\$ 10,613
Principal	3,035,000	3,035,000	3,035,000	-
Interest and Finance Charges	811,588	811,588	693,513	118,075
Other Debt Service	3,587,029	3,587,029	1,526	3,585,503
TOTAL EXPENDITURES	<u>\$ 7,483,617</u>	<u>\$ 7,483,617</u>	<u>\$ 3,769,426</u>	<u>\$ 3,714,191</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 3,948,332
Differences-Budget to GAAP	
Property tax Receivable	61,870
Prior Year Tax Receivables	-
Total Revenues (GAAP Basis)	<u>\$ 4,010,202</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 3,769,426
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 3,769,426</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES -- AGENCY FUND

Year Ended June 30, 2016

	BALANCE <u>06/30/2015</u>	ADDITIONS	DEDUCTIONS	BALANCE <u>06/30/2016</u>
High School	\$ 112,373	\$ 95,386	\$ 110,835	\$ 96,924
Middle School	32,565	34,366	36,637	30,294
Nob Hill Elementary	7,062	17,858	16,761	8,159
Sierra Vista Elementary	18,195	34,288	34,134	18,349
White Mountain Elementary	37,207	62,022	57,913	41,316
Scholarships	17,722	187	-	17,909
Total	<u>\$ 225,124</u>	<u>\$ 244,107</u>	<u>\$ 256,280</u>	<u>\$ 212,951</u>

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2016

<u>US DEPARTMENT OF EDUCATION</u>		<u>FEDERAL</u>	<u>PASS</u>	<u>PROGRAM</u>
Passed through New Mexico Public Education Department		<u>CFDA</u>	<u>THROUGH</u>	<u>EXPENDITURES</u>
		<u>NUMBER</u>	<u>GRANTOR</u>	
			<u>NUMBER</u>	
Impact Aid	<1>	84.041	11000	\$ 409,466
Title I		84.010	24101	468,284
Idea B Entitlement		84.027	24106	600,728
NM Autism Project		84.027	24108	6,276
IDEA B Preschool		84.173	24109	26,576
IDEA B Risk Pool		84.027	24120	390
IDEA B Results Plan		84.027	24132	7,500
English Language Acquisition		84.365	24153	8,732
Teacher/Principal Training		84.367	24154	86,167
Rural & Low Income Schools		84.358	24160	19,243
Title I School Improvement		84.010	24162	58,386
Impact Aid Special Ed	<1>	84.041	25145	68,233
Impact Aid Indian Ed	<1>	84.041	25147	73,825
Title XIX Medicaid		93.778	25153	10,683
Indian Education		84.060	25184	59,907
Total Department of Education				<u>1,904,396</u>
<u>US DEPARTMENT OF AGRICULTURE</u>				
Passed Through New Mexico Public Education Department				
Forest Reserve		10.665	11000	94,557
Child and Adult Care Food Program	<1>	10.558	25171	2,372
National School Lunch	<1>	10.555	21000	951,409
School Food Commodity Distribution Program	<1>	10.559	21000	38,389
Total Department of Agriculture				<u>1,086,727</u>
<u>TOTAL FEDERAL AWARDS EXPENDITURES</u>				<u>\$ 2,991,123</u>
<1> Major Program				
Reconciliation to Federal Revenues in Financial Statements:				
Federal Revenues Per Financial Statements				\$ 3,124,942
Access Board (E-Rate)				(111,973)
Change in Fund Balance				(21,846)
				<u>\$ 2,991,123</u>

Note 1 The accompanying schedule of expenditures of Federal awards includes the Federal awards activity, under programs of the federal government for the year ended June 30, 2016 in accordance with the requirements of Title 2 U.S. code fo Federal Regulation Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal awards (Uniform 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, changes in net assets, or cash flows of the District.

Note 2 The District has elected to not use the 10 percent de minimus indirect cost rate as allowed under Uniform Guidance.

Note 3 Non-Monetary assistance of \$38,389 is included in the schedule at fair market value of the commodities received from the Department of Agriculture.

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

SCHEDULE OF PLEDGED COLLATERAL

June 30, 2016

	TOTAL DEPOSITS	FDIC INSURANCE	UNINSURED BANK BALANCE	COLLATERAL REQUIRED	COLLATERAL PLEDGED	SECURITY DEFICIT	UNINSURED & UNCOLLATERALIZED DEPOSITS
BBVA BANK	<u>\$ 13,216,831</u>	<u>\$ 250,000</u>	<u>\$ 12,966,831</u>	<u>\$ 6,483,416</u>	<u>\$ 14,750,000</u>	<u>\$ -</u>	<u>\$ (1,783,169)</u>

COLLATERAL	CUSIP #	MATURITY	CREDIT AMOUNT
FHLB ATLANTA	87689	12/18/15	\$ 2,000,000
FHLB ATLANTA	87738	12/21/16	2,000,000
FHLB ATLANTA	88903	01/13/17	1,750,000
FHLB ATLANTA	89267	01/23/17	1,000,000
FHLB ATLANTA	93960	05/12/17	500,000
FHLB ATLANTA	92719	04/11/17	500,000
FHLB ATLANTA	86712	12/01/16	7,000,000
			-
			<u>\$ 14,750,000</u>

LETTER OF CREDITS ISSUED BY
 FEDERAL HOME LOAN BANK
 ATLANTA, GEORGIA

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

BANK SUMMARY

June 30, 2016

BANK	ACCT TYPE	FUND	BANK BALANCE	DEPOSITS IN TRANSIT	OUTSTANDING CHECKS	CASH BALANCE
BBVA COMPASS	* CHK	OPERATIONAL	* \$ 4,509,624	\$ 3,831	\$ 62,625	\$ 4,450,830
	* CHK	FOOD SERVICES	* 326,207	-	-	326,207
	* CHK	CAPITAL IMPROVEMENTS SB-9	* 2,259,339	-	31,863	2,227,476
	* CHK	CAPITAL PROJECTS	* 1,134,051	-	26,184	1,107,867
	* CHK	DEBT SERVICE	3,859,659	-	-	3,859,659
	* CHK	ATHLETICS	37,595	-	532	37,063
	* CHK	PAYROLL CLEARING	873,423	-	868,490	4,933
	* CHK	NOB HILL EARLY CHILDHOOD	8,159	-	-	8,159
	* CHK	SIERRA VISTA	19,951	-	1,602	18,349
	* CHK	WHITE MOUNTAIN ELEMENTARY	41,316	-	-	41,316
	* CHK	RUIDOSO MIDDLE SCHOOL	30,794	-	500	30,294
	* CHK	RUIDOSO HIGH SCHOOL	98,805	-	1,881	96,924
		SCHOLARSHIP	17,909	-	-	17,909
TOTAL BBVA COMPASS			<u>\$ 13,216,832</u>	<u>\$ 3,831</u>	<u>\$ 993,677</u>	<u>\$ 12,226,986</u>

* interest bearing

CASH PER FINANCIAL STATEMENTS	\$ 12,722,851
AGENCY CASH	212,952
ACCRUED PAYROLL	(708,817)
	<u>\$ 12,226,986</u>

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

BANK RECONCILIATION

JUNE 30, 2016

	Operational	Transportation	Food Services	Athletics	Federal Projects	Local & State
Audited Net Cash						
JUNE 30, 2015	\$ 3,106,708	\$ 1	\$ 202,334	\$ 50,043	\$ 137,538	\$ 16,878
	-	-	-	-	-	-
CASH BALANCE						
JUNE 30, 2015	3,106,708	1	202,334	50,043	137,538	16,878
Add: Prior year void checks	454	-	-	486	-	-
2015-2016 Revenue	15,166,359	922,744	1,090,080	51,011	1,637,291	480,304
Loans In	590,241	-	-	-	387,383	26,346
Deposit in Error	-	-	-	-	-	-
	-	-	-	-	-	-
	15,757,054	922,744	1,090,080	51,497	2,024,674	506,650
TOTAL AVAILABLE CASH	18,863,762	922,745	1,292,414	101,540	2,162,212	523,528
Less:						
2015-2016 Expenditures	14,243,568	921,764	966,207	64,477	1,497,302	403,731
Loans Out	413,729	-	-	-	484,931	105,310
Accrued Payroll	-	-	-	-	-	-
Paid Back To PED	-	-	-	-	-	-
Prior year deposit error	1,200	-	-	-	-	-
	14,658,497	921,764	966,207	64,477	1,982,233	509,041
NET CASH, JUNE 30, 2016	4,205,265	981	326,207	37,063	179,979	14,487
Accrued Payroll	708,817	-	-	-	-	-
Payroll Clearing Cash	4,933	-	-	-	-	-
TOTAL CASH JUNE 30, 2016	\$ 4,919,015	\$ 981	\$ 326,207	\$ 37,063	\$ 179,979	\$ 14,487

SB-9	Ed Tech Debt Service	Debt Service	Instructional Materials	Special Capital Outlay State	Bond Building	Total
\$ 2,664,740	\$ 831	\$ 3,679,574	\$ 51,618	\$ -	\$ 2,023,811	\$ 11,934,076
-	-	-	-	-	-	-
2,664,740	831	3,679,574	51,618	-	2,023,811	11,934,076
1,329,955	352	3,948,332	141,310	2,027	3,709	24,773,474
-	-	-	-	-	-	1,003,970
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,329,955	352	3,948,332	141,310	2,027	3,709	25,778,384
3,994,695	1,183	7,627,906	192,928	2,027	2,027,520	37,712,460
-	-	-	-	-	-	-
1,767,219	4	3,769,426	142,810	-	921,681	24,698,189
-	-	-	-	-	-	1,003,970
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	1,200
1,767,219	4	3,769,426	142,810	-	921,681	25,703,359
-	-	-	-	-	-	-
2,227,476	1,179	3,858,480	50,118	2,027	1,105,839	12,009,101
-	-	-	-	-	-	708,817
-	-	-	-	-	-	4,933
<u>\$ 2,227,476</u>	<u>\$ 1,179</u>	<u>\$ 3,858,480</u>	<u>\$ 50,118</u>	<u>\$ 2,027</u>	<u>\$ 1,105,839</u>	<u>\$ 12,722,851</u>

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS
SCHEDULE OF THE PROPORTIONATE SHARE OF NET PENSION LIABILITY
Educational Retirement Board (ERB) Pension Plan

JUNE 30, 2016

	<u>2016</u>	<u>2015</u>
Proportion of the net pension liability	0.34053%	0.34672%
Proportionate share of the net pension liability	\$ 22,057,035	\$ 19,782,901
Covered Employee Payroll	\$ 9,297,560	\$ 9,556,814
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	237.23%	207.00%
Plan fiduciary net position as a percentage of total pension liability	63.97%	66.54%

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS
SCHEDULE OF CONTRIBUTIONS Educational Retirement Board (ERB) Pension Plan

JUNE 30, 2016

	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 1,355,048	\$ 1,345,438
Contributions in relation to the contractually required contribution	\$ 1,355,048	\$ 1,345,438
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 9,297,560	\$ 9,556,814
Contributions as a percentage of covered-employee payroll	14.57%	14.08%

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION: SCHEDULE OF THE PROPORTIONATE
SHARE OF NET PENSION LIABILITY and SCHEDULE OF CONTRIBUTIONS Educational
Retirement Board (ERB) Pension Plan

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 and 2014.

1. Fiscal year 2015 and 2014 valuation assumptions that changed based on this study:

- a. Lower wage inflation from 4.25% to 3.75%
- b. Lower payroll growth from 3.75% to 3.50%
- c. Update demographic assumptions to use currently published tables
- 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. Inflation will remain at 3.00%
- c. COLA assumption 2.00% per year
- d. Payroll growth remain at 3.50%

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS
 VENDOR SCHEDULE

JUNE 30, 2016

<i>Agency Number</i>	<i>Agency Name</i>	<i>Agency Type</i>	<i>RFB#/RFP# (If applicable)</i>	<i>Type of Procurement</i>	<i>Vendor Name</i>	<i>Did Vendor Win Contract?</i>	<i>\$ Amount of Awarded Contract</i>
7074	Ruidoso Municipal Schools	Schools	#1 2015-16SY DESIGN PROFESSIONAL SERVICES	RFP	DEKKER, PERRICH, SABATINI, LTD	Winner	\$1,017,533.25
7074	Ruidoso Municipal Schools	Schools	#2 2015-16SY RELATED SERVICES - DIAGNOSTIC/CONSULTANT	RFP	LAUREN NELSON	Winner	\$51,130.00
7074	Ruidoso Municipal Schools	Schools		Small Purchase	DIANA BILLINGSLEY		\$20,000.00
7074	Ruidoso Municipal Schools	Schools		Small Purchase	GLORIA PAFFORD		\$25,252.50
7074	Ruidoso Municipal Schools	Schools	#3 RHS - WEIGHT ROOM ADDITION	RFP	REJECTED	Loser	N/A
7074	Ruidoso Municipal Schools	Schools	#4 RHS WEIGHT ROOM ADDITION	RFP	JRP MASTER BUILDERS, LLC	Winner	\$248,750.00
7074	Ruidoso Municipal Schools	Schools		RFP	LINCOLN TRANSPORTATION	Winner	\$1,027,892.11
7074	Ruidoso Municipal Schools	Schools		RFP	ARCHWAY	Winner	\$102,750.36

<i>\$ Amount of Amended Contract</i>	<i>Physical address of vendor (City, State)</i>	<i>Did the Vendor provide documentation of eligibility for in-state preference?</i>	<i>Did the Vendor provide documentation of eligibility for veterans' preference?</i>	<i>Brief Description of the Scope of Work</i>	<i>If the procurement is attributable to a Component Unit, Name of Component Unit</i>
	DEKKER, PERRICH, SABATINI, LTD - 7601 JEFFERSON NE, ALBUQUERQUE, NM 87109	Yes	N/A	PROJECT #P15-013. THIS PROJECT WILL DEMOLISH AND REPLACE THE EXISTING NOB HILL EARLY CHILDHOOD CENTER TO THE WHITE MOUNTAIN CAMPUS SITE LOCATED AT 199 W WHITE MOUNTAIN DR., IN RUIDOSO, NM.	N/A
	LAUREN NELSON - PO BOX 2552, RUIDOSO, NM 88355	Yes	N/A	SPEECH/LANGUAGE PATHOLOGIST SERVICES & SUPERVISION FOR THE 2015-2016 SY.	N/A
	DIANA BILLINGSLEY - PO BOX 987, ALTO, NM 88312	Yes	N/A	EDUCATIONAL DIAGNOSTIC SERVICES FOR 2015-16 SY.	N/A
	GLORIA PAFFORD- PO BOX 173, HONDO, NM 88336	Yes	N/A	VOCATIONAL REHABILITATION COUNSELOR SERVICES FOR 2015-2016SY	N/A
	N/A		N/A	N/A	N/A
	JRP MASTER BUILDERS, LLC - PO BOX 274, RUIDOSO, NM 88355	Yes	N/A	CONSTRUCTION CONTRACT FOR THE RHS WEIGHT ROOM PER RFP #4 2015-2016 SY	N/A
	LINCOLN TRANSPORTATION- PO BOX 780, RUIDOSO DOWNS, NM 88346	Yes	N/A	ALL STUDENT TRANSPORTATION INCLUDING REGULAR TO AND FROM	N/A
	ARCHWAY - 1600 FIRST STREET NW, ALBUQUERQUE, NM 87102	Yes	N/A	TEXTBOOK VENDOR FOR THE DISTRICT	N/A

Woodard, Cowen & Co.

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (No Material Weaknesses, no Significant Deficiencies and Reportable Instances of Noncompliance and Other Matters Identified)

Mr. Tim Keller
New Mexico State Auditor
School Board
Ruidoso Municipal Schools

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 Ruidoso Municipal Schools (the District), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 14, 2016.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

A handwritten signature in black ink that reads "Woodard, Cowen & Co." The letters are cursive and somewhat slanted to the right.

Woodard, Cowen & Company

Portales, New Mexico
November 14, 2016

Woodard, Cowen & Co.

Certified Public Accountants

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

Mr. Tim Keller
New Mexico State Auditor
School Board
Ruidoso Municipal Schools

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

Report on Internal Control over Compliance

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

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

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

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

A handwritten signature in cursive script that reads "Woodard, Cowen & Co." The signature is written in dark ink and is positioned above the typed name of the firm.

Woodard, Cowen & Company
Portales, New Mexico
November 14, 2016

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

June 30, 2016

PRIOR YEAR AUDIT FINDINGS – Ruidoso Municipal Schools

2011-001 – Deposits not made within 24 hours – Significant deficiency (control and compliance)

Statement of Condition: During the testing of bank deposits, three deposits totaling \$750 out of 29 deposits tested from the high school, one deposit for \$75 out of 28 deposits tested from the middle school, and one deposit for \$30 out of 33 deposits tested from the elementary were not in compliance. This is an improvement over the prior year where a 16 out of 56 deposits tested were not in compliance with the 24-hour rule.

Recommendation: All funds should be deposited with 24 hours or one banking day. Funds that must remain on District property due the bank being closed should be in a secure place to prevent theft or destruction. Management should continue monitoring the process and continue training District staff.

Status: Resolved

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 June 30, 2016

I. SUMMARY OF AUDITORS RESULTS:

Report on Financial Statements	Unmodified
Significant Deficiencies on GAGAS	None
Material Weakness involving Significant Deficiencies	None
Material Noncompliance	None
Questioned Cost	None
Type A & Type B dollar threshold	\$750,000
Entity Risk	Low Risk
Major Federal Program	Impact Aid #84.041 National School Lunch #10.555 Child and Adult Care Food Program #10.558 School Food Commodity Distributions Program #10.599
Significant Deficiencies on Internal Control over Major Programs	None
Report on Compliance with Major Programs	Unmodified

II. FEDERAL PROGRAM FINDINGS: None

III. FINANCIAL STATEMENT FINDINGS:

None

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

June 30, 2016

OTHER DISCLOSURES

AUDITOR PREPARED FINANCIAL STATEMENTS

These financial statements and related footnotes and supplemental information were prepared by the auditor. The auditor cannot be a part of the District's internal control, thus the preparation of the report is not a substitute for managements' internal control and is not considered in the auditors' evaluation of the severity of the internal control deficiency.

EXIT CONFERENCE

An exit conference, to discuss the contents of this report, was held on November 14, 2016. In attendance at the 1:00 PM meeting were George Bickert, Ed.D, Superintendent; Shane Holder, School Board Secretary; and Clint Taylor, Director of Finance. Gayland Cowen CPA represented our firm at this meeting. Also in attendance was audit committee member Luther Light, parent.