

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS

Annual Financial Report
for the Year Ended June 30, 2016



INTRODUCTORY SECTION

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SOCORRO CONSOLIDATED SCHOOLS
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**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
OFFICIAL ROSTER
June 30, 2016**

<u>Name</u>		<u>Title</u>
James Chavez	<u>Board of Education</u>	President
Kimberly Gonzales		Vice-President
Carlos Vega		Secretary
Pauline Jaramillo		Member
JC Trujillo		Member
	<u>School Officials</u>	
Randall Earwood		Superintendent
J. Anton Salome		Assistant Superintendent
Rhiannon Crespin		Executive Director of Finance and Operations
Bonnie Hoke		Controller

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the District Board
Socorro Consolidated School District
and Mr. Tim Keller
New Mexico State Auditor

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

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

Accounting principles generally accepted in the United States of America require that the Schedule of the District's Proportionate Share of the Net Pension Liability, and Schedule of the District's Contributions on pages 54 to 58, respectively, 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion on or provide any assurance on the information because of the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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



Albuquerque, New Mexico
November 14, 2016

BASIC FINANCIAL STATEMENTS

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
STATEMENT OF NET POSITION
June 30, 2016

(Page 1 of 2)

	<u>Governmental Activities</u>	<u>Component Unit</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 4,801,296	102,526
Receivables (net of allowance for uncollectibles)	2,648,459	36,745
Inventory and other assets	6,687	-
Total current assets	<u>7,456,442</u>	<u>139,271</u>
Noncurrent assets		
Capital assets, non-depreciable		
Land	852,468	150,000
Construction in progress	-	99,787
Total capital assets, non-depreciable	<u>852,468</u>	<u>249,787</u>
Capital assets, net of accumulated depreciation		
Land improvements	18,386	24,520
Buildings and building improvements	32,540,632	1,476,960
Furniture, fixtures and equipment	4,616,108	19,759
Less: accumulated depreciation	<u>(18,632,056)</u>	<u>(208,976)</u>
Total capital assets, net of accumulated depreciation	<u>18,543,070</u>	<u>1,312,263</u>
Total noncurrent assets	<u>19,395,538</u>	<u>1,562,050</u>
Total Assets	<u>26,851,980</u>	<u>1,701,321</u>
DEFERRED OUTFLOWS		
Pension related	<u>1,987,729</u>	<u>239,459</u>
Total deferred outflows	<u>\$ 1,987,729</u>	<u>239,459</u>

See Notes to Financial Statements.

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
STATEMENT OF NET POSITION
June 30, 2016

(Page 2 of 2)

	<u>Governmental Activities</u>	<u>Component Unit</u>
LIABILITIES		
Accounts payable	476,617	-
Accrued payroll expenses	-	12,217
Accrued compensated absences	142,353	-
Accrued interest	103,606	-
Current portion of long-term debt	<u>1,075,150</u>	<u>-</u>
Total current liabilities	1,797,726	12,217
Noncurrent liabilities		
Bonds due in more than one year	9,535,890	-
Compensated absences	76,651	-
Net pension liability	<u>20,736,968</u>	<u>1,881,646</u>
Total noncurrent liabilities	30,349,509	1,881,646
Total liabilities	<u>32,147,235</u>	<u>1,893,863</u>
DEFERRED INFLOWS		
Pension related	<u>1,613,534</u>	<u>122,487</u>
Total deferred inflows	<u>1,613,534</u>	<u>122,487</u>
NET POSITION		
Net investment in capital assets	8,784,498	1,562,050
Restricted for:		
Debt service	1,400,142	-
Capital projects	2,290,633	1,646
Special revenue funds	1,836,436	886
Unrestricted	<u>(19,232,769)</u>	<u>(1,640,152)</u>
Total net position	<u>\$ (4,921,060)</u>	<u>(75,570)</u>

See Notes to Financial Statements.

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

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Service</u>
Primary government		
Governmental activities		
Instruction	\$ 9,021,438	-
Support Services		
Students	1,793,201	-
Instruction	100,951	-
General Administration	861,196	-
School Administration	2,393,535	-
Other Support Services	67,673	-
Central Services	990,732	-
Operation & Maintenance of Plant	3,566,700	-
Student Transportation	746,346	-
Food Services Operation	1,047,922	-
Community Services	7,848	-
Interest on long-term debt	248,255	-
Loss (Gain) on disposition of assets	1,235,977	-
Total Primary Government	<u>\$ 22,081,774</u>	<u>-</u>
Component Unit		
Cottonwood Valley Charter School	<u>\$ 2,080,303</u>	<u>-</u>

See Notes to Financial Statements.

Program Revenues		Net (Expenses) Revenues and Changes in Net Assets	Component Unit
Operating Grants and Contributions	Capital Grants and Contributions		
6,999,221	-	(2,022,217)	1,046,288
-	-	(1,793,201)	79,834
-	-	(100,951)	1,694
-	-	(861,196)	20,532
-	-	(2,393,535)	150,621
-	-	(67,673)	74,518
-	-	(990,732)	-
-	-	(3,566,700)	834,362
730,136	-	(16,210)	390
-	-	(1,047,922)	-
-	-	(7,848)	-
-	-	(248,255)	-
-	-	(1,235,977)	(127,936)
<u>7,729,357</u>	<u>-</u>	<u>(14,352,417)</u>	<u>2,080,303</u>
<u>130,466</u>	<u>-</u>	<u>-</u>	<u>(1,949,837)</u>

General Revenues:

Property taxes:

Levied for general purposes	\$	71,387	-
Levied for debt service		1,302,269	-
Levied for capital projects		334,841	-
State Equalization Guarantee		11,186,626	1,277,239
Miscellaneous		46,034	64,627
Total general revenues		<u>12,941,157</u>	<u>1,341,866</u>
Change in net position		(1,411,260)	(607,971)
Net position - beginning		<u>(3,509,800)</u>	<u>532,401</u>
Net position - ending	\$	<u>(4,921,060)</u>	<u>(75,570)</u>

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2016

	Operational Fund		
	General	Transportation	Instructional
	11000	13000	Materials 14000
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	\$ 13,557	-	68,475
Accounts receivable			
Taxes	9,308	-	-
Due from other governments	-	-	-
Other	-	-	-
Interfund receivables	1,377,775	-	-
Prepaid expenditures	-	-	-
Inventory	-	-	-
<i>Total assets</i>	<u>\$ 1,400,640</u>	<u>-</u>	<u>68,475</u>
LIABILITIES, DEFERRED OUTFLOWS AND FUND BALANCES			
<i>Current Liabilities</i>			
Accounts payable	\$ 72,889	-	-
Accrued payroll liabilities	-	-	-
Interfund payables	-	1	-
<i>Total liabilities</i>	<u>72,889</u>	<u>1</u>	<u>-</u>
DEFERRED INFLOWS - PROPERTY TAXES			
Unearned revenue - property taxes	<u>8,552</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>			
Fund Balance			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	<u>1,319,199</u>	<u>(1)</u>	<u>68,475</u>
<i>Total fund balance</i>	<u>1,319,199</u>	<u>(1)</u>	<u>68,475</u>
<i>Total liabilities, deferred outflows and fund balance</i>	<u>\$ 1,400,640</u>	<u>-</u>	<u>68,475</u>

See Notes to Financial Statements.

	Bond Building 31100	Debt Service 41000	Other Governmental Funds	Total Governmental Funds
\$	2,621,556	1,383,299	714,409	4,801,296
	-	201,787	52,658	263,753
	10	-	2,384,696	2,384,706
	-	-	-	-
	-	-	-	1,377,775
	-	-	6,687	6,687
	-	-	-	-
\$	<u>2,621,566</u>	<u>1,585,086</u>	<u>3,158,450</u>	<u>8,834,217</u>
\$	384,334	-	19,394	476,617
	-	-	-	-
	-	-	1,377,774	1,377,775
	<u>384,334</u>	<u>-</u>	<u>1,397,168</u>	<u>1,854,392</u>
	-	184,944	48,264	241,760
	-	-	6,687	6,687
	2,237,232	1,400,142	1,836,436	5,473,810
	-	-	-	-
	-	-	-	-
	-	-	(130,105)	1,257,568
	<u>2,237,232</u>	<u>1,400,142</u>	<u>1,713,018</u>	<u>6,738,065</u>
\$	<u>2,621,566</u>	<u>1,585,086</u>	<u>3,158,450</u>	<u>8,834,217</u>

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

	<u>Governmental Funds</u>
Amounts reported for governmental activities in the statement of net position are different because:	
Fund balances - total governmental funds	\$ 6,738,065
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	19,395,538
Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.	1,987,729
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:	
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be unearned revenue in the fund financial statements, but are considered revenue in the Statement of Activities	241,760
Accrued Interest	(103,606)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	
Net pension liability	(20,736,968)
Accrued compensated absences	(219,004)
General obligation bonds	(10,611,040)
Defind benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(1,613,534)</u>
Net Position-total Governmental Activities	\$ <u><u>(4,921,060)</u></u>

See Notes to Financial Statements.

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

	Operational Fund		
	General	Transportation	Instructional
	11000	13000	Materials 14000
<i>Revenues</i>			
Property taxes	\$ 63,609	-	-
State grants	11,152,125	730,136	111,732
Federal grants	1,442,320	-	-
Miscellaneous	35,351	-	-
Interest	1,663	-	-
	<u>12,695,068</u>	<u>730,136</u>	<u>111,732</u>
<i>Expenditures</i>			
Current			
Instruction	6,957,624	-	75,798
Support Services			
Students	1,503,236	-	-
Instruction	49,062	-	4
General Administration	443,926	-	-
School Administration	1,195,016	-	-
Central Services	461,399	-	-
Operation & Maintenance of Plant	1,842,214	-	-
Student Transportation	-	730,137	-
Other Support Services	14,345	-	-
Food Services Operations	-	-	-
Community Service	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
	<u>12,466,822</u>	<u>730,137</u>	<u>75,802</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>228,246</u>	<u>(1)</u>	<u>35,930</u>
<i>Other financing sources (uses)</i>			
Operating transfers	191,955	-	-
Proceeds from bond issues	-	-	-
<i>Total other financing sources (uses)</i>	<u>191,955</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	420,201	(1)	35,930
<i>Fund balances, beginning of year</i>	898,998	-	32,545
<i>Fund balances (deficit), end of year</i>	<u>\$ 1,319,199</u>	<u>(1)</u>	<u>68,475</u>

See Notes to Financial Statements.

Bond Building 31100	Debt Service 41000	Other Governmental Funds	Total Governmental Funds
-	1,302,269	334,841	1,700,719
-	34,501	3,090,239	15,118,733
-	-	2,354,930	3,797,250
-	-	1	35,352
2,911	16	6,092	10,682
2,911	1,336,786	5,786,103	20,662,736
-	-	1,886,889	8,920,311
-	-	175,656	1,678,892
-	-	26,308	75,374
-	13,285	99,069	556,280
-	-	1,224,934	2,419,950
-	-	66,106	527,505
-	-	13,683	1,855,897
-	-	22,059	752,196
-	-	-	14,345
-	-	1,054,882	1,054,882
-	-	7,848	7,848
870,701	-	869,930	1,740,631
-	1,059,845	-	1,059,845
-	251,964	-	251,964
870,701	1,325,094	5,447,364	20,915,920
(867,790)	11,692	338,739	(253,184)
-	-	(191,955)	-
1,385,000	-	-	1,385,000
1,385,000	-	(191,955)	1,385,000
517,210	11,692	146,784	1,131,816
1,720,022	1,388,450	1,566,234	5,606,249
2,237,232	1,400,142	1,713,018	6,738,065

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

Governmental
Funds

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

Net Change in fund balances - total governmental funds	\$ 1,131,816
Change in net pension liability	209,748

Capital Outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeds capital outlays for the period.

Depreciation expense	(1,502,185)
Capital Outlays	357,003

Revenues that do not provide current financial resources are not reported as revenues in the fund statements but are reporting in the Statement of Activities	7,778
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The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:

Change in accrued interest payable	3,709
Change in accrued compensated absences	(57,997)
Bond proceeds	(1,385,000)
Loss on disposition of assets	(1,235,977)
Principal payments on bonds	<u>1,059,845</u>

Change in Net Position-total Governmental Activities	\$ <u><u>(1,411,260)</u></u>
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See Notes to Financial Statements.

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

	Budgeted Amounts			Variance
	Original Budget	Final Budget	Actual	
<i>Revenues</i>				
Property taxes	\$ 61,541	61,541	62,851	1,310
State grants	12,571,860	12,254,587	11,152,125	(1,102,462)
Federal grants	20,000	256,756	1,442,320	1,185,564
Miscellaneous	29,000	9,000	35,351	26,351
Interest	2,000	2,000	1,663	(337)
<i>Total revenues</i>	<u>12,684,401</u>	<u>12,583,884</u>	<u>12,694,310</u>	<u>110,426</u>
<i>Expenditures</i>				
Current:				
Instruction	6,987,245	7,087,245	6,878,063	209,182
Support Services				
Students	1,693,091	1,593,091	1,503,236	89,855
Instruction	68,019	68,019	49,062	18,957
General Administration	482,265	661,398	443,926	217,472
School Administration	1,123,702	1,195,402	1,195,016	386
Central Services	562,447	755,058	461,399	293,659
Operation & Maintenance of Plant	2,017,837	2,074,504	1,842,214	232,290
Other Support Services	52,932	52,932	14,345	38,587
<i>Total Expenditures</i>	<u>12,987,538</u>	<u>13,487,649</u>	<u>12,387,261</u>	<u>1,100,388</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(303,137)</u>	<u>(903,765)</u>	<u>307,049</u>	<u>1,210,814</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	191,955	191,955
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>191,955</u>	<u>191,955</u>
<i>Net changes in fund balances</i>	<u>(303,137)</u>	<u>(903,765)</u>	<u>499,004</u>	<u>1,402,769</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>898,998</u>	<u>898,998</u>
<i>Fund balance - end of year</i>	<u>\$ (303,137)</u>	<u>(903,765)</u>	<u>1,398,002</u>	<u>2,301,767</u>
<i>Reconciliation to GAAP Basis</i>				
Adjustments to revenues			\$ 758	
Adjustments to expenditures			<u>(79,561)</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 420,201</u>	

See Notes to Financial Statements.

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ 683,792	730,137	730,136	(1)
<i>Total revenues</i>	<u>683,792</u>	<u>730,137</u>	<u>730,136</u>	<u>(1)</u>
<i>Expenditures</i>				
Current:				
Student Transportation	683,792	730,137	730,137	-
<i>Total Expenditures</i>	<u>683,792</u>	<u>730,137</u>	<u>730,137</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>(1)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>(1)</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>(1)</u>	<u>(1)</u>
<i>Reconciliation to GAAP Basis</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ (1)</u>	

See Notes to Financial Statements.

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ 90,798	111,732	107,760	(3,972)
<i>Total revenues</i>	<u>90,798</u>	<u>111,732</u>	<u>107,760</u>	<u>(3,972)</u>
<i>Expenditures</i>				
Current:				
Instruction	90,798	144,277	75,798	68,479
Support Services				
Instruction	-	-	4	(4)
<i>Total Expenditures</i>	<u>90,798</u>	<u>144,277</u>	<u>75,802</u>	<u>68,475</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(32,545)</u>	<u>31,958</u>	<u>64,503</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>(32,545)</u>	<u>31,958</u>	<u>64,503</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>32,545</u>	<u>32,545</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>(32,545)</u>	<u>64,503</u>	<u>97,048</u>
<i>Reconciliation to GAAP Basis</i>				
Adjustments to revenues			\$ 3,972	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 35,930</u>	

See Notes to Financial Statements.

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Interest	\$ -	-	2,921	2,921
	<u>-</u>	<u>-</u>	<u>2,921</u>	<u>2,921</u>
<i>Expenditures</i>				
Current				
Capital outlay	2,252,769	3,105,861	486,367	2,619,494
	<u>2,252,769</u>	<u>3,105,861</u>	<u>486,367</u>	<u>2,619,494</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(2,252,769)</u>	<u>(3,105,861)</u>	<u>(483,446)</u>	<u>2,622,415</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	1,200,000	1,385,839	1,385,000	(839)
<i>Total other financing sources (uses)</i>	<u>1,200,000</u>	<u>1,385,839</u>	<u>1,385,000</u>	<u>(839)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>901,554</u>	<u>901,554</u>
<i>Fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,720,022</u>	<u>1,720,022</u>
<i>Fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>2,621,576</u>	<u>2,621,576</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (10)	
Adjustments to expenditures			(384,334)	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 517,210</u>	

See Notes to Financial Statements.

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ 1,218,742	1,218,742	1,281,769	63,027
State grants	-	-	34,501	34,501
Interest	-	-	16	16
	<u>1,218,742</u>	<u>1,218,742</u>	<u>1,316,286</u>	<u>97,544</u>
<i>Expenditures</i>				
Current				
Support Services	-	-	-	-
General Administration	12,188	12,188	13,285	(1,097)
School Administration	-	-	-	-
Debt Service				
Principal	1,944,782	1,944,782	1,059,845	884,937
Interest	241,831	241,831	251,964	(10,133)
	<u>2,198,801</u>	<u>2,198,801</u>	<u>1,325,094</u>	<u>873,707</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(980,059)</u>	<u>(980,059)</u>	<u>(8,808)</u>	<u>971,251</u>
<i>Other financing sources (uses)</i>				
Designated cash	1,361,541	1,255,972	-	(1,255,972)
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,361,541</u>	<u>1,255,972</u>	<u>-</u>	<u>(1,255,972)</u>
<i>Net change in fund balances</i>	<u>381,482</u>	<u>275,913</u>	<u>(8,808)</u>	<u>(284,721)</u>
<i>Fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,388,450</u>	<u>1,388,450</u>
<i>Fund balance, end of year</i>	<u>\$ 381,482</u>	<u>275,913</u>	<u>1,379,642</u>	<u>1,103,729</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 20,500	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 11,692</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
AGENCY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
June 30, 2016

	Agency Funds
ASSETS	
<i>Current Assets</i>	
Cash	\$ <u>367,282</u>
<i>Total assets</i>	\$ <u><u>367,282</u></u>
 LIABILITIES	
<i>Current Liabilities</i>	
Deposits held in trust for others	\$ <u>367,282</u>
<i>Total liabilities</i>	\$ <u><u>367,282</u></u>

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Reporting Entity. GASB Statement No. 14 established criteria for determining the government reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the District is considered a *primary government*, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the District may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. Based upon the application of these criteria, the following is a brief review of the potential component unit addressed in defining the government's reporting entity:

Cottonwood Valley Charter School is a component unit of the District, as defined by GASB Statement No. 14 and / or GASB Statement No. 39, and has a separate governing board. The Charter School does not issue separate financial statements. Charter schools operate under the Senate Bill 192, Chapter 281, Laws of 1999, and are responsible for maintaining separate accounting records, and are component units of the school districts they operate within. See Note 18 for detailed information on Cottonwood Valley Charter School's assets and liabilities.

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

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

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GASB No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB No. 65, *Items Previously Reported as Assets and Liabilities*, amend GASB No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis for State and Local Governments*, to incorporate deferred outflows of resources and deferred inflows of resources in the financial reporting model.

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

Deferred outflows of resources – a consumption of net assets by the government that is applicable to a future reporting period. It has a positive effect on net position, similar to assets.

Deferred inflows of resources – an acquisition of net assets by the government that is applicable to a future reporting period. It has a negative effect on net position, similar to liabilities.

Net position – the residual of the net effects of assets, deferred outflows of resources, liabilities, and deferred inflows of resources.

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

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

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Ad valorem taxes (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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

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

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

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

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

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

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

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

The *Transportation Fund* is used to account for the State Equalization, received from the Public Education Department (PED), which is used to pay for the costs associated with transporting school age children. This is considered by PED to be a sub-fund of the General Fund.

The *Instructional Materials Fund* is used to account for the monies received from the Public Education Department (PED) for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students. This is considered by PED to be a sub-fund of the General Fund.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

Additionally, the government reports the following fund types:

The fiduciary funds are purely custodial (assets equal liabilities) and do not involve measurement of results of operations. The District's fiduciary funds are used to account for the collection and payment of student activity funds.

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

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

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The District has elected not to follow subsequent private-sector guidance.

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

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

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity

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

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

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

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

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

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

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

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

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventory. Inventory is valued at lower of cost (first-in, first-out) or market. Inventory in the Special Revenue Funds consists of U.S.D.A. commodities and other purchased food and non-food supplies. The cost of purchased food is recorded as an expenditure at the time individual inventory items are consumed. The U.S.D.A. commodities are recorded at year-end by audit adjusting entries. Commodities consumed during the year are reported as revenues and expenditures; unused commodities are reported as inventories and deferred revenue. Non-commodity inventories are equally offset by a fund balance reserve, which indicates that they do not constitute “available spendable resources” even though they are a component of net current assets. No deferred revenue was recorded for unused commodity inventory as of June 30, 2016.

Capital Assets. Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Pursuant to implementation of GASB Statement No. 34, the historical cost of infrastructure assets, (retroactive to 1979) are to be included as part of the governmental capital assets reported in the government wide statements. However, infrastructure assets have not been included in the June 30, 2016 financial statements of Socorro Consolidated Schools, since the District did not own any infrastructure assets as of June 30, 2016. Information Technology Equipment, including software, is being capitalized and included in furniture and equipment as the District did not maintain internally developed software. The District expenses the cost of library books when purchased. Donated capital assets are recorded at estimated fair 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. No interest was included as part of the cost of capital assets under construction during the year ended June 30, 2016.

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

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

Unearned Revenues. The District recognizes grant revenue at the time the related expense is made if the expenditure of funds is the prime factor for determining eligibility for reimbursement; therefore, amounts received and not expended in the Special Revenue Funds are shown as unearned revenues. Amounts receivable from the property taxes levied for the current year that are not considered to be “available” under the current financial resources measurement focus are reported as deferred revenues in the governmental fund financial statements.

Compensated Absences. Qualified employees are entitled to earn annual leave of twenty-four days per year. Employees may accrue and, upon termination, may be paid for up to thirty-six days of accrued annual leave while the superintendent’s limit is forty-two days of leave.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension 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 of as they are reported by ERB, on the economic resources management focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position or Fund Equity. Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The detail of which is presented in Note 21.

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

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

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

Unrestricted Net Position: All other net position that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

The Government-wide statement of net position reports \$1,820,653 and \$1,646 of which \$5,511,428 and \$2,532 is restricted by enabling legislation for the District and Charter School, respectively.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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 \$12,218,048 in state equalization guarantee distributions during the year ended June 30, 2016.

Tax Revenues. The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Tax revenues are recognized when they are in the hands of the collecting agency. The District records only the portion of the taxes considered to be 'measurable' and 'available'. The District recognized \$1,700,719 in tax revenues during the year ended June 30, 2016. Descriptions of the individual debt service and capital outlay funds contained in these financial statements include information regarding the authority for the collection and use of these taxes.

Property taxes attach an enforceable lien on property as of January 1. Tax notices are sent to property owners by November 1st of each year to be paid in whole or in two installments by November 10th and April 10th of each year. The County collects property taxes and distributes them to the school district in the month following collection.

Transportation Distribution. School districts in the State of New Mexico receive student transportation distributions. The transportations 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.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The District received \$730,136 in transportation distributions during the year ended June 30, 2016.

Instructional Materials. The New Mexico Public Education Department (PED) receives federal material leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, fifty percent is restricted to the requisition of materials listed in the State Board of Education "State Adopted Instructional Material" list, while fifty percent of each allocation is available for purchases directly from vendors. Allocations received from the State for the year ended June 30, 2016 totaled \$111,732.

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

The District received \$0 in SB-9 matching allocation for the year ended June 30, 2016.

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

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

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

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Money in the fund shall be disbursed by warrant of the Department of Finance and Administration on vouchers signed by the Secretary of Finance and Administration following certification by the council that the application has been approved.

The District did not receive any PSCOC funds during the year.

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

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

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTIBILITY

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

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

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

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

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTIBILITY (CONTINUED)

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

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

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

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTIBILITY (CONTINUED)

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

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

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

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of resultant basis, perspective, equity, and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2016, is presented on each funds' Statement of Revenue, Expenditures and Changes in Fund Balance – Budget (non-GAAP Budgetary Basis) and Actual.

NOTE 3. CASH AND TEMPORARY INVESTMENTS

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

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

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

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

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 3. CASH AND TEMPORARY INVESTMENTS (CONTINUED)

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

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

Deposits:

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

	First State Bank	Wells Fargo Bank	Total
Total deposits	\$ 2,600,325	2,168,755	4,769,080
FDIC coverage	(250,000)	(250,000)	(500,000)
Total uninsured public funds	<u>2,350,325</u>	<u>1,918,755</u>	<u>4,269,080</u>
Pledged collateral held by pledging banks trust department or agent but not in agency's name	<u>5,800,000</u>	<u>1,165,847</u>	<u>6,965,847</u>
Collateral requirement (50% of uninsured public funds)	<u>1,175,162</u>	<u>959,378</u>	<u>2,134,540</u>
Total over (under) collateralized	<u>\$ 4,624,838</u>	<u>206,469</u>	<u>4,831,307</u>

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 3. CASH AND TEMPORARY INVESTMENTS (CONTINUED)

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2016, \$4,111,537 of the District’s bank balance of \$4,769,080 was exposed to custodial credit risk as it was uninsured and the collateral was held by pledging bank’s trust department, not in the District’s name. At June 30, 2016, the carrying amount of these deposits was \$5,168,579.

Reconciliation of Cash and Temporary Investments

Governmental Funds – Balance Sheet	
Cash and cash equivalents	\$ 4,801,296
Statement of Fiduciary Net Position	367,282
	<u>5,168,578</u>
Add outstanding checks and other reconciling items	1,651,510
	<u>6,820,088</u>
Less petty cash	(1,400)
Less funds held at New Mexico Finance Authority	(2,049,610)
Bank balance of deposits and investments	<u>\$ 4,769,078</u>

NOTE 4. RECEIVABLES

Receivables as of June 30, 2016, are as follows:

	General	Bond Building	Debt Service	Other Governmental	Total
Property taxes	\$ 9,308	-	201,787	52,658	263,753
Intergovernmental	-	10	-	2,384,696	2,384,706
Total	<u>\$ 9,308</u>	<u>10</u>	<u>201,787</u>	<u>2,437,355</u>	<u>2,648,460</u>

The above receivables are deemed 100% collectible. In accordance with GASB #33, the District should record the entire property tax receivable balance. However, the District was unable to provide sufficient documentation to support the balance; therefore the District recorded property taxes received within 60 days of the fiscal year in accordance with the modified accrual basis.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 5. INTERFUND RECIEVABLES, PAYABLES AND TRANSFERS

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

Governmental Activities	Interfund Receivables	Interfund Payables
Major Funds:		
Operational	\$ 1,377,775	
Transportation		1
Nonmajor Funds:		
Title I – IASA		9,206
Entitlement IDEA-B		498,753
NM Autism Project		4,364
Education Homeless		1,962
Fresh Fruits & Vegetables		1,297
21 st Century Community Learning Center		50,676
IDEA-B “Risk Pool”		110,545
IDEA-B Results Plan		4,455
Teacher/Principal Training & Recruiting		67,590
Rural and Low-Income Schools		7,853
Carl D Perkins Secondary		8,680
USDA 2010 Equipment Assistance		2,930
USHSD Pregnancy Prevention		459,557
Dual Credit Instructional Materials/HB2		1,239
2012 GO Bond – Student Library SB-66		12,131
NM Reads to Lead K-3 Reading Initiative		1,891
Pre K Initiative		25,369
NM Grads		80,469
Kindergarten – Three Plus		4,257
Teachers Hard to Staff Stipend		6,396
2008 Library Book Fund		5,247
GRADS – Instruction		4,807
Grads Plus		8,100
Total Governmental Activities	\$ <u>1,377,775</u>	<u>1,377,775</u>

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 5. INTERFUND RECIEVABLES, PAYABLES AND TRANSFERS (CONTINUED)

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

Governmental Funds	Transfers In	Transfers Out
Operational (11000)	\$ 312,243	120,288
Enhancing Ed thru Technology (24149)	12,680	
Science Instructional Materials (27176)	4,236	
Public School Capital Outlay (31200)	103,522	
Title I – 1003g Grant (24124)		149
Technology Literacy Challenge (24133)		150
Title I School Improvement (24201)		225
Title I – 1003g Grant (24224)		224,028
Technology for Education PED (27117)		11,797
Incentives for School Improvement Act PED (27138)		17,730
Beginning Teacher Mentoring Program (27154)		18,386
Legislative Appropriations Math Grant (27165)		1,840
Pre-Kindergarten Special State (27169)		5,184
2008 Library Book Fund (27549)		5,247
ASSUST Tobacco DOH (28122)		19,175
DWI NM Local Grant Fund (28145)		98
GEAR UP CHE		8,384
Total	\$ <u>432,681</u>	<u>432,681</u>

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 6. CAPITAL ASSETS

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

	Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016
Capital Assets used in Governmental Activities:				
<i>Capital assets not being depreciated:</i>				
Land	\$ 852,468	-	-	852,468
Total assets not being depreciated	<u>852,468</u>	<u>-</u>	<u>-</u>	<u>852,468</u>
<i>Assets being depreciated:</i>				
Land improvements	18,386	-	-	18,386
Buildings/building improvements	33,642,935	306,100	(1,408,403)	32,540,632
Furniture, fixtures, & equipment	4,578,233	50,903	(13,028)	4,616,108
Total assets being depreciated	<u>38,239,554</u>	<u>357,003</u>	<u>(1,421,431)</u>	<u>37,175,126</u>
Total assets	<u>39,092,022</u>	<u>357,003</u>	<u>(1,421,431)</u>	<u>38,027,594</u>
<i>Less accumulated depreciation:</i>				
Land improvements	(383)	(1,839)	-	(2,222)
Buildings/building improvements	(14,487,479)	(1,219,688)	11,191	(15,695,976)
Furniture, fixtures, & equipment	(2,827,464)	(280,658)	174,264	(2,933,858)
Total accumulated depreciation	<u>(17,315,326)</u>	<u>(1,502,185)</u>	<u>185,455</u>	<u>(18,632,056)</u>
Net Capital Assets	\$ <u>21,776,696</u>	<u>(1,145,182)</u>	<u>(1,235,976)</u>	<u>19,395,538</u>

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

Instruction	\$ 178,910
Support Services – Students	124,231
Support Services – Instruction	26,138
Support Services – General Administration	309,150
Support Services – School Administration	601
Central Services	469,883
Operation and Maintenance	339,944
Other Support Services	<u>53,328</u>
Total	\$ <u>1,502,185</u>

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 7. LONG-TERM DEBT

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

	Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016	Due Within One Year
General Obligation Bonds	\$ 9,930,000	1,385,000	(1,035,000)	10,280,000	1,050,000
NMFA Energy Efficiency	335,885	-	(24,845)	331,040	25,150
Compensated Absences	161,007	192,434	(134,437)	219,004	142,353
Total	\$ 10,426,892	1,385,000	(1,194,282)	10,830,044	1,217,503

The annual requirements to amortize the General Obligation Bonds as of June 30, 2016, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2017	\$ 1,050,000	235,782	1,285,782
2018	1,075,000	209,200	1,284,200
2019	925,000	183,901	1,108,901
2020	985,000	159,600	1,144,600
2021	1,015,000	134,187	1,149,187
2022-2026	3,730,000	323,181	4,053,181
2026-2030	1,500,000	25,508	1,525,508
Totals	\$ 10,280,000	1,271,359	11,551,359

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

The District received a bond in the amount of \$1,385,000 in fiscal year 2013 through Fund 28197, NMFA Energy Efficiency and Renewable Energy which it will make payments, including interest as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2017	\$ 24,845	9,656	34,501
2018	25,150	9,344	34,494
2019	25,620	8,960	34,580
2020	26,200	8,490	34,690
2021	26,875	7,942	34,817
2022-2026	147,575	28,538	176,113
2027-2032	54,775	6,155	85,778
Totals	\$ 331,040	79,085	434,970

Compensated Absences – Administrative employees of the District are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2016, compensated absences increased \$57,997 from the prior year accrual. See Note 1 for more details.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 7. LONG-TERM DEBT (CONTINUED)

Operating Leases – The District leases office equipment, including copy machines and postage meter machines, under short-term cancelable operating leases. Rental cost for the year ended June 30, 2016 was \$157,523.

NOTE 8. UNEARNED REVENUE

In accordance with the terms of the various grant agreements within the Special Revenue Funds, revenues received in excess of expenditures carry over to the subsequent years, unless such excess revenues are requested to be returned to the grantor.

NOTE 9. RISK MANAGEMENT

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

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

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

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

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 10. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

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

- A. Deficit fund balance of individual funds. The following funds reported a deficit fund balance at June 30, 2016:

Major Funds:	
Transportation (13000)	\$ <u>1</u>
Subtotal, Major Funds	<u>1</u>
Nonmajor Funds:	
21 st Century Community Learning Centers (24119)	4,987
Teacher/Principal Training & Recruiting (24154)	67,590
Carl D. Perkins Secondary Current (24174)	1,194
Dual Credit Instructional Materials/HB2 (27103)	1,239
NM GRADS	14,237
Kindergarten – Three Plus (27166)	4,257
GRADS – Instruction	<u>1,546</u>
Subtotal, Nonmajor Funds	<u>95,050</u>
Total	<u>\$ 95,051</u>

- B. Excess of expenditures over appropriations. The following funds exceeded approved budgetary authority for the year ended June 30, 2016:

Major Funds:	
Instructional Materials Fund-Instruction	\$ 4
Debt Service Fund	<u>1,097</u>
Subtotal, Major Funds	<u>1,101</u>
Nonmajor Funds:	
Food Service-Operations	55,728
Title I IASA-School Administration	17,280
IDEA-B Entitlement-Students	7,663
IDEA-B Entitlement-School Administration	28,407
NM Autism Project-Instruction	4,364
21 st Century Learning Centers-Instruction	4,559
21 st Century Learning Centers-Community Svc.	348
IDEA-B Risk Pool	<u>12,568</u>
Subtotal, Nonmajor Funds	<u>130,917</u>
Total	<u>\$ 132,018</u>

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 11. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

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

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

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

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

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

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

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

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
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June 30, 2016**

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

years of service credit will have a 5% COLA reduction; their average COLA will be 1.9%. All other retirees will have a 10% COLA reduction; their average will be 1.8%. Members on disability retirement are entitled to a COLA commencing on July 1 of the third full year following disability retirement. A member on regular retirement who can prove retirement because of a disability may qualify for a COLA beginning July 1 in the third full year of retirement.

A member is eligible for a disability benefit provided (a) he or she has credit for at least 10 years of service, and (b) the disability is approved by ERB. The monthly benefit is equal to 2% of FAS times years of service, but not less than the smaller of (a) one-third of FAS or (b) 2% of FAS times year of service projected to age 60. The disability benefit commences immediately upon the member's retirement. Disability benefits are payable as a monthly life annuity, with a guarantee that, if the payments made do not exceed the member's accumulated contributions, determined as of the date of retirement, the balance will be paid in a lump sum to the member's surviving beneficiary. If the disabled member survives to age 60, the regular optional forms of payment are then applied. A member with five or more years of earned service credit on deferred status may retire on disability retirement when eligible under the Rule of 75 or when the member attains age 65.

Contributions. The contribution requirements of defined benefit plan members and the Socorro Consolidated Schools are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2015 employers contributed 13.15% if employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2016 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Socorro Consolidated Schools were \$1,274,474 for the year ended June 30, 2016. Contributions to the pension plan from Cottonwood Valley Charter School were \$123,036 for the year ended June 30, 2016.

Socorro Consolidated Schools

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2014. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, Socorro Consolidated Schools reported a liability of \$20,736,968 for its proportionate share of the net pension liability. Socorro Consolidated Schools' proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Socorro Consolidated Schools' proportion was 0.32015% percent, which was a decrease of 0.01021% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, Socorro Consolidated Schools recognized pension expense of \$209,748. At the June 30, 2016, Socorro Consolidated Schools reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	384,444
Changes in assumptions	713,255	-
Net difference between projected and actual earnings on pension plan investments	-	93,342
Changes in proportion and differences between Socorro Consolidated Schools' contributions and proportionate share of contributions	-	1,135,748
Socorro Consolidated Schools' contributions subsequent to the measurement date	<u>1,274,474</u>	<u>-</u>
Total	\$ <u>1,987,729</u>	<u>1,613,534</u>

\$1,274,474 reported as deferred outflows of resources related to pensions resulting from Socorro Consolidated Schools' contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2017	\$	(560,019)
2018		(507,274)
2019		(121,002)
2020		288,017
2021		-
Thereafter	\$	-

Cottonwood Valley Charter School (Component Unit of Socorro Consolidated Schools)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2014. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, Cottonwood Valley Charter School's reported a liability of \$1,881,646 for its proportionate share of the net pension liability. Cottonwood Valley Charter School proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Cottonwood Valley Charter School's proportion was 0.02905% percent, which was a decrease of 0.00167% from its proportion measured as of June 30, 2014.

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SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

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

For the year ended June 30, 2016, Cottonwood Valley Charter School recognized pension expense of \$9,124. At the June 30, 2016, Cottonwood Valley Charter School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	34,884
Changes in assumptions	64,720	-
Net difference between projected and actual earnings on pension plan investments	-	8,470
Changes in proportion and differences between Socorro Consolidated Schools' contributions and proportionate share of contributions	51,703	79,133
Cottonwood Valley Charter School's contributions subsequent to the measurement date	<u>123,036</u>	<u>-</u>
Total	\$ <u>239,459</u>	<u>122,487</u>

\$123,036 reported as deferred outflows of resources related to pensions resulting from Cottonwood Valley Charter School's contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ (3,969)
2018	(6,244)
2019	(21,988)
2020	26,134
2021	-
Thereafter	\$ -

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

1. All members with an annual salary of more than \$20,000 will contribute 10.10% during the fiscal year ending June 30, 2015 and 10.7% thereafter.

**STATE OF NEW MEXICO
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NOTE 11. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

2. Members hired after June 30, 2014 will have an actuarially reduced retirement benefit if they retire before age 55 and their COLA will be deferred until age 67.
3. COLAs for most retirees are reduced until ERB attains a 100% funded status.
4. For purposes of projecting future benefits, it is assumed that the full COLA is paid in all future years.

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

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

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

Socorro Consolidated Schools

Sensitivity of Socorro Consolidated Schools proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents Socorro Consolidated Schools’ net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

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

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Socorro Consolidated Schools' proportionate share of the net pension liability	\$ <u>27,902,976</u>	<u>20,736,968</u>	<u>14,716,775</u>

Cottonwood Valley Charter School

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Cottonwood Valley School's proportionate share of the net pension liability	\$ <u>2,531,880</u>	<u>1,881,464</u>	<u>1,335,381</u>

Pension plan fiduciary net position. Detailed information about the ERB's fiduciary net position is available in the separately issued audited financial statements as of and for June 30, 2015 and 2014 which are publicly available at www.nmerb.org.

Payables to the pension plan. Socorro Consolidated Schools and the Cottonwood Valley Charter School did not accrue any payables for the pension plan at June 30, 2016. All 10-month teacher contracts for the school year are paid by fiscal year end.

NOTE 11. POST EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN

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

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

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
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June 30, 2016**

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

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

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

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2015; the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; each participating employee was required to contribute 1.25% of their salary. For employees who are not members of an enhanced retirement plan during the fiscal year ended June 30, 2016, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 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 Socorro Consolidated School's contributions to the RHCA for the years ended June 30, 2016, 2015 and 2014 were \$183,590, \$181,866, and \$172,441 respectively, which equal the required contributions for each year.

NOTE 13. CONTINGENT LIABILITIES

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

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 13. CONTINGENT LIABILITIES (CONTINUED)

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

NOTE 14. DEFERRED COMPENSATION PLAN

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 403(b). The plan, available to all District employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All assets and income of the plan are held in trust for the exclusive benefit of participants and their beneficiaries.

NOTE 15. BUDGETED ACTIVITY FUNDS

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

NOTE 16. JOINT POWER AGREEMENTS

The City of Socorro (City) and Socorro Consolidated Schools (SCS) are in agreement to design, construct, maintain and operate a joint purpose baseball and softball field for use by City youth baseball and Socorro High School girls softball. Fiscal responsibility is with the City. The agreement is effective October 2008 and will continue indefinitely until terminated.

The New Mexico Public Education Department (PED) and Socorro Consolidated Schools (SCS) are in agreement to provide the Graduation Reality and Dual Roles Skills (GRADS) Systems to New Mexico School Districts. Fiscal responsibility is with Socorro Consolidated Schools. The agreement is effective August 2011 and will continue indefinitely until terminated.

The New Mexico Public School Facilities Authority (NMPSFA) and Socorro Consolidated Schools (SCS) are in agreement to provide on-going inventory of school facilities and equipment, their condition, and maintenance activities related to them. Fiscal responsibility is with the District. The agreement is effective August 2010 and will continue indefinitely until terminated.

NOTE 17. RELATED PARTY TRANSACTIONS

During the year ended June 30, 2016, Socorro Consolidated Schools contracted services from related parties. The related party transactions involved Jaramillo's Plumbing and Heating. Expenditures related to this vendor totaled \$44,223.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 18. COMPONENT UNIT, COTTONWOOD VALLEY CHARTER SCHOOL

Cottonwood Valley Charter School (CVCS) is a dependent charter school formed under NMSA 22-8A and as such is presented here as a discrete component unit of Socorro Consolidated Schools. CVCS is presented as a component unit since its operating budget and charter are annually presented and approved by the District's board. The New Mexico Public Education Department has determined that charter schools are major component units of their respective Districts. Refer to Notes 1 through 17 for significant policies of CVCS, as the charter school is subject to the same State and Federal regulations and follows the same policies as the District. The following are summarized details of the charter school's balances and transactions as of June 30, 2015 and for the year then ended:

Revenues

State Equalization Guarantee: CVCS received \$1,277,239 in state equalization guarantee distributions during the year ended June 30, 2016.

Instructional Materials: Allocations received by CVCS from the State for the year ended June 30, 2016 totaled \$12,153.

Cash and Temporary Investments

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

	Wells Fargo Bank
Total amount of deposits	\$ 111,353
FDIC coverage	(111,353)
Total uninsured public funds	-
Pledged collateral held by pledging bank's trust department or agent but not in agency's name	-
Collateral requirement (50% of uninsured public funds)	-
Total under (over) collateralized	\$ -

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2016, \$111,353 of CVCS's bank balance of \$111,353 was exposed to custodial credit risk because it was uninsured and the collateral was held by the pledging bank's trust department, not in CVCS's name. At June 30, 2016, the carrying amount of these deposits was \$102,526.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
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June 30, 2016**

NOTE 18. COMPONENT UNIT, COTTONWOOD VALLEY CHARTER SCHOOL (CONTINUED)

Reconciliation of Cash and Temporary Investments

Governmental Funds – Balance Sheet	
Cash and cash equivalents	\$ 102,526
Add outstanding checks and other reconciling items	<u>8,927</u>
	111,453
Less petty cash	<u>100</u>
Bank balance of deposits	<u><u>\$ 111,353</u></u>

RECEIVABLES

Receivables as of June 30, 2016, are as follows:

		Other Governmental Funds
Intergovernmental	\$	<u>36,745</u>
Total	\$	<u>36,745</u>

INTERFUND BALANCES

Interfund receivables and payables as of June 30, 2016, are as follows:

Governmental Activities		Interfund Receivables	Interfund Payables
Operational	\$	<u>35,958</u>	-
Public School Capital Outlay		-	24,000
Special Capital Outlay		-	<u>11,958</u>
Total Governmental Activities	\$	<u><u>35,958</u></u>	<u><u>35,958</u></u>

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 18. COMPONENT UNIT, COTTONWOOD VALLEY CHARTER SCHOOL (CONTINUED)

Capital Assets. A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016
Capital Assets used in Governmental Activities:				
<i>Capital assets not being depreciated:</i>				
Land	150,000	-	-	150,000
Construction in progress	99,787	-	-	99,787
Total assets not being depreciated	<u>249,787</u>	-	-	<u>249,787</u>
<i>Assets being depreciated:</i>				
Land improvements	44,361	2,698	(22,539)	24,520
Buildings/building improvements	1,543,734	-	(66,774)	1,476,960
Furniture, fixtures, & equipment	19,759	-	-	19,759
Total assets being depreciated	<u>1,607,854</u>	<u>2,698</u>	<u>(89,313)</u>	<u>1,521,239</u>
Total assets	<u>1,857,641</u>	<u>2,698</u>	<u>(89,313)</u>	<u>1,771,026</u>
<i>Less accumulated depreciation:</i>				
Land improvements	(27,753)	(31,957)	12,097	(47,613)
Buildings/building improvements	(345,059)	(988)	196,824	(149,223)
Furniture, fixtures, & equipment	(19,759)	(709)	8,328	(12,140)
Total accumulated depreciation	<u>(392,571)</u>	<u>(33,654)</u>	<u>217,249</u>	<u>(208,976)</u>
Net Capital Assets	<u>1,465,070</u>	<u>(30,956)</u>	<u>127,936</u>	<u>1,562,050</u>

Depreciation expense for the year ended June 30, 2016 was charged to instruction in the amount of \$33,654.

Other Required Individual Fund Disclosures. Generally accepted accounting principles require disclosures as part of the Combined Statements of certain information concerning individual funds including:

1. Deficit fund balance of individual funds. At June 30, 2016, no funds reported a deficit fund balance.
2. Excess of expenditures over appropriations. At June 30, 2016, no funds exceeded approved budgetary authority.

ERA Pension Plan. The school's contributions to ERA for the years ended June 30, 2016, 2015 and 2014 were \$123,036, \$114,792, \$111,350, respectively.

Post-Employment Benefits. For the years ended June 30, 2016, 2015 and 2014, the charter school remitted \$17,703, \$16,516, \$16,935 in employer contributions.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 19. RECENT ACCOUNTING PRONOUNCEMENTS

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

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

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

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

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

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 20. NEW ACCOUNTING PRONOUNCEMENTS

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

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

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

GASB Statement No. 77, *Tax Abatement Disclosures*

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

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

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

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

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

NOTE 21. GOVERNMENTAL FUND BALANCE

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

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

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

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

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

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 21. GOVERNMENTAL FUND BALANCE (CONTINUED)

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

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

	Operational Fund	Bond Building	Debt Service	Other Governmental Funds
Fund Balances:	\$			
Nonspendable:				
Inventory	-	-	-	-
Prepaid expenditures	-	-	-	6,687
Restricted for:				
Food Service	-	-	-	357,200
Special revenue	-	-	-	1,410,053
Capital projects	-	2,237,232	-	53,400
Debt Service	-	-	1,400,142	-
Committed to:	-	-	-	-
Assigned to:	-	-	-	-
Unassigned:	1,387,673	-	-	(114,322)
<i>Total fund balances:</i>	<u>1,387,673</u>	<u>2,237,232</u>	<u>1,400,142</u>	<u>1,713,018</u>

REQUIRED SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.36%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 20,602	20,737	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 9,953	8,741	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.99%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016**

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 1,309	1,444	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	1,309	1,265	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	179	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 3,094	5		\$ 892	892	841	468	-						
2015	\$ (900)	5			(560)	(507)	(121)	288	-					
2016	-	5				-	-	-	-	-				
2017	-	5				-	-	-	-	-	-			
2018	-	5				-	-	-	-	-	-	-		
2019	-	5				-	-	-	-	-	-	-	-	
2020	-	5				-	-	-	-	-	-	-	-	-
2021	-	5				-	-	-	-	-	-	-	-	-
2022	-	5				-	-	-	-	-	-	-	-	-
2023	-	5				-	-	-	-	-	-	-	-	-
	<u>\$ 2,194</u>			<u>\$ 892</u>	<u>332</u>	<u>334</u>	<u>347</u>	<u>288</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**STATE OF NEW MEXICO
COTTONWOOD VALLEY CHARTER SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORATIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016**

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,753	1,882	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 847	793	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.02%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

**STATE OF NEW MEXICO
COTTONWOOD VALLEY CHARTER SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016**

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 111	131	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	111	115	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	16	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 3,094	5		\$ 21	21	24	40	-						
2015	(6)	5			(4)	(6)	(22)	26						
2016	-	5				-	-	-						
2017	-	5				-	-	-						
2018	-	5				-	-	-						
2019	-	5				-	-	-						
2020	-	5				-	-	-						
2021	-	5				-	-	-						
2022	-	5				-	-	-						
2023	-	5				-	-	-						
	<u>\$ 3,088</u>			<u>\$ 21</u>	<u>17</u>	<u>18</u>	<u>18</u>	<u>26</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2016**

Notes to Required Supplementary Information

Change of Benefit Terms. The COLA and retirement eligibility benefit changes in recent years are described in the *Benefits Provided* subsection of the financial statements note disclosure *Pension Plan – Educational Retirement Board*.

Change 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 the fiscal year 2015.

1. Fiscal Year 2015 valuation assumptions that changed based on this study:
 - a. Lower wage inflation from 4.25% to 3.75%
 - b. Update the mortality tables to incorporate generational improvements
 - c. Update the demographic assumptions to use currently published tables, which may result in minor calculation changes
 - d. Remove population growth assumption for projections
 - e. Lower population growth from .50% to zero (no impact on valuation results)

2. Assumptions that were not changed:
 - a. Inflation rate will remain at 3.00%
 - b. Net real return assumption will remain at 4.75%
 - c. Investment return will remain at 7.75%
 - d. Payroll growth assumption will remain at 3.50%
 - e. Experience-based rates for members who joined NMERB by June 30, 2010 will remain the same.

See the *Actuarial Assumptions* subsection of the financial statement note disclosure *Pension Plan – Educational Retirement Board*.

SUPPLEMENTARY INFORMATION

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NONMAJOR GOVERNMENT FUNDS
June 30, 2016**

SPECIAL REVENUE FUNDS

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

Food Services (21000)

To account for the cost of operating a student food program and is financed with federal grants and fees paid by program users.

Athletics (22000)

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

Title I (24101)

This fund is used to provide supplemental educational opportunity for academically disadvantaged children in the area of residing. Authority for creation of this fund is Part A of Chapter I of Title I of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

Entitlement IDEA-B (24106)

To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by Individuals with Disabilities Education Act, Part B, Section 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100,639, and 101-476, 20 U.S.C. 1411-1420.

Discretionary IDEA-B (24107)

To account for a program funded by a Federal grant to assist the District in providing a free appropriate public education to all children with disabilities. Authorized by Individuals with Disabilities Education Act (IDEA), Part B, Sections 611, as amended, 20 U.S.C. 1411.

NM Autism Project (24108) and IDEA-B "Risk Pool" (24120)

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

Preschool IDEA-B (24109)

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

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NONMAJOR GOVERNMENT FUNDS
June 30, 2016**

SPECIAL REVENUE FUNDS (CONTINUED)

Education of Homeless (24113)

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

Adult Basic Education (24114 and 28182)

To account for the funding by Federal and State Grants to provide basic education for adults in the areas of General Education and English as a second Language pursuant to the Adult Basic Education Act, P.L. 91-230.

Fresh Fruits & Vegetables USDA (24118)

To assist States, through cash grants, in providing free fresh fruits and vegetables to school children in designated participating schools beginning in school year 2004/2005. Authorized by National School Lunch Act, as amended, 42 U.S.C. 1769.

21st Century Community Learning Center 2008-2014 (24119)

To account for a grant utilized to expand an after school, weekend and summer program. The program is designed to integrate the visual and performing arts with literacy, life skills and physical activity for kindergarten to 12th grade focusing on the neighborhood and the community as a classroom. Funding authorized by public law 103-382.

IDEA-B Risk Pool (24120)

Funding for students with disabilities who are parentally placed in private elementary and secondary schools ("equitable participation services") located in the school district.

Title I – 1003g Grant (24124 and 24224 – Federal Stimulus)

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

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NONMAJOR GOVERNMENT FUNDS
June 30, 2016**

SPECIAL REVENUE FUNDS (CONTINUED)

IDEA-B Results Plan Total (24132)

RDA is focused on early elementary reading achievement elementary schools. The project's goals include increasing reading achievement for all students in Kindergarten through grade three, with a specific emphasis on students scoring in the lowest quartile.

Technology Literacy Challenge (24133)

To account for a federal grant designed to strengthen teacher learning in the field of technology.

Enhancing Ed Thru Technology (24149)

Funding used to support the infusion of technology into the curriculum. Funds are earmarked for professional development.

Title V – Part A Innovative Ed Pro Strategies (24150)

To establish a local program of alcohol and drug abuse education and prevention coordinated with related community efforts and resources.

Teacher / Principal Training / Recruiting (24154)

To improve the skills of teachers and the quality of instruction in mathematics and science, and also to increase the accessibility of such instruction to all students. This program is authorized by Title II, Part A, subparts 1-3 of the ESEA as amended.

Safe & Drug Free Schools & Community (24157)

To establish a local program of alcohol and drug abuse education and prevention coordinated with related community efforts and resources.

Rural and Low-Income Schools (24160)

To account for a grant with the purpose of providing financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools. Authorized by Elementary and Secondary Education Act of 1965 (ESEA), Title VI, Part B, as amended.

Title I School Improvement (24162) and Title I Federal Stimulus (24201)

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

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NONMAJOR GOVERNMENT FUNDS
June 30, 2016**

SPECIAL REVENUE FUNDS (CONTINUED)

Carl D. Perkins - Secondary (24174 – Current, 24176 – Redistribution, 24183 – Redistribution 2 and 24184 – HSTW 2)

The objective of this grant is to provide secondary educational institutions the opportunity to develop, implement, and operate programs using different models of curricula that integrate vocational and academic learning. Funds are acquired from federal sources through the New Mexico Department of Education. This program is authorized by the Carl D. Perkins Career and Technical Education Act of 2006. This program is used for the deployment of the Career-Focused Student Learning System at Secondary Level using the Career Cluster Framework. With these funds, SHS implemented a pharmacology component with in the SHS Science curriculum.

Title XIX MEDICAID 3/21 years (25153)

To account for a program providing school-based screening, diagnostic services and other related health services and administrative activities in conformance with the approved Medicaid State Plan in order to improve health and developmental outcomes for children.

Dual Credit Instructional Materials (27103)

To purchase college textbooks for students who dual enroll in college credited courses while still attending high school. Program is authorized by state statute.

New Mexico Reads to Lead K-3 Reading Initiative (27114)

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

Technology for Education PED (27117)

The purpose of this grant is to assist the District to develop and implement a strategic, long-term plan for utilizing educational technology in the school system. Funds accounted for in this fund are received from the State of New Mexico. The authority for creation of this fund is NMSA 22-15A-1 to 22-15A-10.

Incentives for School Improvement Act (27138)

To account for monies received from the Award for High Improving Schools provided by the State of New Mexico for the purpose of identifying special needs at awarded locations and to purchase items to improve those schools. Authorized by the New Mexico Public Education Department.

Pre K Initiative (27149)

To account for monies received from the State of New Mexico to be used to provide direct services to 4 year old children in Pre-Kindergarten programs.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NONMAJOR GOVERNMENT FUNDS
June 30, 2016**

SPECIAL REVENUE FUNDS (CONTINUED)

2013 School Bus Replacement (27178)

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

GRADS (27151), GRADS Childcare (28189) and GRADS Instruction (28190)

To account for a program funded by the Public Education Department for the purpose to establish and maintain an in-school, family and consumer science instructional and intervention program for pregnant and parenting students, which focuses on knowledge and skills related to positive self, pregnancy, parenting and economic independence.

Special Revenue fund established by the local school board.

Beginning Teacher Mentoring Program (27154)

The objective of this program is to provide beginning teachers an effective transition into the teaching profession, retain capable teachers, improve the achievement of students and improve the overall success of the school. Funding is provided by the New Mexico Board of Education. Authority for creation of this fund is NMSA 22-2-8-10.

Breakfast for Elementary Students (27155)

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

Legislative Appropriations Math Grant (27165)

This proposal requests funding in the amount of \$60,000 to support standards-aligned professional development, for forty K-12 teachers in Socorro Consolidated Schools, with emphasis on K-12 vertically aligned mathematics content and the processes of mathematics and development and implementation of appropriate curriculum. Presenter's model student-centered techniques of teaching adopted math curriculum that engage students, creating conducive learning environments for teacher-participants that can be transferred to the K-12 classrooms. All K-12 schools in the district will be involved.

Pre-Kindergarten Special State (27169)

The purpose of the grant is to enhance indoor and outdoor environment and improve the safety for Pre-K.

Science Instruction Materials (27176)

Funds used to purchase instructional materials for high school science classes.

2013 School Bus Replacement (27178)

To account for a state grant used to purchase a school bus. The fund was created by the authority of state grant provisions.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NONMAJOR GOVERNMENT FUNDS
June 30, 2016**

SPECIAL REVENUE FUNDS (CONTINUED)

Teachers Hard to Staff Stipend (27195)

To provide all students high-quality education in STEM (grades 7-12), Special Education (grades K-12), Bilingual (grades K-12) and other hard to staff areas that promote 21st century skills for college and career readiness.

2008 Library Book Fund (27549)

The purpose of this fund is to allow each library to acquire library books and library resources to support the library program. Program is authorized by state statute.

New Mexico Highway Department (28120)

To account for monies received from the NM Department of Transportation to assist with surface needs such as paving school parking areas and bus areas.

ASSIST Tobacco DOH (28122)

To account for monies received from the State of New Mexico to for the implementation of prevention and intervention programs for student tobacco use and professional development for teachers.

NM Arts Division (28131)

To account for the grant activity from the New Mexico Arts, a division of the Office of cultural affairs. Special Revenue Fund established by the local school board.

DWI NM Local Grant Fund (28145)

The program funds were provided by the Socorro County DWI program. The school district used the funds to support the Socorro Consolidated Schools Teen court program.

GEAR UP CHE (28178)

(Gaining Early Awareness and Readiness for Undergraduate Programs.) The purpose of this grant is to increase the number of low-income students who, upon graduation from high school, have the skills and knowledge to succeed in District.

Energy Efficiency & Renewable Energy Bond (28197)

New Mexico's Energy Efficiency and Renewable Energy Bonding Act, which became law in April 2005, authorizes up to \$20 million in bonds to finance energy efficiency and renewable energy improvements in state government and school district buildings. At the request of a state agency or school district, the New Mexico Energy, Minerals and Natural Resources Department will conduct an energy assessment of a building to determine specific efficiency measures which will result in energy and cost savings. A state agency or school district may install or enter into contracts for the installation of energy efficiency measures on the building identified in the assessment. An installation contract may be entered into for a term of up to 10 years. The bonds are exempt from taxation by the state, and any type of renewable energy system and most energy efficiency measures, including energy recovery and combined heat and power (CHP) systems, are eligible for funding. Projects financed with the bonds will be paid back to the bonding authority using the savings on energy bills.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NONMAJOR GOVERNMENT FUNDS
June 30, 2016**

Grads Plus (28203)

To account for an agreement to provide child care services in conjunction with the Graduation, Reality and Dual Role Skills Program. Funding is provided by State of New Mexico Child Youth and Families Department. Program is authorized by state statute.

School Based Health Center (29130)

The Socorro Consolidated Schools School Based Health Center provides primary and behavioral health care services for the Socorro High School. The services to be offered will be aligned to the New Mexico School Based Health Care Standards and are approved by the Socorro Consolidated Schools Board of Education. The District has contracted with Presbyterian Medical Center to provide these services.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Public School Capital Outlay (31200)

To account for Critical Capital Outlay funds and other special capital outlay funds received from the State of New Mexico. The funds are restricted for the purposes outlined in the applicable legislation under which the funds were approved. This generally includes construction of new schools or improvements to existing schools.

SB-9 (31700)

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

Charter School Specific:

Special Capital Outlay – Local (31300)

To account revenues that are derived from local sources such as the sale of a building.

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
June 30, 2016

	SPECIAL REVENUE	CAPITAL PROJECTS	TOTAL
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	\$ 646,008	68,401	714,409
Accounts receivable			
Taxes	-	52,658	52,658
Due from other governments	2,384,696	-	2,384,696
Other	-	-	-
Interfund receivables	-	-	-
Prepaid expenditures	6,687	-	6,687
Inventory	-	-	-
<i>Total assets</i>	<u>\$ 3,037,391</u>	<u>121,059</u>	<u>3,158,450</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
<i>Current Liabilities</i>			
Accounts payable	\$ -	19,394	19,394
Accrued payroll liabilities	-	-	-
Interfund payables	1,377,774	-	1,377,774
<i>Total liabilities</i>	<u>1,377,774</u>	<u>19,394</u>	<u>1,397,168</u>
<i>Deferred Inflows</i>			
Property Taxes	-	48,264	48,264
<i>Fund balances</i>			
Fund Balance			
Nonspendable	6,687	-	6,687
Restricted	1,783,035	53,401	1,836,436
Committed	-	-	-
Assigned	-	-	-
Unassigned	(130,105)	-	(130,105)
<i>Total fund balance</i>	<u>1,659,617</u>	<u>53,401</u>	<u>1,713,018</u>
<i>Total liabilities, deferred inflows and fund balance</i>	<u>\$ 3,037,391</u>	<u>121,059</u>	<u>3,158,450</u>

See Notes to Financial Statements.

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

	SPECIAL REVENUE	CAPITAL PROJECTS	TOTAL
<i>Revenues</i>			
Property taxes	\$ -	334,841	334,841
State grants	3,090,239	-	3,090,239
Federal grants	2,354,930	-	2,354,930
Miscellaneous	1	-	1
Interest	16	6,076	6,092
	<u>5,445,186</u>	<u>340,917</u>	<u>5,786,103</u>
<i>Expenditures</i>			
<i>Current</i>			
Instruction	1,886,889	-	1,886,889
Support Services			
Students	175,656	-	175,656
Instruction	26,308	-	26,308
General Administration	95,593	3,476	99,069
School Administration	1,224,934	-	1,224,934
Central Services	66,106	-	66,106
Operation & Maintenance of Plant	13,683	-	13,683
Student Transportation	22,059	-	22,059
Other Support Services	-	-	-
Food Services Operations	1,054,882	-	1,054,882
Community Service	7,848	-	7,848
Capital outlay	87,537	782,393	869,930
Debt service			
Principal	-	-	-
Interest	-	-	-
	<u>4,661,495</u>	<u>785,869</u>	<u>5,447,364</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>783,691</u>	<u>(444,952)</u>	<u>338,739</u>
<i>Other financing sources (uses)</i>			
Operating transfers	<u>(295,477)</u>	<u>103,522</u>	<u>(191,955)</u>
<i>Total other financing sources (uses)</i>	<u>(295,477)</u>	<u>103,522</u>	<u>(191,955)</u>
<i>Net change in fund balances</i>	488,214	(341,430)	146,784
<i>Fund balances, beginning of year</i>	1,171,403	394,831	1,566,234
<i>Fund balances, end of year</i>	<u>\$ 1,659,617</u>	<u>53,401</u>	<u>1,713,018</u>

See Notes to Financial Statements.

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
June 30, 2016

	Food Service 21000	Athletics 22000	Title I IASA 24101
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	\$ 253,398	29,131	-
Accounts receivable			
Taxes	-	-	-
Due from other governments	103,802	-	403,592
Interfund receivables	-	-	-
Prepaid expenditures	-	-	-
Inventory	6,687	-	-
<i>Total assets</i>	<u>\$ 363,887</u>	<u>29,131</u>	<u>403,592</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
<i>Current Liabilities</i>			
Accounts payable	\$ -	-	-
Accrued payroll liabilities	-	-	-
Interfund payables	-	-	9,206
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>9,206</u>
<i>Deferred Inflows</i>			
Property Taxes	-	-	-
<i>Fund balances</i>			
Fund Balance			
Nonspendable	6,687	-	-
Restricted	357,200	29,131	394,386
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<i>Total fund balance</i>	<u>363,887</u>	<u>29,131</u>	<u>394,386</u>
<i>Total liabilities, deferred inflows and fund balance</i>	<u>\$ 363,887</u>	<u>29,131</u>	<u>403,592</u>

See Notes to Financial Statements.

	IDEA-B Entitlement 24106	NM Autism Project 24108	IDEA-B Preschool 24109	Education of Homeless 24113	Fresh Fruits & Vegetables 24118	21st Century Community Learning Centers 24119
\$	-	-	2,466	-	-	-
	-	-	-	-	-	-
	463,698	7,518	1,787	2,393	10,859	45,689
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
\$	<u>463,698</u>	<u>7,518</u>	<u>4,253</u>	<u>2,393</u>	<u>10,859</u>	<u>45,689</u>
\$	-	-	-	-	-	-
	-	-	-	-	-	-
	498,753	4,364	-	1,962	1,297	50,676
	<u>498,753</u>	<u>4,364</u>	<u>-</u>	<u>1,962</u>	<u>1,297</u>	<u>50,676</u>
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	(35,055)	-	-	-	-	(4,987)
	<u>(35,055)</u>	<u>3,154</u>	<u>4,253</u>	<u>431</u>	<u>9,562</u>	<u>(4,987)</u>
\$	<u>463,698</u>	<u>7,518</u>	<u>4,253</u>	<u>2,393</u>	<u>10,859</u>	<u>45,689</u>

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

	IDEA-B "Risk Pool" 24120	Title I 1003g Grant 24124	IDEA-B Results Plan 24132
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	\$ -	-	-
Accounts receivable			
Taxes	-	-	-
Due from other governments	302,768	-	4,455
Interfund receivables	-	-	-
Prepaid expenditures	-	-	-
Inventory	-	-	-
<i>Total assets</i>	<u>\$ 302,768</u>	<u>-</u>	<u>4,455</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
<i>Current Liabilities</i>			
Accounts payable	\$ -	-	-
Accrued payroll liabilities	-	-	-
Interfund payables	110,545	-	4,455
<i>Total liabilities</i>	<u>110,545</u>	<u>-</u>	<u>4,455</u>
<i>Deferred Inflows</i>			
Property Taxes	-	-	-
<i>Fund balances</i>			
Fund Balance			
Nonspendable	-	-	-
Restricted	192,223	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<i>Total fund balance (deficit)</i>	<u>192,223</u>	<u>-</u>	<u>-</u>
<i>Total liabilities, deferred inflows and fund balance</i>	<u>\$ 302,768</u>	<u>-</u>	<u>4,455</u>

See Notes to Financial Statements.

	<u>Technology Literacy Challenge 24133</u>	<u>Enhancing Ed Thru Technology 24149</u>	<u>Teacher/Principal Training & Recruiting 24154</u>	<u>Rural & Low Income Schools 24160</u>	<u>Title I School Improvement 24162</u>	<u>Carl D. Perkins Secondary Current 24174</u>
\$	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	21,798	-	7,486
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
\$	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,798</u>	<u>-</u>	<u>7,486</u>
\$	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	67,590	7,853	-	8,680
	-	-	67,590	7,853	-	8,680
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	(67,590)	-	-	(1,194)
	-	-	(67,590)	13,945	-	(1,194)
\$	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,798</u>	<u>-</u>	<u>7,486</u>

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

	Carl D Perkins Secondary Redistribution <u>24176</u>	USDA 2010 Equipment Assistance Program <u>24183</u>	USHSD Pregnancy Prevention <u>24184</u>
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	\$ -	-	-
Accounts receivable			
Taxes	-	-	-
Due from other governments	2,930	-	788,608
Interfund receivables	-	-	-
Prepaid expenditures	-	-	-
Inventory	-	-	-
<i>Total assets</i>	<u>\$ 2,930</u>	<u>-</u>	<u>788,608</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
<i>Current Liabilities</i>			
Accounts payable	\$ -	-	-
Accrued payroll liabilities	-	-	-
Interfund payables	2,930	-	459,557
<i>Total liabilities</i>	<u>2,930</u>	<u>-</u>	<u>459,557</u>
<i>Deferred Inflows</i>			
Property Taxes	-	-	-
<i>Fund balances</i>			
Fund Balance			
Nonspendable	-	-	-
Restricted	-	-	329,051
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<i>Total fund balance (deficit)</i>	<u>-</u>	<u>-</u>	<u>329,051</u>
<i>Total liabilities, deferred inflows and fund balance</i>	<u>\$ 2,930</u>	<u>-</u>	<u>788,608</u>

See Notes to Financial Statements.

<u>Title I School Improvement 24201</u>	<u>Title I 1003g Grant 24224</u>	<u>Title XIX Medicaid 3/21 Years 25153</u>	<u>Dual Credit Instructional Materials/HB2 27103</u>	<u>2012 GO Bonds - Student Library SB-66 27107</u>	<u>New Mexico Reads to Lead 27114</u>
\$ -	-	274,417	-	-	-
-	-	-	-	-	-
-	-	54,057	-	12,131	11,815
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>-</u>	<u>328,474</u>	<u>-</u>	<u>12,131</u>	<u>11,815</u>
\$ -	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1,239	12,131	1,891
-	-	-	1,239	12,131	1,891
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	328,474	-	-	9,924
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(1,239)	-	-
-	-	328,474	(1,239)	-	9,924
<u>\$ -</u>	<u>-</u>	<u>328,474</u>	<u>-</u>	<u>12,131</u>	<u>11,815</u>

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
June 30, 2016

	Technology for Education PED 27117	Incentives for School Improvement Act 27138	Pre K Initiative 27149
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	\$ -	-	-
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	-	47,921
Interfund receivables	-	-	-
Prepaid expenditures	-	-	-
Inventory	-	-	-
<i>Total assets</i>	<u>\$ -</u>	<u>-</u>	<u>47,921</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
<i>Current Liabilities</i>			
Accounts payable	\$ -	-	-
Accrued payroll liabilities	-	-	-
Interfund payables	-	-	25,369
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>25,369</u>
<i>Deferred Inflows</i>			
Property Taxes	-	-	-
<i>Fund balances</i>			
Fund Balance			
Nonspendable	-	-	-
Restricted	-	-	22,552
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<i>Total fund balance</i>	<u>-</u>	<u>-</u>	<u>22,552</u>
<i>Total liabilities, deferred inflows and fund balance</i>	<u>\$ -</u>	<u>-</u>	<u>47,921</u>

See Notes to Financial Statements.

<u>NM GRADS 27151</u>	<u>Beginning Teacher Mentoring Program 27154</u>	<u>Breakfast for Elementary Students 27155</u>	<u>Legislative Appropriations Math Grant 27165</u>	<u>Kindergarten - Three Plus 27166</u>	<u>Pre-Kindergarten Special State 27169</u>
\$ -	-	3,166	-	-	-
-	-	-	-	-	-
66,232	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 66,232</u>	<u>-</u>	<u>3,166</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ -	-	-	-	-	-
-	-	-	-	-	-
<u>80,469</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,257</u>	<u>-</u>
<u>80,469</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,257</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(14,237)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,257)</u>	<u>-</u>
<u>(14,237)</u>	<u>-</u>	<u>3,166</u>	<u>-</u>	<u>(4,257)</u>	<u>-</u>
<u>\$ 66,232</u>	<u>-</u>	<u>3,166</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
June 30, 2016

	Science Inst. Materials <u>27176</u>	School Bus Replacement <u>27178</u>	Teachers Hard to Staff Stipend <u>27195</u>
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	\$ -	-	-
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	-	6,396
Interfund receivables	-	-	-
Prepaid expenditures	-	-	-
Inventory	-	-	-
<i>Total assets</i>	<u>\$ -</u>	<u>-</u>	<u>6,396</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
<i>Current Liabilities</i>			
Accounts payable	\$ -	-	-
Accrued payroll liabilities	-	-	-
Interfund payables	-	-	6,396
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>6,396</u>
<i>Deferred Inflows</i>			
Property Taxes	-	-	-
<i>Fund balances</i>			
Fund Balance			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<i>Total fund balance (deficit)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities, deferred inflows and fund balance</i>	<u>\$ -</u>	<u>-</u>	<u>6,396</u>

See Notes to Financial Statements.

<u>2008 Library Book Fund 27549</u>	<u>NM Highway Road Department 28120</u>	<u>ASSIST Tobacco DOH 28122</u>	<u>NM Arts Div 28131</u>	<u>DWI NM Local Grant Fund 28145</u>	<u>GEAR UP CHE 28178</u>
\$ 5,247	25,627	-	1,979	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 5,247</u>	<u>25,627</u>	<u>-</u>	<u>1,979</u>	<u>-</u>	<u>-</u>
\$ -	-	-	-	-	-
-	-	-	-	-	-
<u>5,247</u>	-	-	-	-	-
<u>5,247</u>	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	25,627	-	1,979	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	25,627	-	1,979	-	-
<u>\$ 5,247</u>	<u>25,627</u>	<u>-</u>	<u>1,979</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
June 30, 2016

	GRADS - Child Care 28189	GRADS - Instruction 28190	NMFA Energy Efficiency and Renewable Energy 28197
	<u>28189</u>	<u>28190</u>	<u>28197</u>
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	\$ 8,289	-	1,616
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	3,261	-
Interfund receivables	-	-	-
Prepaid expenditures	-	-	-
Inventory	-	-	-
<i>Total assets</i>	<u>\$ 8,289</u>	<u>3,261</u>	<u>1,616</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
<i>Current Liabilities</i>			
Accounts payable	\$ -	-	-
Accrued payroll liabilities	-	-	-
Interfund payables	-	4,807	-
<i>Total liabilities</i>	<u>-</u>	<u>4,807</u>	<u>-</u>
<i>Deferred Inflows</i>			
Property Taxes	-	-	-
<i>Fund balances</i>			
Fund Balance			
Nonspendable	-	-	-
Restricted	8,289	-	1,616
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	(1,546)	-
<i>Total fund balance (deficit)</i>	<u>8,289</u>	<u>(1,546)</u>	<u>1,616</u>
<i>Total liabilities, deferred inflows and fund balance</i>	<u>\$ 8,289</u>	<u>3,261</u>	<u>1,616</u>

See Notes to Financial Statements.

	<u>GRADS Plus 28203</u>	<u>School Based Health Center 29130</u>	<u>Total</u>
\$	-	40,672	646,008
	-	-	-
	15,500	-	2,384,696
	-	-	-
	-	-	-
	-	-	6,687
\$	<u>15,500</u>	<u>40,672</u>	<u>3,037,391</u>
\$	-	-	-
	-	-	-
	8,100	-	1,377,774
	<u>8,100</u>	<u>-</u>	<u>1,377,774</u>
	-	-	-
	-	-	6,687
	7,400	40,672	1,783,035
	-	-	-
	-	-	-
	-	-	(130,105)
	<u>7,400</u>	<u>40,672</u>	<u>1,659,617</u>
\$	<u>15,500</u>	<u>40,672</u>	<u>3,037,391</u>

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

	Food Service 21000	Athletics 22000	Title I IASA 24101
<i>Revenues</i>			
Property taxes	\$ -	-	-
State grants	98,597	144,324	403,590
Federal grants	900,065	-	494,832
Miscellaneous	-	-	-
Interest	16	-	-
<i>Total revenues</i>	<u>998,678</u>	<u>144,324</u>	<u>898,422</u>
<i>Expenditures</i>			
<i>Current</i>			
Instruction	-	132,558	591,545
Support Services			
Students	-	-	-
Instruction	-	-	-
General Administration	-	-	22,990
School Administration	-	-	89,259
Central Services	-	-	20,054
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	1,036,029	-	-
Community Service	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
	<u>1,036,029</u>	<u>132,558</u>	<u>723,848</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(37,351)</u>	<u>11,766</u>	<u>174,574</u>
<i>Other financing sources (uses)</i>			
Operating transfers	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	(37,351)	11,766	174,574
<i>Fund balances, beginning of year</i>	401,238	17,365	219,812
<i>Fund balances, end of year</i>	<u>\$ 363,887</u>	<u>29,131</u>	<u>394,386</u>

See Notes to Financial Statements.

IDEA-B Entitlement 24106	NM Autism Project 24108	IDEA-B Preschool 24109	Education of Homeless 24113	Fresh Fruits & Vegetables 24118	21st Century Community Learning Centers 24119
-	-	-	-	-	-
463,699	7,518	1,787	2,393	10,859	45,689
-	-	-	2,852	-	108,202
-	-	-	-	-	-
-	-	-	-	-	-
<u>463,699</u>	<u>7,518</u>	<u>1,787</u>	<u>5,245</u>	<u>10,859</u>	<u>153,891</u>
215,900	4,364	1,576	4,813	-	105,934
66,211	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	6,123
139,979	-	-	-	-	-
36,374	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	8,334
-	-	-	-	-	-
-	-	-	-	10,859	-
-	-	-	-	-	7,848
-	-	-	-	-	-
-	-	-	-	-	-
<u>458,464</u>	<u>4,364</u>	<u>1,576</u>	<u>4,813</u>	<u>10,859</u>	<u>128,239</u>
<u>5,235</u>	<u>3,154</u>	<u>211</u>	<u>432</u>	<u>-</u>	<u>25,652</u>
-	-	-	-	-	-
-	-	-	-	-	-
5,235	3,154	211	432	-	25,652
(40,290)	-	4,042	(1)	9,562	(30,639)
<u>(35,055)</u>	<u>3,154</u>	<u>4,253</u>	<u>431</u>	<u>9,562</u>	<u>(4,987)</u>

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

	IDEA-B "Risk Pool" 24120	Title I 1003g Grant 24124	IDEA-B Results Plan 24132
<i>Revenues</i>			
Property taxes	\$ -	-	-
State grants	302,769	-	4,455
Federal grants	-	-	19,813
Miscellaneous	-	-	-
Interest	-	-	-
<i>Total revenues</i>	<u>302,769</u>	<u>-</u>	<u>24,268</u>
<i>Expenditures</i>			
<i>Current</i>			
Instruction	96,820	-	24,268
Support Services			
Students	-	-	-
Instruction	-	-	-
General Administration	-	-	-
School Administration	-	-	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	13,725	-	-
Other Support Services	-	-	-
Food Services Operations	-	-	-
Community Service	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
	<u>110,545</u>	<u>-</u>	<u>24,268</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>192,224</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>			
Operating transfers	-	(149)	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(149)</u>	<u>-</u>
<i>Net change in fund balances</i>	192,224	(149)	-
<i>Fund balances, beginning of year</i>	(1)	149	-
<i>Fund balances (deficit), end of year</i>	<u>\$ 192,223</u>	<u>-</u>	<u>-</u>

See Notes to Financial Statements.

	Technology Literacy Challenge 24133	Enhancing Ed Thru Technology 24149	Teacher/Principal Training & Recruiting 24154	Rural & Low Income Schools 24160	Title I School Improvement 24162	Carl D. Perkins Secondary Current 24174
\$	-	-	-	-	-	-
	-	-	-	21,797	-	7,486
	-	-	89,917	18,052	69,851	17,545
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	89,917	39,849	69,851	25,031
	-	-	97,092	26,900	69,851	25,031
	-	-	-	-	-	-
	-	-	14,177	-	-	-
	-	-	1,911	705	-	-
	-	-	-	-	-	-
	-	-	9,678	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	122,858	27,605	69,851	25,031
	-	-	(32,941)	12,244	-	-
	(150)	12,680	-	-	-	-
	(150)	12,680	-	-	-	-
	(150)	12,680	(32,941)	12,244	-	-
	150	(12,680)	(34,649)	1,701	-	(1,194)
\$	-	-	(67,590)	13,945	-	(1,194)

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

	Carl D Perkins Secondary Redistribution 24176	USDA 2010 Equipment Assistance Program 24183	USHSD Pregnancy Prevention 24184
<i>Revenues</i>			
Property taxes	\$ -	-	-
State grants	2,930	-	788,607
Federal grants	-	5,000	414,782
Miscellaneous	-	-	-
Interest	-	-	-
<i>Total revenues</i>	<u>2,930</u>	<u>5,000</u>	<u>1,203,389</u>
<i>Expenditures</i>			
<i>Current</i>			
Instruction	2,930	-	12,034
Support Services			
Students	-	-	-
Instruction	-	-	-
General Administration	-	-	48,406
School Administration	-	-	807,455
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	720
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	-	5,000	-
Community Service	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
	<u>2,930</u>	<u>5,000</u>	<u>868,615</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>334,774</u>
<i>Other financing sources (uses)</i>			
Operating transfers	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	334,774
<i>Fund balances, beginning of year</i>	-	-	(5,723)
<i>Fund balances (deficit), end of year</i>	<u>\$ -</u>	<u>-</u>	<u>329,051</u>

See Notes to Financial Statements.

	Title I School Improvement 24201	Title I 1003g Grant 24224	Title XIX Medicaid 3/21 Years 25153	Dual Credit Instructional Materials/HB2 27103	2012 GO Bonds - Student Library SB-66 27107	New Mexico Reads to Lead 27114
\$	-	-	-	-	-	-
	-	-	13,718	2,613	12,131	67,147
	-	-	214,019	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	227,737	2,613	12,131	67,147
	-	-	76,210	2,860	-	56,721
	-	-	109,445	-	-	-
	-	-	-	-	12,131	-
	-	-	-	-	-	975
	-	-	2,756	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	188,411	2,860	12,131	57,696
	-	-	39,326	(247)	-	9,451
	(225)	(224,028)	-	-	-	-
	(225)	(224,028)	-	-	-	-
	(225)	(224,028)	39,326	(247)	-	9,451
	225	224,028	289,148	(992)	-	473
\$	-	-	328,474	(1,239)	-	9,924

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

	Technology for Education PED 27117	Incentives for School Improvement Act 27138	Pre K Initiative 27149
<i>Revenues</i>			
Property taxes	\$ -	-	-
State grants	-	-	210,247
Federal grants	-	-	-
Miscellaneous	-	-	-
Interest	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>210,247</u>
<i>Expenditures</i>			
<i>Current</i>			
Instruction	-	-	176,152
Support Services			
Students	-	-	-
Instruction	-	-	-
General Administration	-	-	2,287
School Administration	-	-	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	10,743
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	-	-	-
Community Service	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
	<u>-</u>	<u>-</u>	<u>189,182</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>21,065</u>
<i>Other financing sources (uses)</i>			
Operating transfers	(11,797)	(17,730)	-
<i>Total other financing sources (uses)</i>	<u>(11,797)</u>	<u>(17,730)</u>	<u>-</u>
<i>Net change in fund balances</i>	(11,797)	(17,730)	21,065
<i>Fund balances, beginning of year</i>	11,797	17,730	1,487
<i>Fund balances, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>22,552</u>

See Notes to Financial Statements.

	NM GRADS 27151	Beginning Teacher Mentoring Program 27154	Breakfast for Elementary Students 27155	Legislative Appropriations Math Grant 27165	Kindergarten - Three Plus 27166	Pre-Kindergarten Special State 27169
\$	-	-	-	-	-	-
	211,070	-	2,993	-	81,977	-
	-	-	-	-	-	-
	-	-	-	-	1	-
	-	-	-	-	-	-
	<u>211,070</u>	<u>-</u>	<u>2,993</u>	<u>-</u>	<u>81,978</u>	<u>-</u>
	-	-	-	-	81,978	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	12,196	-	-	-	-	-
	185,485	-	-	-	-	-
	-	-	-	-	-	-
	2,220	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	2,994	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	<u>199,901</u>	<u>-</u>	<u>2,994</u>	<u>-</u>	<u>81,978</u>	<u>-</u>
	<u>11,169</u>	<u>-</u>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	-	(18,386)	-	(1,840)	-	(5,184)
	-	(18,386)	-	(1,840)	-	(5,184)
	11,169	(18,386)	(1)	(1,840)	-	(5,184)
	(25,406)	18,386	3,167	1,840	(4,257)	5,184
\$	<u>(14,237)</u>	<u>-</u>	<u>3,166</u>	<u>-</u>	<u>(4,257)</u>	<u>-</u>

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

	Science Inst. Materials 27176	School Bus Replacement 27178	Teachers Hard to Staff Stipend 27195
<i>Revenues</i>			
Property taxes	\$ -	-	-
State grants	-	87,537	43,871
Federal grants	-	-	-
Miscellaneous	-	-	-
Interest	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>87,537</u>	<u>43,871</u>
<i>Expenditures</i>			
<i>Current</i>			
Instruction	-	-	43,871
Support Services			
Students	-	-	-
Instruction	-	-	-
General Administration	-	-	-
School Administration	-	-	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	-	-	-
Community Service	-	-	-
Capital outlay	-	87,537	-
Debt service			
Principal	-	-	-
Interest	-	-	-
	<u>-</u>	<u>87,537</u>	<u>43,871</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>			
Operating transfers	4,236	-	-
<i>Total other financing sources (uses)</i>	<u>4,236</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	4,236	-	-
<i>Fund balances, beginning of year</i>	(4,236)	-	-
<i>Fund balances (deficit), end of year</i>	<u>\$ -</u>	<u>-</u>	<u>-</u>

See Notes to Financial Statements.

	2008 Library Book Fund 27549	NM Highway Road Department 28120	ASSIST Tobacco DOH 28122	NM Arts Div 28131	DWI NM Local Grant Fund 28145	GEAR UP CHE 28178
\$	-	-	-	-	-	-
	-	17,091	-	6,704	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	17,091	-	6,704	-	-
	-	-	-	8,024	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	8,024	-	-
	-	17,091	-	(1,320)	-	-
	(5,247)	-	(19,175)	-	(98)	(8,384)
	(5,247)	-	(19,175)	-	(98)	(8,384)
	(5,247)	17,091	(19,175)	(1,320)	(98)	(8,384)
	5,247	8,536	19,175	3,299	98	8,384
\$	-	25,627	-	1,979	-	-

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

	GRADS - Child Care 28189	GRADS - Instruction 28190	NMFA Energy Efficiency and Renewable Energy 28197
<i>Revenues</i>			
Property taxes	\$ -	-	-
State grants	-	11,141	1
Federal grants	-	-	-
Miscellaneous	-	-	-
Interest	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>11,141</u>	<u>1</u>
<i>Expenditures</i>			
Current			
Instruction	1,273	4,946	-
Support Services			
Students	-	-	-
Instruction	-	-	-
General Administration	-	-	-
School Administration	-	-	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	-	-	-
Community Service	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
	<u>1,273</u>	<u>4,946</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,273)</u>	<u>6,195</u>	<u>1</u>
<i>Other financing sources (uses)</i>			
Operating transfers	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	(1,273)	6,195	1
<i>Fund balances, beginning of year</i>	9,562	(7,741)	1,615
<i>Fund balances (deficit), end of year</i>	<u>\$ 8,289</u>	<u>(1,546)</u>	<u>1,616</u>

See Notes to Financial Statements.

	<u>GRADS Plus 28203</u>	<u>School Based Health Center 29130</u>	<u>Total</u>
\$	-	-	-
	15,498	-	3,090,239
	-	-	2,354,930
	-	-	1
	-	-	16
	<u>15,498</u>	<u>-</u>	<u>5,445,186</u>
	11,000	12,238	1,886,889
	-	-	175,656
	-	-	26,308
	-	-	95,593
	-	-	1,224,934
	-	-	66,106
	-	-	13,683
	-	-	22,059
	-	-	-
	-	-	1,054,882
	-	-	7,848
	-	-	87,537
	-	-	-
	-	-	-
	-	-	-
	<u>11,000</u>	<u>12,238</u>	<u>4,661,495</u>
	<u>4,498</u>	<u>(12,238)</u>	<u>783,691</u>
	-	-	(295,477)
	-	-	(295,477)
	4,498	(12,238)	488,214
	2,902	52,910	1,171,403
\$	<u>7,400</u>	<u>40,672</u>	<u>1,659,617</u>

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	98,597	98,597
Federal grants	880,594	702,040	862,999	160,959
Miscellaneous	-	24,427	-	(24,427)
Interest	-	-	16	16
	<u>880,594</u>	<u>726,467</u>	<u>961,612</u>	<u>235,145</u>
<i>Expenditures</i>				
Current				
Food Services Operations	880,594	980,301	1,036,029	(55,728)
	<u>880,594</u>	<u>980,301</u>	<u>1,036,029</u>	<u>(55,728)</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(253,834)</u>	<u>(74,417)</u>	<u>179,417</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>(253,834)</u>	<u>(74,417)</u>	<u>179,417</u>
<i>Fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>401,238</u>	<u>-</u>
<i>Fund balance, end of year</i>	<u>\$ -</u>	<u>(253,834)</u>	<u>326,821</u>	<u>179,417</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 37,066	
Adjustments to expenditures			<u>-</u>	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ (37,351)</u>	

See Notes to Financial Statements.

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	-	-	144,324	144,324
Federal grants	-	-	-	-
Miscellaneous	\$ -	137,662	-	(137,662)
Interest	-	-	-	-
	<u>-</u>	<u>137,662</u>	<u>144,324</u>	<u>6,662</u>
<i>Expenditures</i>				
Current				
Instruction	-	155,027	132,558	22,469
	<u>-</u>	<u>155,027</u>	<u>132,558</u>	<u>22,469</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(17,365)</u>	<u>11,766</u>	<u>(29,131)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>(17,365)</u>	<u>11,766</u>	<u>(29,131)</u>
<i>Fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>17,365</u>	<u>-</u>
<i>Fund balance, end of year</i>	<u>\$ -</u>	<u>(17,365)</u>	<u>29,131</u>	<u>(29,131)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 11,766</u>	

See Notes to Financial Statements.

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	-	-	632,606	632,606
Federal grants	\$ 718,510	858,536	494,832	(363,704)
	<u>718,510</u>	<u>858,536</u>	<u>1,127,438</u>	<u>268,902</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	585,800	723,050	591,545	131,505
Support Services				
Students	12,717	12,717	-	12,717
General Administration	27,900	30,676	22,990	7,686
School Administration	72,039	72,039	89,319	(17,280)
Central Services	20,054	20,054	20,054	-
	<u>718,510</u>	<u>858,536</u>	<u>723,908</u>	<u>134,628</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>403,530</u>	<u>403,530</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>403,530</u>	<u>403,530</u>
<i>Fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>219,812</u>	<u>219,812</u>
<i>Fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>623,342</u>	<u>623,342</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (229,016)	
Adjustments to expenditures			60	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 174,574</u>	

See Notes to Financial Statements.

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	-	-	463,699	463,699
Miscellaneous	\$ 407,122	718,761	463,698	(255,063)
Interest	-	-	-	-
	<u>407,122</u>	<u>718,761</u>	<u>927,397</u>	<u>208,636</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	200,627	512,266	334,623	177,643
Support Services				
Students	58,548	58,548	66,211	(7,663)
School Administration	111,572	111,572	139,979	(28,407)
Central Services	36,375	36,375	36,374	1
	<u>407,122</u>	<u>718,761</u>	<u>577,187</u>	<u>141,574</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>350,210</u>	<u>350,210</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>350,210</u>	<u>350,210</u>
<i>Fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>(40,290)</u>	<u>(40,290)</u>
<i>Fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>309,920</u>	<u>309,920</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (463,698)	
Adjustments to expenditures			<u>118,723</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 5,235</u>	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NM AUTISM PROJECT SPECIAL REVENUE FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	7,518	7,518
Federal grants	-	8,440	5,941	(2,499)
	-	8,440	13,459	5,019
<i>Expenditures</i>				
Current				
Instruction	-	-	4,364	(4,364)
	-	-	4,364	(4,364)
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	8,440	9,095	9,383
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	8,440	9,095	9,383
<i>Fund balance, beginning of year</i>	-	-	-	-
<i>Fund balance, end of year</i>	\$ -	8,440	9,095	9,383
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (5,941)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ 3,154	

See Notes to Financial Statements.

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	1,787	1,787
Federal grants	17,252	34,504	-	(34,504)
	<u>17,252</u>	<u>34,504</u>	<u>1,787</u>	<u>(32,717)</u>
<i>Expenditures</i>				
Current				
Instruction	17,252	34,504	1,576	32,928
	<u>17,252</u>	<u>34,504</u>	<u>1,576</u>	<u>32,928</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	211	211
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	211	211
<i>Fund balance, beginning of year</i>	-	-	4,042	4,042
<i>Fund balance, end of year</i>	\$ -	-	<u>4,253</u>	<u>4,253</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 211</u>	

See Notes to Financial Statements.

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	2,393	2,393
Federal grants	6,895	14,252	2,852	(11,400)
	<u>6,895</u>	<u>14,252</u>	<u>5,245</u>	<u>(9,007)</u>
<i>Expenditures</i>				
Current				
Instruction	6,895	14,252	4,813	9,439
	<u>6,895</u>	<u>14,252</u>	<u>4,813</u>	<u>9,439</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>432</u>	<u>432</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>432</u>	<u>432</u>
<i>Fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>-</u>
<i>Fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>431</u>	<u>432</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 432</u>	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
FRESH FRUITS AND VEGETABLES SPECIAL REVENUE FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	21,718	21,718
Federal grants	-	36,307	-	(36,307)
	-	36,307	21,718	(14,589)
<i>Expenditures</i>				
<i>Current</i>				
Food Services Operations	-	36,307	10,859	25,448
	-	36,307	10,859	25,448
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	10,859	10,859
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	10,859	10,859
<i>Fund balance, beginning of year</i>	-	-	9,562	9,562
<i>Fund balance, end of year</i>	\$ -	-	20,421	20,421
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (10,859)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ -	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
21ST CENTURY COMMUNITY LEARNING CENTERS SPECIAL REVENUE FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	45,689	45,689
Federal grants	-	129,825	128,238	(1,587)
	-	129,825	173,927	44,102
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	101,375	105,934	(4,559)
Support Services				
General Administration	-	10,025	6,123	3,902
Central Services	-	2,000	-	2,000
Student Transportation	-	8,925	8,334	591
Community Service	-	7,500	7,848	(348)
	-	129,825	128,239	1,586
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	45,688	45,688
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	45,688	45,688
<i>Fund balance, beginning of year</i>	-	-	(30,639)	-
<i>Fund balance, end of year</i>	\$ -	-	15,049	45,688
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (20,036)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ 25,652	

See Notes to Financial Statements.

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	302,769	302,769
Federal grants	-	118,094	(192,223)	(310,317)
	-	118,094	110,546	(7,548)
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	84,252	96,820	(12,568)
Support Services				
Students	-	20,116	-	20,116
Student Transportation	-	13,726	13,725	1
	-	118,094	110,545	7,549
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	1	1
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	1	1
<i>Fund balance, beginning of year</i>	-	-	(1)	-
<i>Fund balance, end of year</i>	\$ -	-	-	1
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 192,223	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ 192,224	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
TITLE I 1003g GRANTS SPECIAL REVENUE FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Federal grants	\$ -	-	-	-
	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	(149)	149
<i>Total other financing sources (uses)</i>	-	-	(149)	149
<i>Net change in fund balances</i>	-	-	(149)	149
<i>Fund balance, beginning of year</i>	-	-	149	-
<i>Fund balance, end of year</i>	\$ -	-	-	149
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ (149)	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
IDEA B - RESULTS PLAN SPECIAL REVENUE FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	8,910	8,910
Federal grants	40,000	40,000	19,813	(20,187)
	<u>40,000</u>	<u>40,000</u>	<u>28,723</u>	<u>(11,277)</u>
<i>Expenditures</i>				
Current				
Instruction	40,000	40,000	24,268	15,732
Support Services				
	<u>40,000</u>	<u>40,000</u>	<u>24,268</u>	<u>15,732</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>4,455</u>	<u>4,455</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>4,455</u>	<u>4,455</u>
<i>Fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>4,455</u>	<u>4,455</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (4,455)	
Adjustments to expenditures			<u>-</u>	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
TECHNOLOGY LITERACY CHALLENGE SPECIAL REVENUE FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Federal grants	\$ -	-	-	-
	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	(150)	150
<i>Total other financing sources (uses)</i>	-	-	(150)	150
<i>Net change in fund balances</i>	-	-	(150)	150
<i>Fund balance, beginning of year</i>	-	-	150	-
<i>Fund balance, end of year</i>	\$ -	-	-	150
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ (150)	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
ENHANCING EDUCATION THRU TECHNOLOGY SPECIAL REVENUE FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	-	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	\$ -	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	12,680	(12,680)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>12,680</u>	<u>(12,680)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>12,680</u>	<u>(12,680)</u>
<i>Fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>(12,680)</u>	<u>-</u>
<i>Fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>(12,680)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			<u>-</u>	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 12,680</u>	

See Notes to Financial Statements.

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Federal grants	\$ 99,888	168,430	54,411	(114,019)
	<u>99,888</u>	<u>168,430</u>	<u>54,411</u>	<u>(114,019)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	79,377	107,127	97,092	10,035
Support Services				
Instruction	11,100	45,438	14,177	31,261
General Administration	1,911	4,287	1,911	2,376
Central Services	7,500	11,578	9,678	1,900
	<u>99,888</u>	<u>168,430</u>	<u>122,858</u>	<u>45,572</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(68,447)</u>	<u>(159,591)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(68,447)</u>	<u>(159,591)</u>
<i>Fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>(34,649)</u>	<u>-</u>
<i>Fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>(103,096)</u>	<u>(159,591)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 35,506	
Adjustments to expenditures			<u>-</u>	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ (32,941)</u>	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
RURAL & LOW INCOME SCHOOLS SPECIAL REVENUE FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	31,349	31,349
Federal grants	30,223	30,223	18,052	(12,171)
	<u>30,223</u>	<u>30,223</u>	<u>49,401</u>	<u>19,178</u>
<i>Expenditures</i>				
Current				
Instruction	29,311	29,311	26,900	2,411
Support Services				
General Administration	912	912	705	207
	<u>30,223</u>	<u>30,223</u>	<u>27,605</u>	<u>2,618</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>21,796</u>	<u>16,560</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>21,796</u>	<u>16,560</u>
<i>Fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,701</u>	<u>-</u>
<i>Fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>23,497</u>	<u>16,560</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (9,552)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 12,244</u>	

See Notes to Financial Statements.

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Federal grants	\$ -	70,020	56,871	(13,149)
	-	70,020	56,871	(13,149)
<i>Expenditures</i>				
Current				
Instruction	-	70,020	69,851	169
	-	70,020	69,851	169
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(12,980)	(13,318)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(12,980)	(13,318)
<i>Fund balance, beginning of year</i>	-	-	-	-
<i>Fund balance, end of year</i>	\$ -	-	(12,980)	(13,318)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 12,980	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

See Notes to Financial Statements.

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	9,499	9,499
Federal grants	21,196	25,035	17,545	(7,490)
Miscellaneous	-	-	-	-
	<u>21,196</u>	<u>25,035</u>	<u>27,044</u>	<u>2,009</u>
<i>Expenditures</i>				
Current				
Instruction	<u>21,196</u>	<u>25,035</u>	<u>25,031</u>	<u>4</u>
	<u>21,196</u>	<u>25,035</u>	<u>25,031</u>	<u>4</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>2,013</u>	<u>2,005</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>2,013</u>	<u>2,005</u>
<i>Fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>(1,194)</u>	<u>-</u>
<i>Fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>819</u>	<u>2,005</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (2,013)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

See Notes to Financial Statements.

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	2,930	2,930
Federal grants	-	4,139	(1,657)	(5,796)
	-	4,139	1,273	(2,866)
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	4,139	2,930	1,209
	-	4,139	2,930	1,209
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(1,657)	(4,075)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(1,657)	(4,075)
<i>Fund balance, beginning of year</i>	-	-	-	-
<i>Fund balance, end of year</i>	\$ -	-	(1,657)	(4,075)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 1,657	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ -	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
USDA 2010 EQUIPMENT ASSISTANCE PROGRAM
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Federal grants	\$ -	5,148	5,000	(148)
	-	5,148	5,000	(148)
<i>Expenditures</i>				
Current				
Food Services Operations	-	5,148	5,000	148
	-	5,148	5,000	148
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	(296)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	(296)
<i>Fund balance, beginning of year</i>	-	-	-	-
<i>Fund balance, end of year</i>	\$ -	-	-	(296)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
USHSD PREGNANCY PREVENTION
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	788,607	788,607
Federal grants	-	890,502	877,154	(13,348)
	-	890,502	1,665,761	775,259
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	15,150	12,034	3,116
Support Services				
General Administration	-	55,778	48,406	7,372
School Administration	-	818,854	807,455	11,399
Operation & Maintenance of Plant	-	720	720	-
	-	890,502	868,615	21,887
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	797,146	753,372
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	797,146	753,372
<i>Fund balance, beginning of year</i>	-	-	(5,723)	-
<i>Fund balance, end of year</i>	\$ -	-	791,423	753,372
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (462,372)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ 334,774	

See Notes to Financial Statements.

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Federal grants	\$ -	-	-	-
	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	(225)	225
<i>Total other financing sources (uses)</i>	-	-	(225)	225
<i>Net change in fund balances</i>	-	-	(225)	225
<i>Fund balance, beginning of year</i>	-	-	225	-
<i>Fund balance, end of year</i>	\$ -	-	-	225
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ (225)	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
TITLE I - 1003g GRANT SPECIAL REVENUE FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Federal grants	\$ -	-	-	-
	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	(224,028)	224,028
<i>Total other financing sources (uses)</i>	-	-	(224,028)	224,028
<i>Net change in fund balances</i>	-	-	(224,028)	224,028
<i>Fund balance, beginning of year</i>	-	-	224,028	-
<i>Fund balance, end of year</i>	\$ -	-	-	224,028
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ (224,028)	

See Notes to Financial Statements.

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	44,669	44,669
Federal grants	-	142,307	214,019	71,712
	-	142,307	258,688	116,381
<i>Expenditures</i>				
<i>Current</i>				
Instruction	143,153	143,153	85,254	57,899
Support Services				
Students	-	137,307	109,445	27,862
School Administration	-	5,000	2,756	2,244
	143,153	285,460	197,455	88,005
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<i>(143,153)</i>	<i>(143,153)</i>	<i>61,233</i>	<i>28,376</i>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Net change in fund balances</i>	<i>(143,153)</i>	<i>(143,153)</i>	<i>61,233</i>	<i>28,376</i>
<i>Fund balance, beginning of year</i>	<i>-</i>	<i>-</i>	<i>289,148</i>	<i>-</i>
<i>Fund balance, end of year</i>	<i>\$ (143,153)</i>	<i>(143,153)</i>	<i>350,381</i>	<i>28,376</i>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (30,951)	
Adjustments to expenditures			9,044	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<i>\$ 39,326</i>	

See Notes to Financial Statements.

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	2,946	2,613	(333)
	-	2,946	2,613	(333)
<i>Expenditures</i>				
Current				
Instruction	-	2,946	2,860	86
	-	2,946	2,860	86
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(247)	(419)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(247)	(419)
<i>Fund balance, beginning of year</i>	-	-	(992)	-
<i>Fund balance, end of year</i>	\$ -	-	(1,239)	(419)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ (247)	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
2012 GO BONDS - STUDENT LIBRARY (SB-66) SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ 24,479	24,479	24,263	(216)
	<u>24,479</u>	<u>24,479</u>	<u>24,263</u>	<u>(216)</u>
<i>Expenditures</i>				
Current				
Support Services				
Instruction	24,479	24,479	12,131	12,348
	<u>24,479</u>	<u>24,479</u>	<u>12,131</u>	<u>12,348</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>12,132</u>	<u>(12,564)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>12,132</u>	<u>(12,564)</u>
<i>Fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>12,132</u>	<u>(12,564)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (12,132)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NEW MEXICO READS TO LEAD SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ 97,500	97,500	69,510	(27,990)
	<u>97,500</u>	<u>97,500</u>	<u>69,510</u>	<u>(27,990)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	96,525	96,525	56,721	39,804
Support Services				
General Administration	975	975	975	-
	<u>97,500</u>	<u>97,500</u>	<u>57,696</u>	<u>39,804</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>11,814</u>	<u>(67,794)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>11,814</u>	<u>(67,794)</u>
<i>Fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>473</u>	<u>-</u>
<i>Fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>12,287</u>	<u>(67,794)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (2,363)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 9,451</u>	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
TECHNOLOGY FOR EDUCATION PED SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	-	-
	-	-	-	-
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	(11,797)	11,797
<i>Total other financing sources (uses)</i>	-	-	(11,797)	11,797
<i>Net change in fund balances</i>	-	-	(11,797)	11,797
<i>Fund balance, beginning of year</i>	-	-	11,797	-
<i>Fund balance, end of year</i>	\$ -	-	-	11,797
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ (11,797)	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
INCENTIVES FOR SCHOOL IMPROVEMENT ACT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	-	-
	-	-	-	-
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	(17,730)	17,730
<i>Total other financing sources (uses)</i>	-	-	(17,730)	17,730
<i>Net change in fund balances</i>	-	-	(17,730)	17,730
<i>Fund balance, beginning of year</i>	-	-	17,730	-
<i>Fund balance, end of year</i>	\$ -	-	-	17,730
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ (17,730)	

See Notes to Financial Statements.

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ 228,765	228,765	237,097	8,332
	<u>228,765</u>	<u>228,765</u>	<u>237,097</u>	<u>8,332</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	215,735	215,735	176,152	39,583
Support Services				
General Administration	2,287	2,287	2,287	-
Operation & Maintenance of Plant	10,743	10,743	10,743	-
	<u>228,765</u>	<u>228,765</u>	<u>189,182</u>	<u>39,583</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>47,915</u>	<u>(31,251)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>47,915</u>	<u>(31,251)</u>
<i>Fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,487</u>	<u>-</u>
<i>Fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>49,402</u>	<u>(31,251)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (26,850)	
Adjustments to expenditures			<u>-</u>	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 21,065</u>	

See Notes to Financial Statements.

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ 200,000	200,000	264,941	64,941
	<u>200,000</u>	<u>200,000</u>	<u>264,941</u>	<u>64,941</u>
<i>Expenditures</i>				
Current				
Support Services				
General Administration	12,196	12,196	12,196	-
School Administration	185,584	185,584	185,485	99
Operation & Maintenance of Plant	2,220	2,220	2,220	-
	<u>200,000</u>	<u>200,000</u>	<u>199,901</u>	<u>99</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	65,040	64,842
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	65,040	64,842
<i>Fund balance, beginning of year</i>	-	-	(25,406)	-
<i>Fund balance, end of year</i>	\$ <u>-</u>	<u>-</u>	<u>39,634</u>	<u>64,842</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (53,871)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 11,169</u>	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
BEGINNING TEACHER MENTORING PROGRAM SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	-	-
	-	-	-	-
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	(18,386)	18,386
<i>Total other financing sources (uses)</i>	-	-	(18,386)	18,386
<i>Net change in fund balances</i>	-	-	(18,386)	18,386
<i>Fund balance, beginning of year</i>	-	-	18,386	-
<i>Fund balance, end of year</i>	\$ -	-	-	18,386
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ (18,386)	

See Notes to Financial Statements.

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	2,994	2,993	(1)
	-	2,994	2,993	(1)
<i>Expenditures</i>				
<i>Current</i>				
Food Services Operations	-	2,994	2,994	-
	-	2,994	2,994	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(1)	(1)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(1)	(1)
<i>Fund balance, beginning of year</i>	-	-	3,167	-
<i>Fund balance, end of year</i>	\$ -	-	3,166	(1)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ (1)	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
LEGISLATIVE APPROPRIATIONS MATH GRANT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	-	-
	-	-	-	-
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	(1,840)	1,840
<i>Total other financing sources (uses)</i>	-	-	(1,840)	1,840
<i>Net change in fund balances</i>	-	-	(1,840)	1,840
<i>Fund balance, beginning of year</i>	-	-	1,840	-
<i>Fund balance, end of year</i>	\$ -	-	-	1,840
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ (1,840)	

See Notes to Financial Statements.

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ -	-	-	-
State grants	129,840	81,978	81,977	(1)
Miscellaneous	-	-	1	1
	<u>129,840</u>	<u>81,978</u>	<u>81,978</u>	<u>-</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	129,840	81,978	81,978	-
	<u>129,840</u>	<u>81,978</u>	<u>81,978</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>(4,257)</u>	<u>-</u>
<i>Fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>(4,257)</u>	<u>-</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
PRE-KINDERGARTEN SPECIAL STATE SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	-	-
	-	-	-	-
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	(5,184)	5,184
<i>Total other financing sources (uses)</i>	-	-	(5,184)	5,184
<i>Net change in fund balances</i>	-	-	(5,184)	5,184
<i>Fund balance, beginning of year</i>	-	-	5,184	-
<i>Fund balance, end of year</i>	\$ -	-	-	5,184
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ (5,184)	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
SCIENCE INSTRUCTIONAL MATERIALS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	-	-
	-	-	-	-
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	4,236	(4,236)
<i>Total other financing sources (uses)</i>	-	-	4,236	(4,236)
<i>Net change in fund balances</i>	-	-	4,236	(4,236)
<i>Fund balance, beginning of year</i>	-	-	(4,236)	-
<i>Fund balance, end of year</i>	\$ -	-	-	(4,236)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ 4,236	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
SCHOOL BUS REPLACEMENT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	87,537	87,537	-
	-	87,537	87,537	-
<i>Expenditures</i>				
Current				
Capital outlay	-	87,537	87,537	-
	-	87,537	87,537	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balance, beginning of year</i>	-	-	-	-
<i>Fund balance, end of year</i>	\$ -	-	-	-
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ -	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
TEACHERS HARD TO STAFF STIPEND SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	48,600	50,267	1,667
	-	48,600	50,267	1,667
<i>Expenditures</i>				
Current				
Instruction	-	48,600	43,871	4,729
Support Services	-	48,600	43,871	4,729
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	6,396	(3,062)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	6,396	(3,062)
<i>Fund balance, beginning of year</i>	-	-	-	-
<i>Fund balance, end of year</i>	\$ -	-	6,396	(3,062)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (6,396)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ -	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
2008 LIBRARY BOOK FUND SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	-	-
	-	-	-	-
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	(5,247)	5,247
<i>Total other financing sources (uses)</i>	-	-	(5,247)	5,247
<i>Net change in fund balances</i>	-	-	(5,247)	5,247
<i>Fund balance, beginning of year</i>	-	-	5,247	-
<i>Fund balance, end of year</i>	\$ -	-	-	5,247
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ (5,247)	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NM HIGHWAY ROAD DEPARTMENT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	5,697	17,091	11,394
	-	5,697	17,091	11,394
<i>Expenditures</i>				
Current				
Capital outlay	-	5,697	-	5,697
	-	5,697	-	5,697
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	17,091	17,091
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	17,091	17,091
<i>Fund balance, beginning of year</i>	-	-	8,536	-
<i>Fund balance, end of year</i>	\$ -	-	25,627	17,091
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ 17,091	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
ASSIST TOBACCO DOH SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	-	-
	-	-	-	-
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service</i>				
Principal	-	-	-	-
Interest	-	-	-	-
	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	(19,175)	(19,175)
<i>Total other financing sources (uses)</i>	-	-	(19,175)	(19,175)
<i>Net change in fund balances</i>	-	-	(19,175)	(19,175)
<i>Fund balance, beginning of year</i>	-	-	19,175	19,175
<i>Fund balance, end of year</i>	\$ -	-	-	-
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ (19,175)	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NM ARTS DIVISION SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	8,024	6,704	(1,320)
	-	8,024	6,704	(1,320)
<i>Expenditures</i>				
Current				
Instruction	-	8,024	8,024	-
	-	8,024	8,024	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(1,320)	(1,320)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(1,320)	(1,320)
<i>Fund balance, beginning of year</i>	-	-	3,299	3,299
<i>Fund balance, end of year</i>	\$ -	-	1,979	1,979
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ (1,320)	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
DWI NM LOCAL GRANT FUND SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	-	-
	-	-	-	-
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	(98)	98
<i>Total other financing sources (uses)</i>	-	-	(98)	98
<i>Net change in fund balances</i>	-	-	(98)	98
<i>Fund balance, beginning of year</i>	-	-	98	-
<i>Fund balance, end of year</i>	\$ -	-	-	98
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ (98)	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
GEAR UP CHE SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	-	-
	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	(8,384)	(8,384)
<i>Total other financing sources (uses)</i>	-	-	(8,384)	(8,384)
<i>Net change in fund balances</i>	-	-	(8,384)	(8,384)
<i>Fund balance, beginning of year</i>	-	-	8,384	8,384
<i>Fund balance, end of year</i>	\$ -	-	-	-
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ (8,384)	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
GRADS CHILD CARE SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ 3,000	3,000	-	(3,000)
	<u>3,000</u>	<u>3,000</u>	<u>-</u>	<u>(3,000)</u>
<i>Expenditures</i>				
Current				
Instruction	2,918	2,918	1,273	1,645
Operation & Maintenance of Plant	82	82	-	82
	<u>3,000</u>	<u>3,000</u>	<u>1,273</u>	<u>1,727</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,273)</u>	<u>(1,273)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(1,273)</u>	<u>(1,273)</u>
<i>Fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>9,562</u>	<u>9,562</u>
<i>Fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>8,289</u>	<u>8,289</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (1,273)</u>	

See Notes to Financial Statements.

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ 6,500	6,500	11,140	4,640
	<u>6,500</u>	<u>6,500</u>	<u>11,140</u>	<u>4,640</u>
<i>Expenditures</i>				
Current				
Instruction	6,500	6,500	4,946	1,554
	<u>6,500</u>	<u>6,500</u>	<u>4,946</u>	<u>1,554</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>6,194</u>	<u>6,194</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>6,194</u>	<u>6,194</u>
<i>Fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>(7,741)</u>	<u>-</u>
<i>Fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>(1,547)</u>	<u>6,194</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 1	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 6,195</u>	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NMFA ENERGY EFFICIENCY AND RENEWABLE ENERGY SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	1	1
	-	-	1	1
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	-	-	-	-
	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	1	1
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	1	1
<i>Fund balance, beginning of year</i>	-	-	1,615	1,615
<i>Fund balance, end of year</i>	\$ -	-	1,616	1,616
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ 1	

See Notes to Financial Statements.

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	11,000	15,497	4,497
	-	11,000	15,497	4,497
<i>Expenditures</i>				
Current				
Instruction	-	11,000	11,000	-
	-	11,000	11,000	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	4,497	4,497
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	4,497	4,497
<i>Fund balance, beginning of year</i>	-	-	2,902	2,902
<i>Fund balance, end of year</i>	\$ -	-	7,399	7,399
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 1	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ 4,498	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
SCHOOL BASED HEALTH CENTER SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	-	-
	-	-	-	-
<i>Expenditures</i>				
<i>Current</i>				
Instruction	53,035	52,909	12,238	40,671
	53,035	52,909	12,238	40,671
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(53,035)	(52,909)	(12,238)	40,671
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	(53,035)	(52,909)	(12,238)	40,671
<i>Fund balance, beginning of year</i>	-	-	52,910	52,910
<i>Fund balance, end of year</i>	\$ (53,035)	(52,909)	40,672	93,581
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ (12,238)	

See Notes to Financial Statements.

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

	Public School Capital Outlay 31200	Capital Improvements SB-9 31700	Total
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	\$ -	68,401	68,401
Accounts receivable			-
Taxes	-	52,658	52,658
Due from other governments	-	-	-
Other	-	-	-
Interfund receivables	-	-	-
Prepaid expenditures	-	-	-
Inventory	-	-	-
<i>Total assets</i>	<u>\$ -</u>	<u>121,059</u>	<u>121,059</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
<i>Current Liabilities</i>			
Accounts payable	\$ -	19,394	19,394
Accrued payroll liabilities	-	-	-
Interfund payables	-	-	-
<i>Total Liabilities</i>	<u>-</u>	<u>19,394</u>	<u>19,394</u>
<i>Deferred Inflows</i>			
Property Taxes	-	48,264	48,264
<i>Fund balances</i>			
Fund Balance			
Nonspendable	-	-	-
Restricted	-	53,401	53,401
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<i>Total fund balance</i>	<u>-</u>	<u>53,401</u>	<u>53,401</u>
<i>Total liabilities, deferred inflows and fund balance</i>	<u>\$ -</u>	<u>121,059</u>	<u>121,059</u>

See Notes to Financial Statements.

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

	Public School Capital Outlay 31200	Capital Improvements SB-9 31700	Total
<i>Revenues</i>			
Property taxes	\$ -	334,841	334,841
State grants	-	-	-
Federal grants	-	-	-
Miscellaneous	-	-	-
Interest	-	6,076	6,076
	<u>-</u>	<u>340,917</u>	<u>340,917</u>
<i>Expenditures</i>			
<i>Current</i>			
Instruction	-	-	-
Support Services			
Students	-	-	-
Instruction	-	-	-
General Administration	-	3,476	3,476
School Administration	-	-	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	-	-	-
Community Service	-	-	-
Capital outlay	-	782,393	782,393
Debt service			
Principal	-	-	-
Interest	-	-	-
	<u>-</u>	<u>785,869</u>	<u>785,869</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(444,952)</u>	<u>(444,952)</u>
<i>Other financing sources (uses)</i>			
Operating transfers	<u>103,522</u>	<u>-</u>	<u>103,522</u>
<i>Total other financing sources (uses)</i>	<u>103,522</u>	<u>-</u>	<u>103,522</u>
<i>Net change in fund balances</i>	<u>103,522</u>	<u>(444,952)</u>	<u>(341,430)</u>
<i>Fund balances, beginning of year</i>	<u>(103,522)</u>	<u>498,353</u>	<u>394,831</u>
<i>Fund balances, end of year</i>	<u>\$ -</u>	<u>53,401</u>	<u>53,401</u>

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
PUBLIC SCHOOL CAPITAL OUTLAY CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	-	-	-
	-	-	-	-
<i>Expenditures</i>				
Current				
Capital outlay	-	-	-	-
	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	103,522	-
<i>Total other financing sources (uses)</i>	-	-	103,522	-
<i>Net change in fund balances</i>	-	-	103,522	103,522
<i>Fund balance, beginning of year</i>	-	-	(103,522)	(103,522)
<i>Fund balance, end of year</i>	\$ -	-	-	-
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

See Notes to Financial Statements.

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
Property taxes	\$ 331,584	331,584	117,750	(213,834)
Interest	-	21	6,076	6,055
	<u>331,584</u>	<u>331,605</u>	<u>123,826</u>	<u>(207,779)</u>
<i>Expenditures</i>				
Current				
Support Services				
General Administration	-	7,021	3,476	3,545
Capital outlay	<u>597,511</u>	<u>802,343</u>	<u>782,393</u>	<u>19,950</u>
	<u>597,511</u>	<u>809,364</u>	<u>785,869</u>	<u>23,495</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(265,927)</u>	<u>(477,759)</u>	<u>(662,043)</u>	<u>(184,284)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(662,043)</u>	<u>154,958</u>
<i>Fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>498,353</u>	<u>286,819</u>
<i>Fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>(163,690)</u>	<u>441,777</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 217,091	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ (444,952)</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS-COMPONENT UNIT
COTTONWOOD VALLEY CHARTER SCHOOL
COMBINING BALANCE SHEET
JUNE 30, 2016

	<u>Operational Fund</u>			
	<u>General 11000</u>	<u>Instructional Materials 14000</u>	<u>Non Instructional Support 23000</u>	<u>Title I IASA 24101</u>
ASSETS				
<i>Current Assets</i>				
Cash and cash equivalents	\$ 91,967	8,027	886	-
Accounts receivable				
Due from other governments	787	-	-	-
Interfund receivables	35,958	-	-	-
<i>Total assets</i>	<u>\$ 128,712</u>	<u>8,027</u>	<u>886</u>	<u>-</u>
LIABILITIES AND FUND BALANCES				
<i>Current Liabilities</i>				
Accrued payroll liabilities	\$ 12,217	-	-	-
Interfund payables	-	-	-	-
<i>Total liabilities</i>	<u>\$ 12,217</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Fund Balance				
Nonspendable	-	-	-	-
Restricted	-	8,027	886	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	116,495	-	-	-
<i>Total fund balance</i>	<u>116,495</u>	<u>8,027</u>	<u>886</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ 128,712</u>	<u>8,027</u>	<u>886</u>	<u>-</u>

See Notes to Financial Statements.

IDEA -B Entitlement 24106	Teacher / Principal Training & Recruiting 24154	Reads to Lead K-3 Initiative 27114	Public School Capital Outlay 31200	Special Capital Outlay 31300	Capital Improvements SB-9 31700	Total Governmental Funds
-	-	-	-	1,646	-	102,526
-	-	-	24,000	11,958	-	36,745
-	-	-	-	-	-	35,958
-	-	-	24,000	13,604	-	175,229
-	-	-	-	-	-	12,217
-	-	-	24,000	11,958	-	35,958
-	-	-	24,000	11,958	-	48,175
-	-	-	-	-	-	-
-	-	-	-	1,646	-	10,559
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	116,495
-	-	-	-	1,646	-	127,054
-	-	-	24,000	13,604	-	175,229

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS-COMPONENT UNIT
GOVERNMENTAL FUNDS
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2016

(Page 2 of 2)

	Governmental Funds
	<hr/>
Amounts reported for governmental activities in the statement of net position are different because:	
Fund balances - total governmental funds	\$ 127,054
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	1,562,050
Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds	239,459
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	
Net pension liability	(1,881,646)
Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds	(122,487)
	<hr/>
Net Position-total Governmental Activities	\$ <u><u>(75,570)</u></u>

See Notes to Financial Statements.

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS-COMPONENT UNIT
COTTONWOOD VALLEY CHARTER SCHOOL
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
JUNE 30, 2016

	<u>Operational Fund</u>			
	General 11000	Instructional Materials 14000	Non Instructional Support 23000	Title I IASA 24101
<i>Revenues</i>				
State grants	\$ 1,277,239	12,153	-	20,054
Miscellaneous	28,960	-	6,309	-
	<u>1,306,199</u>	<u>12,153</u>	<u>6,309</u>	<u>20,054</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	911,930	14,867	6,276	20,054
Support Services				
Students	43,459	-	-	-
Instruction	1,694	-	-	-
General Administration	20,532	-	-	-
School Administration	142,218	-	-	-
Central Services	74,518	-	-	-
Operation & Maintenance of Plant	107,690	-	-	-
Capital outlay	-	-	-	-
	<u>1,302,041</u>	<u>14,867</u>	<u>6,276</u>	<u>20,054</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>4,158</u>	<u>(2,714)</u>	<u>33</u>	<u>-</u>
<i>Net change in fund balances</i>	4,158	(2,714)	33	-
<i>Fund balances, beginning of year</i>	<u>112,337</u>	<u>10,741</u>	<u>853</u>	<u>-</u>
<i>Fund balances (deficit), end of year</i>	<u>\$ 116,495</u>	<u>8,027</u>	<u>886</u>	<u>-</u>

See Notes to Financial Statements.

IDEA -B Entitlement 24106	Teacher / Principal Training & Recruiting 24154	Reads to Lead K-3 Initiative 27114	Public School Capital Outlay 31200	Special Capital Outlay 31300	Capital Improvements SB-9 31700	Total Governmental Funds
36,375	9,678	50,000	-	-	2,206	1,407,705
-	-	-	-	440	28,918	64,627
36,375	9,678	50,000	-	440	31,124	1,472,332
-	2,374	50,000	-	-	-	1,005,501
36,375	-	-	-	-	-	79,834
-	-	-	-	-	-	1,694
-	-	-	-	-	-	20,532
-	7,304	-	-	-	-	149,522
-	-	-	-	-	-	74,518
-	-	-	-	-	-	107,690
-	-	-	-	697,744	31,124	728,868
36,375	9,678	50,000	-	697,744	31,124	2,168,159
-	-	-	-	(697,304)	-	(695,827)
-	-	-	-	(697,304)	-	(695,827)
-	-	-	-	698,950	-	822,881
-	-	-	-	1,646	-	127,054

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS-COMPONENT UNIT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
JUNE 30, 2016**

(Page 2 of 2)

	Governmental Funds
Amounts reported for governmental activities in the statement of activities are different because:	
Net Change in fund balances - total governmental funds	\$ (695,827)
Change in net pension liability	(9,124)
Capital Outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeds capital outlays for the period.	
Capital outlay	2,698
Depreciation expense	(33,654)
Loss/gain on disposition of assets	<u>127,936</u>
Change in Net Position-total Governmental Activities	\$ <u><u>(607,971)</u></u>

See Notes to Financial Statements.

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS-COMPONENT UNIT
COTTONWOOD VALLEY CHARTER SCHOOL
GENERAL FUND (11000)-STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ 1,274,056	1,300,918	1,278,026	(22,892)
Charges for service	-	-	28,960	28,960
	<u>1,274,056</u>	<u>1,300,918</u>	<u>1,306,986</u>	<u>6,068</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	872,730	957,846	911,935	45,911
Support Services				
Students	24,700	47,450	43,459	3,991
Instruction	500	1,720	1,694	26
General Administration	13,750	29,750	20,532	9,218
School Administration	145,373	145,973	142,218	3,755
Central Services	75,641	77,806	74,518	3,288
Operation & Maintenance of Plant	247,362	164,932	107,690	57,242
	<u>1,380,056</u>	<u>1,425,477</u>	<u>1,302,046</u>	<u>123,431</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(106,000)</u>	<u>(124,559)</u>	<u>4,940</u>	<u>129,499</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>(106,000)</u>	<u>(124,559)</u>	<u>4,940</u>	<u>129,499</u>
<i>Fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>112,337</u>	<u>112,337</u>
<i>Fund balance, end of year</i>	<u>\$ (106,000)</u>	<u>(124,559)</u>	<u>117,277</u>	<u>241,836</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (787)	
Adjustments to expenditures			5	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 4,158</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS-COMPONENT UNIT
COTTONWOOD VALLEY CHARTER SCHOOL
Instructional Material (14000)-STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ 9,344	12,152	12,153	1
	<u>9,344</u>	<u>12,152</u>	<u>12,153</u>	<u>1</u>
<i>Expenditures</i>				
Current				
Instruction	13,420	22,893	14,867	8,026
	<u>13,420</u>	<u>22,893</u>	<u>14,867</u>	<u>8,026</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(4,076)</u>	<u>(10,741)</u>	<u>(2,714)</u>	<u>8,027</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>(4,076)</u>	<u>(10,741)</u>	<u>(2,714)</u>	<u>8,027</u>
<i>Fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>10,741</u>	<u>10,741</u>
<i>Fund balance, end of year</i>	\$ <u><u>(4,076)</u></u>	\$ <u><u>(10,741)</u></u>	\$ <u><u>8,027</u></u>	\$ <u><u>18,768</u></u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			<u>-</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ <u><u>(2,714)</u></u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS-COMPONENT UNIT
COTTONWOOD VALLEY CHARTER SCHOOL
NON INSTRUCTIONAL SUPPORT(23000)-STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	6,303	6,309	6
	-	6,303	6,309	6
<i>Expenditures</i>				
Current				
Instruction	300	7,157	6,276	881
	300	7,157	6,276	881
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(300)	(854)	33	887
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	(300)	(854)	33	887
<i>Fund balance, beginning of year</i>	-	-	853	853
<i>Fund balance, end of year</i>	\$ (300)	(854)	886	1,740
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ 33	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS-COMPONENT UNIT
COTTONWOOD VALLEY CHARTER SCHOOL
TITLE I (24101)-STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ 20,054	20,054	20,054	-
	<u>20,054</u>	<u>20,054</u>	<u>20,054</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	20,054	20,054	20,054	-
	<u>20,054</u>	<u>20,054</u>	<u>20,054</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			<u>-</u>	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS-COMPONENT UNIT
COTTONWOOD VALLEY CHARTER SCHOOL
TEACHER/PRINCIPAL TRAINING (24154)-STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	11,578	5,248	(6,330)
	-	11,578	5,248	(6,330)
<i>Expenditures</i>				
Current				
Instruction	-	4,274	2,374	1,900
Support Services			-	
School Administration	-	7,304	7,304	-
	-	11,578	9,678	1,900
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(4,430)	(4,430)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(4,430)	(4,430)
<i>Fund balance, beginning of year</i>	-	-	-	-
<i>Fund balance, end of year</i>	\$ -	-	(4,430)	(4,430)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 4,430	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ -	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS-COMPONENT UNIT
COTTONWOOD VALLEY CHARTER SCHOOL
IDEA-B ENTITLEMENT (24106)-STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ 36,375	36,375	36,375	-
	<u>36,375</u>	<u>36,375</u>	<u>36,375</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Support Services				
Students	36,375	36,375	36,375	-
	<u>36,375</u>	<u>36,375</u>	<u>36,375</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance, end of year</i>	\$ <u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ <u><u>-</u></u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS-COMPONENT UNIT
COTTONWOOD VALLEY CHARTER SCHOOL
READS TO LEAD K-3 INITIATIVE (27114)-STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ 50,000	50,000	50,000	-
	50,000	50,000	50,000	-
<i>Expenditures</i>				
Current				
Instruction	50,000	50,000	50,000	-
Support Services				
	50,000	50,000	50,000	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-		
<i>Fund balance, beginning of year</i>	-	-	-	-
<i>Fund balance, end of year</i>	\$ -	-		
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ -	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS-COMPONENT UNIT
COTTONWOOD VALLEY CHARTER SCHOOL
PUBLIC SCHOOL CAPITAL OUTLAY (31200)-STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ -	111,384	55,006	(56,378)
	-	111,384	55,006	(56,378)
<i>Expenditures</i>				
Current				
Capital outlay	-	111,384	-	111,384
	-	111,384	-	111,384
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	55,006	55,006
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	55,006	55,006
<i>Fund balance, beginning of year</i>	-	-	-	-
<i>Fund balance, end of year</i>	\$ -	-	55,006	55,006
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (55,006)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ -	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS-COMPONENT UNIT
COTTONWOOD VALLEY CHARTER SCHOOL
SPECIAL CAPITAL OUTLAY (31300)-STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues</i>				
State grants	\$ 600	600	11,958	11,358
Miscellaneous	-	-	440	440
	<u>600</u>	<u>600</u>	<u>12,398</u>	<u>11,798</u>
<i>Expenditures</i>				
Current				
Capital outlay	<u>792,855</u>	<u>792,891</u>	<u>685,786</u>	<u>107,105</u>
	<u>792,855</u>	<u>792,891</u>	<u>685,786</u>	<u>107,105</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(792,255)</u>	<u>(792,291)</u>	<u>(673,388)</u>	<u>118,903</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>(792,255)</u>	<u>(792,291)</u>	<u>(673,388)</u>	<u>118,903</u>
<i>Fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>698,950</u>	<u>-</u>
<i>Fund balance, end of year</i>	<u>\$ (792,255)</u>	<u>(792,291)</u>	<u>25,562</u>	<u>118,903</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (11,958)	
Adjustments to expenditures			<u>(11,958)</u>	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ (697,304)</u>	

See Notes to Financial Statements.

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

Schedule I

	Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016
Socorro High School	\$ 89,782	65,605	71,459	83,928
Sarracino Middle School	18,002	31,440	25,374	24,068
Zimmerly Elementary	15,665	9,749	14,572	10,842
Parkview Elementary	15,406	19,720	23,921	11,205
San Antonio Elementary	8,872	13,390	13,938	8,324
Midway Elementary	13,111	17,426	15,589	14,948
District Activity (Bus)	34,939	35,706	2,221	68,424
Staters Scholarship	10,400	-	-	10,400
World War II Scholarship	10,000	-	-	10,000
Elizim Baca Scholarship	<u>115,163</u>	<u>9,980</u>	<u>-</u>	<u>125,143</u>
Total All Schools	<u>\$ 331,340</u>	<u>203,016</u>	<u>167,074</u>	<u>367,282</u>

See Notes to Financial Statements.

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

Name of Depository	Description of Pledged Collateral	FMV June 30, 2016	Name & Location of Safekeeper
District:			
First State Bank	US Treasury CUSIP #3133EEB33	1,800,000	Federal Reserve Bank Dallas, Texas
First State Bank	FFCB CUSIP #3133XN4B2	1,000,000	Federal Reserve Bank Dallas, Texas
First State Bank	FHLB CUSIP #31331V2J4	3,000,000	Federal Reserve Bank Dallas, Texas
<i>Total First State Bank</i>		<u>5,800,000</u>	
Wells Fargo	FMAC FGPC CUSIP #3128MJQ37	356,146	Bank of New York Mellon New York, New York
Wells Fargo	FNMA FNMS CUSIP #3136A62U7	809,701	Bank of New York Mellon New York, New York
<i>Total Wells Fargo</i>		<u>1,165,847</u>	
<i>Total District</i>		<u><u>6,965,847</u></u>	

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
SCHEDULE OF CASH AND TEMPORARY INVESTMENT ACCOUNTS
June 30, 2016

Schedule III

Bank Account Type	First State Bank	Wells Fargo Bank	Totals
Checking - Operational/Federal	\$ 44,385	-	44,385
Checking - Payroll Clearing	1,582,560	-	1,582,560
Checking-Accounts Payable Clearing	432,856	-	432,856
Activity/Athletics Checking-Clearing Account	508,124	-	508,124
Checking-Operational-6733	-	2,043,610	2,043,610
Checking-Facilities Development (Charter School)	-	111,353	111,353
Checking-Operational Account (Charter School)	-	-	-
Certificate of Deposit-Elizim Baca Scholarship 3826	-	-	-
Certificate of Deposit-High School Activity 6174	5,000	-	5,000
Certificate of Deposit-Middle School Activity 1355	4,000	-	4,000
Certificate of Deposit-Middle School Activity 4671	3,000	-	3,000
Certificate of Deposit-Scholarship Investment 6888	20,400	-	20,400
Investment-Business Premium Rate Public Funds	-	125,143	125,143
Total On Deposit	2,600,325	2,280,106	4,880,431
Reconciling Items-District	(1,651,510)	-	(1,651,510)
Reconciling Items-Charter School	-	(8,927)	(8,927)
Reconciled Balance June 30, 2016	\$ 948,815	2,271,179	3,219,994
Plus: Petty Cash-District			1,400
Plus: Petty Cash-Charter School			100
Plus: Cash held by NMFA			2,049,610
Cash per Government-wide Financial Statements			5,271,104
Cash per Government-wide Financial Statements - Governmental Funds			4,801,296
Cash per Government-wide Financial Statements - Component Unit			102,526
Agency Fund Cash			367,282
			\$ 5,271,104

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
CASH RECONCILIATION
June 30, 2016**

Schedule IV
(Page 1 of 4)

	Operational Account 11000	Transportation Account 13000	Instructional Materials 14000
Cash, June 30, 2015	\$ 903,765	-	32,544
Add:			
2015-16 revenues	12,696,217	730,136	111,732
Repayment of loans	-	-	-
Loans from other funds	-	-	-
Total cash available	13,599,982	730,136	144,276
Less:			
2015-16 expenditures	(12,400,606)	(730,136)	(75,801)
Repayment of loans	-	-	-
Transfers to/from other funds	191,956	-	-
Loans to other funds	-	-	-
Change due to held checks and liabilities	-	-	-
Cash, June 30, 2016	\$ <u>1,391,332</u>	<u>-</u>	<u>68,475</u>
Reconciliations to GAAP Basis:			
Audit reclassifications to cash	(1,377,775)	-	-
Cash per books	<u>13,557</u>	<u>-</u>	<u>68,475</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	1,305,642	-	-
Fund Balance, Modified Accrual Basis	<u>1,319,199</u>	<u>-</u>	<u>68,475</u>

See Notes to Financial Statements.

Food Services Account 21000	Athletics Account 22000	Non-Instruction Account 23000	Federal Flowthrough 24000	Title I IASA 25000	Title I 1003g Grant 26000
253,684	17,365	331,343	(341,960)	275,086	-
1,035,743	144,324	203,015	2,036,082	196,786	-
-	-	-	-	-	-
-	-	-	-	-	-
1,289,427	161,689	534,358	1,694,122	471,872	-
(1,036,029)	(132,558)	(167,076)	(2,588,864)	(197,455)	-
-	-	-	-	-	-
-	-	-	(330,660)	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>253,398</u>	<u>29,131</u>	<u>367,282</u>	<u>(1,225,402)</u>	<u>274,417</u>	<u>-</u>
-	-	-	1,227,868	-	-
<u>253,398</u>	<u>29,131</u>	<u>367,282</u>	<u>2,466</u>	<u>274,417</u>	<u>-</u>
110,489	-	-	463,969	54,057	-
<u>363,887</u>	<u>29,131</u>	<u>367,282</u>	<u>466,435</u>	<u>328,474</u>	<u>-</u>

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
CASH RECONCILIATION
June 30, 2016**

Schedule IV
(Page 3 of 4)

	State Flowthrough 27000	State Direct 28000	Local or State Fund 29000
Cash, June 30, 2015	\$ (12,467)	27,066	52,909
Add:			
2015-16 revenues	617,979	50,438	-
Repayment of loans	-	-	-
Loans from other funds	-	-	-
Total cash available	605,512	77,504	52,909
Less:			
2015-16 expenditures	(678,151)	(25,244)	(12,237)
Repayment of loans	-	-	-
Transfers to/from other funds	(55,947)	(27,656)	-
Loans to other funds	-	-	-
Change due to held checks and liabilities	-	-	-
Cash, June 30, 2016	\$ <u>(128,586)</u>	<u>24,604</u>	<u>40,672</u>
Reconciliations to GAAP Basis:			
Audit reclassifications to cash	136,999	12,907	-
Cash per books	8,413	37,511	40,672
Fund Balance Reconilation to GAAP Basis:			
Modified Accrual Adjustments	7,496	5,854	-
Fund Balance, Modified Accrual Basis	<u>15,909</u>	<u>43,365</u>	<u>40,672</u>

See Notes to Financial Statements.

Bond Building 31100	Public School Capital Outlay 31200	Cap. Improv. SB9 31700	Debt Service Fund 41000	Total
1,720,022	(103,521)	275,250	1,345,337	4,776,423
1,387,901	-	559,628	1,328,555	21,098,536
-	-	-	-	-
-	-	-	-	-
3,107,923	(103,521)	834,878	2,673,892	25,874,959
(486,367)	-	(766,477)	(1,290,593)	(20,587,594)
-	-	-	-	-
-	103,521	-	-	(118,786)
-	-	-	-	-
-	-	-	-	-
2,621,556	-	68,401	1,383,299	5,168,579
-	-	-	-	(1)
2,621,556	-	68,401	1,383,299	5,168,578
(384,324)	-	(15,000)	201,787	1,749,970
2,237,232	-	53,401	1,585,086	6,918,548

STATE OF NEW MEXICO
COTTONWOOD VALLEY CHARTER SCHOOL
CASH RECONCILIATION
June 30, 2016

Schedule IV

	Operational Account 11000	Instructional Materials 14000	Non-Instruction Account 23000	Federal Flowthrough 24000	State Flowthrough 27000	Public School Capital Outlay 31200	Special Capital Outlay Local 31300	Cap. Improv. SB9 31700	Total
Cash, June 30, 2015	\$ 114,982	10,741	853	-	-	-	792,291	-	918,867
Add:									
2015-16 revenues	1,305,008	12,153	6,309	66,107	50,000	77,084	440	19,166	1,536,267
Proceeds from loans	-	-	-	-	-	-	-	-	-
Loans from other funds	-	-	-	-	-	-	-	-	-
Total cash available	1,419,990	22,894	7,162	66,107	50,000	77,084	792,731	19,166	2,455,134
Less:									
2015-16 expenditures	(1,303,494)	(14,867)	(6,276)	(66,107)	(50,000)	(101,084)	(779,127)	(31,124)	(2,352,079)
Repayment of loans	-	-	-	-	-	-	-	-	-
Transfers to/from other funds	-	-	-	-	-	-	-	-	-
Loans to other funds	-	-	-	-	-	-	-	-	-
Change due to held checks and liabilities	(529)	-	-	-	-	-	-	-	-
Cash, June 30, 2016	\$ 115,967	8,027	886	-	-	(24,000)	13,604	(11,958)	103,055
Reconciliations to GAAP Basis:									
Audit reclassifications to cash	(24,000)	-	-	-	-	24,000	-	11,958	11,958
Cash per books	91,967	8,027	886	-	-	-	13,604	-	115,013
Fund Balance Reconciliation to GAAP Basis:									
Modified Accrual Adjustments	24,528	-	-	-	-	-	-	-	24,528
Fund Balance, Modified Accrual Basis	116,495	8,027	886	-	-	-	13,604	-	139,012

Socorro Consolidated Schools
 SCHEDULE OF VENDOR INFORMATION for Purchases Exceeding \$60,000 (excluding GRT)
 For the Year Ended June 30, 2016

Agency Number	Agency Name	Agency Type	RFB#/RFP# (If applicable)	Type of Procurement	Vendor Name	Did Vendor Win Contract?	\$ Amount of Awarded Contract	\$ Amount of Amended Contract	Physical address of vendor (City, State)	Did the Vendor provide documentation of eligibility for in-state preference?	Did the Vendor provide documentation of eligibility for veterans' preference?	Brief Description of the Scope of Work	If the procurement is attributable to a Component Unit, Name of Component Unit
7079	Socorro Consolidated Schools	Schools	N/A	Exempt	Cooperative Educational Services	Winner	\$ 43,317	\$ 43,117	Albuquerque, NM	Yes	No	2016 Chevrolet Suburban	
7079	Socorro Consolidated Schools	Schools	N/A	Exempt	Cooperative Educational Services	Winner	\$ 688		Albuquerque, NM	Yes	No	CPI Course Instruction	
7079	Socorro Consolidated Schools	Schools	N/A	Exempt	Cooperative Educational Services	Winner	\$ 87,537		Albuquerque, NM	Yes	No	2017 IC 71 type "C" passenger route bus	
7079	Socorro Consolidated Schools	Schools	N/A	Exempt	Cooperative Educational Services	Winner	\$ 395,449	\$ 394,422	Albuquerque, NM	Yes	No	Food Computer, monitor, projector, cables, misc IT supplies	
7079	Socorro Consolidated Schools	Schools	N/A	Exempt	Cooperative Educational Services	Winner	\$ 24,851		Albuquerque, NM	Yes	No	Facilities Managers Workshop Registration	
7079	Socorro Consolidated Schools	Schools	N/A	Exempt	Cooperative Educational Services	Winner	\$ 200		Albuquerque, NM	Yes	No	Ancillary Services	
7079	Socorro Consolidated Schools	Schools	N/A	Exempt	Cooperative Educational Services	Winner	\$ 468,299	\$ 436,456	Albuquerque, NM	Yes	No	Computers and Microsoft Office Licenses	
7079	Socorro Consolidated Schools	Schools	N/A	Exempt	Cooperative Educational Services	Winner	\$ 76,162	\$ 74,681	Albuquerque, NM	Yes	No	Medicaid Paid RA Claims	
7079	Socorro Consolidated Schools	Schools	N/A	Exempt	Cooperative Educational Services	Winner	\$ 14,000	\$ 10,747	Albuquerque, NM	Yes	No	Medicaid Paid RA Claims	
7079	Socorro Consolidated Schools	Schools	N/A	Exempt	Cooperative Educational Services	Winner	\$ 1,100		Albuquerque, NM	Yes	No	CES Membership	
7079	Socorro Consolidated Schools	Schools	14-15-01 D 14-15-01 SL 14-15-03-OT	Competitive (RFP or RFB)	Positive Outcomes, Inc	Winner	\$ 577,056	\$ 574,856	Socorro, NM	Yes	No	Ancillary Services	
7079	Socorro Consolidated Schools	Schools	14-15-01 D 14-15-01 SL 14-15-03-OT	Exempt	Cooperative Educational Services	Loser	\$ -	\$ -	Albuquerque, NM	Yes	No	Ancillary Services	

Socorro Consolidated Schools
 SCHEDULE OF VENDOR INFORMATION for Purchases Exceeding \$60,000 (excluding GRT)
 For the Year Ended June 30, 2016

Agency Number	Agency Name	Agency Type	RFB#/RFP# (If applicable)	Type of Procurement	Vendor Name	Did Vendor Win Contract?	\$ Amount of Awarded Contract	\$ Amount of Amended Contract	Physical address of vendor (City, State)	Did the Vendor provide documentation of eligibility for in-state preference?	Did the Vendor provide documentation of eligibility for veterans' preference?	Brief Description of the Scope of Work	If the procurement is attributable to a Component Unit, Name of Component Unit
	Socorro Consolidated				Bank of America								
7079	Socorro Consolidated Schools	Schools	N/A	Exempt		Winner	\$ 584,383	\$ 414,253	Socorro, NM	Yes	No	Pcard Purchases	
7079	Socorro Consolidated Schools	Schools	N/A	Sole Source	SOCORRO ELECTRIC COOP	Winner	\$ 413,020	\$ 363,591	Socorro, NM	Yes	No	Electricity	
7079	Socorro Consolidated Schools	Schools	N/A	Sole Source	CITY OF SOCORRO	Winner	\$ 240,123	\$ 201,835	Socorro, NM	Yes	No	Water	
7079	Socorro Consolidated Schools	Schools	N/A	Small Purchase	CITY OF SOCORRO	Winner	\$ 7,500		Socorro, NM	Yes	No	After School and Summer School Programming Public	
7079	Socorro Consolidated Schools	Schools	N/A	Small Purchase	CITY OF SOCORRO	Winner	\$ 126	\$ 98	Socorro, NM	Yes	No	Transportation Service	
7079	Socorro Consolidated Schools	Schools	N/A	Small Purchase	CITY OF SOCORRO	Winner	\$ 2,507	\$ 137	Socorro, NM	Yes	No	Dumpster Service/Landfill Fees	

COMPLIANCE SECTION

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

To the District Board
Socorro Consolidated School District
and Mr. Tim Keller
New Mexico State Auditor

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely presented component unit, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund of Socorro Consolidated School District (“District”) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and the combining and individual funds and related budgetary comparisons of the District, presented as supplementary information, 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 District’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify the following deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies as items 2011-001, 2012-006.

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 instances of noncompliance or other matters that are required to be reported under *Governmental Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2008-003, 2016-001, and 2016-002 relating to Socorro Consolidated School District and items 2016-001 and 2016-002 relating to the Cottonwood Valley Charter School.

Management Responses to Findings

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

Purpose of this Report

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



Albuquerque, New Mexico
November 14, 2016

FEDERAL FINANCIAL ASSISTANCE

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

To the District Board
Socorro Consolidated School District
and Mr. Tim Keller
New Mexico State Auditor

Report on Compliance for Each Major Federal Program

We have audited the Socorro Consolidated School District's ("District") compliance with the types of compliance requirements described in the *Uniform Guidance 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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Uniform Guidance, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and 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 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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Albuquerque, New Mexico
November 14, 2016

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2016

Federal Grantor or Pass-Through Grantor/Program Title	Passthrough Number	Federal CFDA	Federal Expenditures
U.S. Department of Education			
<i>Passthrough State of New Mexico Department of Education</i>			
Title I	24101	84.010	\$ 723,848
Entitlement IDEA B	24106	84.027	458,464
New Mexico Autism Project	24108	84.027A	4,364
Preschool IDEA B	24109	84.173	1,576
Education of Homeless	24113	84.196	4,814
Fresh Fruit and Vegetables	24118	10.582	10,859
21st Century Community Learning Centers	24119	84.287C	128,239
IDEA B - Risk Pool	24120	84.027	110,545
IDEA B Results Plan	24132	84.027A	24,268
Teacher / Principal Training / Recruiting	24154	84.367A	122,858
Rural and Low Income Schools	24160	84.358B	27,605
Title I - School Improvement	24162	84.010A	69,851
Carl Perkins Secondary - Current	24174	84.048	25,031
Carl Perkins Secondary - Redistribution	24176	84.048	2,930
<i>Subtotal - Passthrough State of New Mexico Department of Education</i>			<u>1,715,252</u>
Total U.S. Department of Education			<u>1,715,252</u>
U.S. Department of Agriculture			
<i>Passthrough State of New Mexico Department of Education</i>			
School Lunch Program	21000	10.555	972,029
USDA 2010 Equipment Assistance Program	24183	10.549	5,000
<i>Subtotal - Passthrough State of New Mexico Department of Education</i>			<u>977,029</u>
<i>Passthrough State of New Mexico Department of Health and Human Services</i>			
Food Distribution (Commodities)	21000	10.550	64,000
<i>Subtotal - Passthrough State of New Mexico Department Health and Human Services</i>			<u>64,000</u>
<i>Direct U.S. Department of Agriculture</i>			
Forest Reserve	11000	10.672	236,756
<i>Subtotal - Direct U.S. Department of Agriculture</i>			<u>236,756</u>
Total U.S. Department of Agriculture			<u>1,277,785</u>
U.S. Department of Health and Human Services			
<i>Passthrough State of New Mexico Department of Education</i>			
Temporary Assistance for Needy Families	24184	93.558	868,213
<i>Subtotal - Passthrough State of New Mexico Department of Education</i>			<u>868,213</u>
Total U.S. Department of Health and Human Services			<u>868,213</u>
Total Federal Financial Assistance			<u>\$ 3,861,250</u>

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2016**

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes federal grant activity of the Socorro Consolidated School District (the "District") under programs of the federal government for the year ended June 30, 2016. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principals, and Audit Requirements for 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principals contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3. NON-CASH FEDERAL ASSISTANCE

The District receives USDA Commodities for use in sponsoring the National School Lunch and Breakfast programs. The value of commodities received for the year ended June 30, 2016 was \$64,000 and is reported in the Schedule of Expenditures of Federal Awards under the Department of Agriculture Commodities program, CFDA number 10.550. Commodities are recorded as revenues and expenditures in the food service fund.

NOTE 4. SUBRECIPIENTS

Of the federal expenditures presented in the Schedule, the District did not provide federal awards to sub-recipients.

NOTE 5. RECONCILIATION TO FINANCIAL STATEMENTS

Federal Revenues and Contracts - Governmental Funds:	\$	3,797,250
Non-Cash Federal Assistance:		<u>64,000</u>
Total Federal Revenues:		<u>3,861,250</u>
Expenditures per SEFA Schedule:		<u>3,861,250</u>
Difference:	\$	<u>-</u>

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

A. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued Unmodified
 Internal control over financial reporting:
 • Material weakness(es) identified? Yes No
 • Significant deficiencies identified Yes None Reported
 Non-compliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:
 • Material weakness(es) identified? Yes No
 • Significant deficiencies identified Yes None reported
 Type of auditor's report issued on compliance for major programs: Unmodified
 Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? Yes No

Identification of Major Program

CFDA Number
84.010

Name of Federal Program or Cluster
Title I

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

\$ 750,000

Auditee qualified as low-risk auditee?

X Yes No

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

B. FINANCIAL STATEMENT FINDINGS

Socorro Consolidated Schools

2011-001 Payroll Control Deficiency-Revised and Repeated (Significant Deficiency)

CONDITION: In 2 in 40 instances tested, the employee's pay rate did not match the signed contract resulting in an overpayment of \$1,434. Per the Socorro Consolidated School's HR policy, there should be a current signed contract in every employee file.

The District has implemented procedures to resolve this finding in the current year.

CRITERIA: NMAC 6.20.2.18 states the local board shall establish written payroll policies and procedures which comply with state and federal regulations on payroll as well as maintaining strict internal controls, close supervision and financial accounting in accordance with GAAP. School districts shall maintain and have available for inspection the following employee record documentation: employment contracts, personnel/payroll action forms, certification records, employment eligibility verification (federal form I-9 for citizenship certification), federal and state withholding allowance certificates, pay deduction authorizations, pay or position change noticed, Education Retirement Act plan application, and direct deposit authorizations.

EFFECT: The District is in violation of 6.20.2.18 and the Socorro Consolidated Schools' Payroll Policy and Procedure Manual.

CAUSE: District, State, and Federal policies are not being followed or reviewed to ensure proper execution.

RECOMMENDATION: We recommend that the District review all personnel files to ensure all employees' pay rates agree to their signed contracts for the school year.

MANAGEMENT RESPONSE: This finding falls under the responsibility of the Human Resources Department and Director of HR. The District has hired a new HR Director and HR Specialist in the current year to ensure the completeness and compliance of all payroll records. The District has improved its rate of noncompliance from the prior year. The new HR personnel are currently auditing all files to ensure correctness and completeness. They plan to have the 100% audit completed by December 31, 2016. Effective immediately, the District is working to ensure employees do not start work without a signed contract. In order to enforce this HR is working closely with Supervisors through the entire hiring process.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

B. FINANCIAL STATEMENT FINDINGS (CONTINUED)

Socorro Consolidated Schools (Continued)

2012-006 Purchase Orders-Revised and Repeated (Significant Deficiency)

CONDITION: In 2 in 40 instances tested, we noted 2 disbursements in the amount of \$258 in which the invoice was dated prior to the purchase order.

The District has implemented procedures to resolve this finding in the current year.

CRITERIA: Per Socorro Consolidated School District Purchasing Procedures and the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13-Purchasing, "the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction."

EFFECT: Internal control over expenditures and the ability of responsible parties to appropriately monitor budgets for which they bear responsibility may be compromised. Not being in compliance with these requirements places the District at risk for fraud or misuse of public funds.

CAUSE: District personnel have not followed state guidelines or internal procedures in the purchase of items. Policy clearly states that the individual must have an approved purchase order. At times, employees are inputting a purchase order and then purchasing items prior to the purchase order being approved. In other instances, purchases are occurring prior to a purchase order being initiated.

RECOMMENDATION: We recommend that all personnel be reminded of, or trained in, district and state policy in regards to purchasing of goods, services, or construction. All District personnel should be reminded that initiation of a purchase order is not sufficient for ordering, that an approved purchase order is required per policy and state guidelines.

MANAGEMENT RESPONSE: Effective July 1, 2016, the Finance Department has created and distributed a procurement checklist reminding employees of requirements that must be completed prior to purchases for the different dollar thresholds. The District has offered additional training to educate its employees of the requirement of having an approved purchase order prior to making any purchase. The District has improved its rate of noncompliance from the prior year, however there were two instances on noncompliance noted during the performance of audit procedures. We have also required that a signed requisition and/or approval by Director be submitted with the request for each purchase. The Director of Finance is responsible for enforcing these requirements.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No Federal Award Findings or Questioned Costs were identified.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

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

Socorro Consolidated Schools

2008-003 Expenditures in Excess of Budget (Other Matters) - Revised & Repeated

CONDITION: During our evaluation of budget to actual expenditures, we noted the following expenditures in excess of budgetary authority:

Major Funds:	
Instructional Materials Fund-Support Services	\$ 4
Debt Service Fund – Support Services	1,097
Subtotal, Major Funds	<u>1,101</u>
Nonmajor Funds:	
Food Service- Food Service Operations	55,728
Title I IASA- Support Services	17,280
IDEA-B Entitlement-Support Services	36,070
NM Autism Project-Instruction	4,364
21 st Century Learning Centers-Instruction	4,559
21 st Century Learning Centers-Community Svc.	348
IDEA-B Risk Pool - Instruction	12,568
Subtotal, Nonmajor Funds	<u>130,917</u>
Total	<u>\$ 132,018</u>

The District has implemented procedures to resolve this finding in the current year. The District’s amount of expenditures in excess of budget has decreased from the prior year’s audit.

CRITERIA: Sections 6-3-1 through 6-3-25 NMSA 1978 require, in part, that expenditures not exceed budgetary authority.

EFFECT: The internal controls established by adherence to budgets have been compromised, and excess spending could, and did, result. In addition, New Mexico statutes have been violated.

CAUSE: The District did not request the budget adjustments at year end to alleviate these budget overruns in the respective functions and allowed one fund to be overspent in total.

RECOMMENDATION: We recommend that the District adhere to their policy of reviewing year end expenditures and requesting budget adjustments where necessary.

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016

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

Socorro Consolidated Schools (Continued)

2008-003 Expenditures in Excess of Budget (Other Matters) - Revised & Repeated (Continued)

MANAGEMENT RESPONSE: Effective immediately, the Finance Office is encouraging Fund Managers to maintain budget and make purchases within budget limits, per District policy. The Finance Director has made an effort to monitor expenses to ensure budgetary compliance and provide guidance when reviewing requests to spend and disallow purchases exceeding budget. The Finance Office is encouraging Fund Managers to maintain budget and make purchases within budget limits.

2016-001 Retiree Health Care Remittance (Other Matters)

CONDITION: Two out of 12 months of Retiree Health Care (RHC) remittances reviewed, RHC wages were under remitted in the amount of \$8,702.

CRITERIA: Sections 10-7C-1 to 10-7C-19 NMSA 1978 of the Retiree Health Care Authority Act requires that agencies submit employee and employer contributions on one hundred percent of qualified payroll.

EFFECT: The District is in violation of Sections 10-7C-1 to 10-7C-19 NMSA 1978 relating to the Retiree Health Care Authority Act.

CAUSE: The District's personnel did not reconcile the Retiree Health Care wages reported on the contribution forms to the payroll register.

RECOMMENDATION: We recommend that the District establish procedures to ensure to ensure that all Retiree Health Care contributions are reconciled to the payroll register prior to remitting payment and all contributions are made in accordance with the Retiree Health Care Authority Act.

MANAGEMENT RESPONSE: The Finance Office has hired a new Payroll Manager and she is being trained to reconcile payments to the payroll register before submitting and will be responsible for resolving this funding. Effective January 1, 2017, all payments are being reconciled to invoices by the Payroll Manager. Any discrepancies are resolved at the time of reconciliation.

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016

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

Socorro Consolidated Schools (Continued)

2016-002 Background Checks (Other Maters)

CONDITION: Through our testing procedures performed, we noted the following:

- In a sample of 40 disbursements tested, we noted two instances where there was not a valid background check on file.

CRITERIA: Section 22-10A-5 NMSA 1978 states local school boards and regional education cooperatives shall develop policies and procedures to require background checks on an applicant who has been offered employment, a contractor or a contractor's employee with unsupervised access to students at a public school.

EFFECT: The District is in violation of Section 22-10A-5 NMSA 1978 by offering employment to employees prior to conducting a background check.

CAUSE: The District is potentially exposing its students to unnecessary risk by bypassing the background check requirement for all of its employees.

RECOMMENDATION: We recommend that the District ensure a valid background check is on file for each of its employees.

MANAGEMENT RESPONSE: As part of the 100% file audit the Human Resources department is also working to ensure that all files contain a valid background check. The Director of HR is working to ensure compliance by December 31, 2016.

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016

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

Cottonwood Valley Charter School

2016-001 Background Checks (Other Maters)

CONDITION: Through our testing procedures performed, we noted the following:

- In a sample of 40 disbursements tested, we noted two instances where there was not a valid background check on file.

CRITERIA: Section 22-10A-5 NMSA 1978 states local school boards and regional education cooperatives shall develop policies and procedures to require background checks on an applicant who has been offered employment, a contractor or a contractor's employee with unsupervised access to students at a public school.

EFFECT: The Charter School is in violation of Section 22-10A-5 NMSA 1978 by offering employment to employees prior to conducting a background check.

CAUSE: The Charter School is potentially exposing its students to unnecessary risk by bypassing the background check requirement for all of its employees.

RECOMMENDATION: We recommend that the Charter School ensure a valid background check is on file for each of its employees.

MANAGEMENT RESPONSE: The Charter School will ensure that all future employees have a current background check prior to employment. For the two instances of non-compliance found, one was a retired classroom teacher, now hired as an occasional substitute teacher, who had not previously been required to submit a background check; the other was an employee out on worker's compensation leave who was not able to return to work and is no longer employed by the Charter School. Effective immediately, the Administrator is responsible for ensuring all employees have a current background check. All instances identified as exceptions have been corrected.

STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016

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

Cottonwood Valley Charter School (Continued)

2016-002 Physical Inventory County (Other Maters)

CONDITION: The Charter School did not complete a capital asset inventory count.

CRITERIA: Per 2.20.1.16 NMAC, a physical inventory count must be conducted of all assets with a historical cost of \$1,000 or more. At the completion of the physical inventory count a written inventory report must be certified and signed by the governing authority of the entity.

EFFECT: The Charter School is in violation of 2.20.1.16 NMAC.

CAUSE: The Charter School did not have the resources available to complete a physical inventory count.

RECOMMENDATION: We recommend that the Charter School ensure a complete capital asset inventory count is conducted and ensure all assets that are either obsolete or missing are removed from the capital asset listing.

MANAGEMENT RESPONSE: Because of the construction of new classrooms during 2015-2016, the majority of the school's inventory was boxed and in storage from October 2015 through July-August 2016 and could not be readily accessed. A physical inventory has since been completed. Effective immediately, the Business Manager will be responsible for ensuring that a physical inventory is completed prior to June 30th of each year.

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
June 30, 2016**

STATUS OF PRIOR YEAR AUDIT FINDINGS

2008-003	Budgetary Controls	Revised and Repeated
2011-001	Payroll Control Deficiency	Revised and Repeated
2012-006	Purchase Orders	Revised and Repeated
2014-001	Segregation of Duties	Resolved
2015-001	Allowable Cost	Resolved

**STATE OF NEW MEXICO
SOCORRO CONSOLIDATED SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

The contents of this report were discussed in the exit conference held on November 15, 2016 with the following in attendance.

Representing Socorro Consolidated Schools

Bonnie Hoke	Controller
Randall Earwood	Superintendent
Donald Monette	Budget Committee Member
Rhiannon Crespin	Finance Director

Representing Cottonwood Valley Charter School

Mary Cox	Business Manager
Ruth Milner	Budget Committee Member
Kim Schafer	Principal/Director

Representing Axiom CPAs

Bryan Runyan	Manager
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Auditor Prepared Financials:

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