

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS**

**AUDITED FINANCIAL STATEMENTS
AND OTHER FINANCIAL INFORMATION**

JUNE 30, 2016

Woodard, Cowen & Co.

Certified Public Accountants

INTRODUCTORY SECTION

(This page is intentionally left blank)

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

TABLE OF CONTENTS

JUNE 30, 2016

	<u>Exhibit</u>	<u>Page Number</u>
INTRODUCTORY SECTION		
Table of Contents		i-vi
Official Roster		vii
FINANCIAL SECTION		
Independent Auditor's Report		1-3
Basic Financial Statements:		
Statement of Net Position	A	4
Statement of Activities	B	5
Balance Sheet – Governmental Funds	C	6-7
Reconciliation of the Balance Sheet		
All Governmental Funds to the		
Statement of Net Position	D	8
Statement of Revenue, Expenditures and		
Changes in Fund Balance – All Governmental Funds	E	9-10
Reconciliation of the Statement of Revenues,		
Expenditures, and Changes in Fund Balance- All		
Governmental Funds to the Statement of Activities	F	11
Combined Statement of Revenue and Expenditures – Budget		
(Non-GAAP) and Actual – General Fund	G	12
Statement of Revenue and Expenditures		
Budget (Non-GAAP) and Actual		
--Special Revenue Fund – Title I	H	13
Statement of Revenue and Expenditures		
Budget (Non-GAAP) and Actual		
--Special Revenue Fund – SB-9	I	14
Statement of Fiduciary Assets and Liabilities	J	15
Notes to Financial Statements		16-90
SUPPLEMENTARY INFORMATION		
Non-Major Governmental Funds:		
General Fund Descriptions		91
Combining Balance Sheet—General Fund	A-1	92
Combining Statement of Revenue, Expenditures and		
Changes in Fund Balance—General Fund	A-2	93
Statement of Revenue and Expenditures		
Budget (Non-GAAP) and Actual		
--General Fund - Operational	A-3	94
--General Fund - Transportation	A-4	95
--General Fund - Instructional Materials	A-5	96
Special Revenue Fund Descriptions		97-103
Combining Balance Sheet		
Non-Major Governmental Funds		
--Special Revenue Funds	B-1	104-117

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

TABLE OF CONTENTS, continued

JUNE 30, 2016

Combining Statement of Revenues, Expenses and Changes		
In Fund Balance – Non-major Governmental Funds		
--Special Revenue Funds.....	B-2	118-131
Statement of Revenue and Expenditures		
Budget (Non-GAAP) and Actual		
Special Revenue Fund		
--Food Services.....	B-3	132
--Athletics.....	B-4	133
--IDEA-B Entitlement.....	B-5	134
--IDEA-B Discretionary.....	B-6	135
--New Mexico Autism Project.....	B-7	136
--IDEA-B Preschool.....	B-8	137
--Fresh Fruits and Vegetables.....	B-9	138
--IDEA-B "Risk Pool".....	B-10	139
--IDEA-B Results Plan.....	B-11	140
--Enhancing Education Thru Tech (E2T2-F).....	B-12	141
--ELL Title III Incentive Awards.....	B-13	142
--Title V Part A Innovative Ed Pro Strategies.....	B-14	143
--English Language Acquisition.....	B-15	144
--Teacher/Principal Training & Recruiting.....	B-16	145
--Safe & Drug Free Schools & Community.....	B-17	146
--21 st Century Community Living Centers.....	B-18	147
--Rural & Low-Income Schools.....	B-19	148
--Title I School Improvement.....	B-20	149
--Title III Immigrant Funding.....	B-21	150
--Carl D Perkins Special Projects JAG.....	B-22	151
--Carl D Perkins Secondary Current.....	B-23	152
--Carl D Perkins Secondary-Redistribution.....	B-24	153
--Carl D Perkins HSTW Current.....	B-25	154
--Title I-IASA Federal Stimulus.....	B-26	155
--IDEA-B Entitlement Federal Stimulus.....	B-27	156
--Impact Aid Special Education.....	B-28	157
--Impact Aid Indian Education.....	B-29	158
--GRADS Child Care.....	B-30	159
--Title XIX Medicaid 3/21 Years.....	B-31	160
--TANF/GRANDS HSD.....	B-32	161
--Indian Ed Formula Grant.....	B-33	162
--Education Jobs Fund-Federal Stimulus.....	B-34	163
--ENLACE-UNM.....	B-35	164
--LANL Foundation.....	B-36	165
--Intel Foundation.....	B-37	166
--Northern NM Network-Teacher Incentive Fund.....	B-38	167
--2009 Dual Credit Instructional Materials.....	B-39	168
--2012 GO Bonds Student Library Fund (SB66).....	B-40	169
--New Mexico Reads to Lead K-3 Reading Initiative.....	B-41	170
--TANF PED.....	B-42	171
--Technology for Education.....	B-43	172
--Obesity Program.....	B-44	173
--TANF Full Day Kindergarten.....	B-45	174
--Incentives for School Improvement Act.....	B-46	175
--Truancy Initiative.....	B-47	176
--Summer Bridge.....	B-48	177
--Pre-K Initiative.....	B-49	178
--Indian Education Act.....	B-50	179

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT

TABLE OF CONTENTS, continued

JUNE 30, 2016

--Beginning Teacher Mentoring.....	B-51	180
--Breakfast for Elementary Students	B-52	181
--Kindergarten-Three Plus.....	B-53	182
--After School and Summer Enrichment Program.....	B-54	183
--2013 School Bus	B-55	184
--New Mexico Grown Fresh Fruits & Vegetables	B-56	185
--Social Workers for Middle Schools	B-57	186
--School Library Material Fund FY 08	B-58	187
--ASSIST Tabaco DOH	B-59	188
--Healthier Schools	B-60	189
--Office of Cultural Affairs.....	B-61	190
--GEAR-UP CHE.....	B-62	191
--GRADS-Child Care.....	B-63	192
--GRADS-Instruction	B-64	193
--GRADS-Plus.....	B-65	194
--Private Direct Grants	B-66	195
--School Based Health Center	B-67	196
Capital Project Fund Descriptions.....		197
Combining Balance Sheet—Non-major Governmental Funds		
--Capital Project Funds	C-1	198
Combining Statement of Revenue, Expenditures and Changes in Fund Balance— Non-major Governmental Funds		
--Capital Project Funds	C-2	199
Statement of Revenue and Expenditures Budget (Non-GAAP) and Actual Capital Projects Fund		
--Bond Building	C-3	200
--Special Capital Outlay Local.....	C-4	201
Debt Service Fund Descriptions.....		202
Combining Balance Sheet—Non-major Governmental Funds		
--Debt Service Funds	D-1	203
Combining Statement of Revenue, Expenditures and Changes in Fund Balance— Non-major Governmental Funds		
--Debt Service Funds	D-2	204
Statement of Revenue, Expenditures Budget (Non-GAAP) and Actual Debt Service Fund		
-- Education Technology Debt Service Fund.....	D-3	205
Other Major Fund Information.....		206
Statement of Revenue and Expenditures Budget (Non-GAAP) and Actual		
-- Capital Projects Fund – Ed Tech Equipment Act.....	E-1	207
-- Debt Service Fund.....	E-2	208
Combining Statement-Component Units		
-- Combining Statement of New Position-All Component Units.....	F-1	209
-- Combining Statement of Activities-All Component Units	F-2	210

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

TABLE OF CONTENTS, continued

JUNE 30, 2016

Anansi Charter School

Statement of Net Position	G-1	211
Statement of Activates	G-2	212
Combining Balance Sheet-Governmental Funds	G-3	213-215
Reconciliation of the Balance Sheet all Governmental Funds to the Statement of Net Position	G-4	216
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-Governmental Funds	G-5	217-219
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances all Governmental Funds to the Statement of Activities.....	G-6	220
Statement of Revenues and Budget (Non-GAAP) and Actual		
--Operational Fund.....	G-7	221
--Instructional Materials Fund.....	G-8	222
Special Revenue Funds		
--Food Services.....	G-9	223
--IDEA-B Entitlement.....	G-10	224
--SEG Federal Stimulus	G-11	225
--LANL Foundation.....	G-12	226
--2012 GO Bonds Student Library Fund (SB66)	G-13	227
--NM Reads to Lead K-3 Initiative	G-14	228
--Robotics 2012.....	G-15	229
--Private Direct Grants	G-16	230
-- SB-9.....	G-17	231
Capital Projects		
--Bond Building	G-18	232
--Public School Capital Outlay State	G-19	233
Statement of Cash Flows-Friends of Anansi Charter School	G-20	234

Taos Charter School

Statement of Net Position	H-1	235
Statement of Activates	H-2	236
Combining Balance Sheet-Governmental Funds	H-3	237-239
Reconciliation of the Balance Sheet all Governmental Funds to the Statement of Net Position	H-4	240
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-Governmental Funds	H-5	241-243
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances all Governmental Funds to the Statement of Activities.....	H-6	244
Statement of Revenues and Budget (Non-GAAP) and Actual		
--Operational Fund.....	H-7	245
--Instructional Materials Fund.....	H-8	246
Special Revenue Funds		
--Food Services.....	H-9	247
--IDEA-B Entitlement.....	H-10	248
--SEG Federal Stimulus	H-11	249
--Golden Apple Foundation.....	H-12	250
--2012 GO Bonds Student Library Fund (SB66)	H-13	251
--NM Reads to Lead K-3 Initiative	H-14	252
--Private Direct Grants	H-15	253
-- SB-9.....	H-16	254

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

TABLE OF CONTENTS, continued

JUNE 30, 2016

Capital Projects		
--Bond Building	H-17	255
--Public School Capital Outlay State	H-18	256
Statement of Cash Flows-Friends of Anansi Charter School	H-19	257
Vista Grande High School		
Statement of Net Position	I-1	258
Statement of Activates	I-2	259
Combining Balance Sheet-Governmental Funds	I-3	260-263
Reconciliation of the Balance Sheet all Governmental Funds to the Statement of Net Position	I-4	264
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-Governmental Funds	I-5	265-268
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances all Governmental Funds to the Statement of Activities.....	I-6	269
Statement of Revenues and Budget (Non-GAAP) and Actual		
--Operational Fund	I-7	270
--Instructional Materials Fund.....	I-8	271
Special Revenue Funds		
--Food Services.....	I-9	272
--Title I	I-10	273
--IDEA-B Entitlement.....	I-11	274
--USDA Equipment Assistance	I-12	275
--2010 GO Bonds Student Library Fund.....	I-13	276
--2012 GO Bonds Student Library Fund.....	I-14	277
--Technology for Education	I-15	278
--After School Enrichment Program	I-16	279
--STEM Teacher Initiative	I-17	280
--Library Book Fund	I-18	281
--Private Direct Grants	I-19	282
--SB-9.....	I-20	283
Capital Projects		
--Bond Building	I-21	284
--Public School Capital Outlay State	I-22	285
--Ed Tech Equipment Act.....	I-23	286
Statement of Fiduciary Net Position-CU	I-24	287
Statement of Changes in Assets and Liabilities-Agency Funds-CU.....	I-25	288
Agency Fund Description.....		289
Schedule of Changes in Assets and Liabilities		
--Agency Funds.....	J-1	290

OTHER SUPPLEMENTARY INFORMATION

	<u>Schedules</u>	
Required Supplementary Information.....		291
Schedule of the Proportionate share of Net Pension Liability		
Educational Retirement Board (ERB) Pension Plan – Last 10 Fiscal Years	1	292-295
Schedule of Contributions Educational Retirement		
Board (ERB) Pension Plan – Last 10 Fiscal Years	2	296-299

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

TABLE OF CONTENTS, continued

JUNE 30, 2016

	<u>Schedules</u>	
Other Supplementary Information		300
Bank Summary	3	301-304
Schedule of Pledged Collateral	4	305-308
Bank Reconciliation	5	309-317
Schedule of Vendor Information	6	318-321
Schedule of Joint Powers Agreements	7	322

COMPLIANCE SECTION

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance With Government Auditing Standards	323-324
---	---------

FEDERAL FINANCIAL ASSISTANCE

Independent Auditors Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	325-326
Single Audit Section	327
Schedule of Findings and Questioned Costs	328-339
Schedule of 12-6-5 NMSA 1978 Findings	340-355
Schedule of Expenditures of Federal Awards	356
Other Disclosures	357

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

OFFICIAL ROSTER

JUNE 30, 2016

SCHOOL BOARD

James Sanborn	President
Mark Flores II	Vice President
Whitney Goler	Secretary
Jason Silva	Member
David Chavez	Member

DISTRICT OFFICIALS

Dr. Lillian Torrez	Superintendent
Bobby Spinelli	Business Manager

(This page is intentionally left blank)

FINANCIAL SECTION

(This page is intentionally left blank)

Woodard, Cowen & Co.

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Timothy Keller
New Mexico State Auditor
The Board of Education
Taos Municipal School District
Taos, New Mexico

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Portales: 305 S. Avenue B or PO Box 445, Portales NM 88130 – Phone 575-356-8564 Fax 575-356-2453
Clovis: 116 E. Grand Avenue or PO Box 1874, Clovis NM 88101 – Phone 575-762-3811 Fax 575-762-3866

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 aggregate discretely component units, each major fund and the aggregated remaining fund information of the District, as of June 30, 2016, and the respective changes in financial position and where applicable, cash flows thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each non-major governmental fund and the fiduciary funds of the District, as of June 30, 2016, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the major capital project funds, debt service funds and all non-major funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Accounting principles generally accepted in the United States of America require that the *Schedule of Proportionate Share of the Net Pension Liability* on page 292, the *Schedule of Contributions* on page 296, with the notes to the required supplementary information on page 296 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to this required supplementary information in accordance with the auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on Taos Municipal School's financial statements, the combining and individual fund financial statements and budgetary comparisons. The Schedule of Expenditures of federal awards as required by the Title 2 U.S. *Code of Federal Regulations* (CFR) 20, *Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards*, the introductory section and the other schedules required by Section 2.2.2 NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of federal awards, the schedule of changes in assets and liabilities – agency funds and the additional schedules listed as "other supplemental information" in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information, except schedule 6, has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of federal awards, the schedule of changes in assets and liabilities – agency funds and the additional schedules listed as "other supplemental information" in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The introductory section and schedule 6, 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 7, 2016 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Woodard, Cowen & Co

Clovis, New Mexico
November 7, 2016

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT A

STATEMENT OF NET POSITION

JUNE 30, 2016

	<u>Governmental Activities</u>	<u>Component Units</u>
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 9,819,957	\$ 650,256
Investments	-	89,192
Property taxes receivable	1,358,677	-
Due from other governments	1,009,491	431,234
Inventories	15,918	-
Total current assets	<u>12,204,043</u>	<u>1,170,682</u>
Non-current assets:		
Prepaid lease	-	652,058
Capital assets, net	74,417,174	6,439,574
Total non-current assets	<u>74,417,174</u>	<u>7,091,632</u>
Total assets	<u>86,621,217</u>	<u>8,262,314</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Deferred outflows related to pensions	3,251,109	990,243
Total deferred outflows	<u>3,251,109</u>	<u>990,243</u>
<u>LIABILITIES</u>		
Current liabilities:		
Accounts payable	351,560	1,874
Compensated absences	-	11,189
Accrued payroll liabilities	678,612	176,645
Accrued interest payable	533,184	-
Due to other governments	18,044	-
Current portion of unearned lease income	-	46,584
Current portion of long term debt	2,520,000	39,925
Total current liabilities	<u>4,101,400</u>	<u>276,217</u>
Non-current liabilities:		
Non-current portion of long term debt	32,760,000	2,516,125
Non-current portion of unearned lease income	-	605,474
Net pension liability	31,134,276	5,015,995
Bond premium, net	997,533	-
Total non-current liabilities	<u>64,891,809</u>	<u>8,137,594</u>
Total liabilities	<u>68,993,209</u>	<u>8,413,811</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Unavailable revenue	1,623	-
Deferred inflows related to pensions	2,157,810	248,786
Total deferred inflows	<u>2,159,433</u>	<u>248,786</u>
<u>NET POSITION</u>		
Net investment in capital assets	39,137,174	3,883,524
Restricted:		
Debt Service	3,372,173	-
Special Revenue	1,014,424	230,175
Capital Projects	1,757,734	135,729
Unrestricted	<u>(26,561,821)</u>	<u>(3,659,468)</u>
Total net position	<u>\$ 18,719,684</u>	<u>\$ 589,960</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue & Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Component Units
Primary government:						
Governmental activities:						
Instruction	\$ 15,778,690	\$ 62,704	\$ 2,293,569	\$ -	\$ (13,422,417)	\$ -
Support Services	-	-	-	-	-	-
Support Services Students	2,603,044	-	420,352	-	(2,182,692)	-
Support Services Instruction	185,409	-	41,588	-	(143,821)	-
Support Services General Administration	958,883	-	242,119	22,583	(894,181)	-
Support Services School Administration	1,216,459	-	57,485	-	(1,158,974)	-
Central Services	701,582	-	98,986	-	(602,596)	-
Operation and Maintenance of Plant	2,481,578	-	1,342	-	(2,480,236)	-
Student Transportation	966,263	-	956,001	-	(10,262)	-
Other Support Services	479,008	-	-	-	(479,008)	-
Food Services Operations	1,683,386	173,109	1,510,277	-	-	-
Bond Interest Paid and Bond Issuance Cost	2,220,635	-	-	-	(2,220,635)	-
Amortization & Depreciation - Unallocated	1,939,083	126,505	590,964	38,132	(1,183,482)	-
Total governmental activities	\$ 31,194,020	\$ 382,318	\$ 6,212,663	\$ 60,715	(24,558,304)	-
Component Units						
Anasli Charter School	\$ 2,552,145	\$ 331,783	\$ 587,421	\$ 244,661		(1,388,300)
Taos Charter School	2,272,037	173,407	478,991	162,836		(1,456,803)
Vista Grande High School	1,367,605	4,723	257,994	79,763		(1,025,125)
Total Component Units	\$ 6,191,787	\$ 509,893	\$ 1,324,406	\$ 487,260		(3,870,228)
General revenues:						
Property Taxes:						
					190,444	-
					3,368,961	-
					2,585,639	-
					18,238,737	3,911,487
					586,238	-
					4,661	1,554
					42,405	71,579
					25,017,085	3,984,620
					458,781	114,392
					18,314,529	687,006
					(53,626)	(211,438)
					18,260,903	475,568
					\$ 18,719,684	\$ 589,960

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

BALANCE SHEET-- GOVERNMENTAL FUNDS

June 30, 2016

	GENERAL	TITLE I
ASSETS		
Cash and cash equivalents	\$ 2,718,986	\$ -
Accounts Receivable		
Property Taxes Receivable	41,401	-
Federal	-	416,367
State	-	-
Inventories	-	-
Due from Other Funds	1,123,709	-
TOTAL ASSETS	\$ 3,884,096	\$ 416,367
LIABILITIES AND OTHER CREDITS		
Accounts Payable	\$ 13,803	\$ -
Accrued Payroll Liabilities	678,612	-
Due to Charter Schools	-	-
Due to Other Funds	-	416,367
Accrued Interest Payable	-	-
TOTAL LIABILITIES	692,415	416,367
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue	-	-
Unavailable Revenue - Property Taxes	37,263	-
TOTAL DEFERRED INFLOWS	37,263	-
FUND BALANCE		
Nonspendable	-	-
Restricted	141,554	-
Committed	-	-
Assigned	-	-
Unassigned	3,012,864	-
TOTAL FUND BALANCE	3,154,418	-
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	\$ 3,884,096	\$ 416,367

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

EXHIBIT C

<u>SB-9</u>	<u>ED TECH EQUIPMENT ACT</u>	<u>DEBT SERVICE</u>	<u>NON MAJOR GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
\$ 1,534,635	\$ 1,757,734	\$ 2,864,247	\$ 944,355	\$ 9,819,957
503,171	-	633,388	180,717	1,358,677
-	-	-	300,252	716,619
60,715	-	-	232,157	292,872
-	-	-	15,918	15,918
-	-	-	-	1,123,709
<u>\$ 2,098,521</u>	<u>\$ 1,757,734</u>	<u>\$ 3,497,635</u>	<u>\$ 1,673,399</u>	<u>\$ 13,327,752</u>
\$ 332,018	\$ -	\$ -	\$ 5,739	\$ 351,560
-	-	-	-	678,612
-	-	-	18,044	18,044
-	-	-	707,342	1,123,709
-	-	519,093	14,091	533,184
<u>332,018</u>	<u>-</u>	<u>519,093</u>	<u>745,216</u>	<u>2,705,109</u>
-	-	-	1,623	1,623
455,547	-	570,052	166,877	1,229,739
<u>455,547</u>	<u>-</u>	<u>570,052</u>	<u>168,500</u>	<u>1,231,362</u>
-	-	-	15,918	15,918
1,310,956	1,757,734	2,408,490	743,765	6,362,499
-	-	-	-	-
-	-	-	-	-
-	-	-	-	3,012,864
<u>1,310,956</u>	<u>1,757,734</u>	<u>2,408,490</u>	<u>759,683</u>	<u>9,391,281</u>
<u>\$ 2,098,521</u>	<u>\$ 1,757,734</u>	<u>\$ 3,497,635</u>	<u>\$ 1,673,399</u>	<u>\$ 13,327,752</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT D

RECONCILIATION OF THE BALANCE SHEET
ALL GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION

JUNE 30, 2016

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

Fund Balances - total governmental funds	\$ 9,391,281
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	74,417,174
Deferred outflows related to pensions not reported in the funds	3,251,109
Net pension liability not reported in the funds	(31,134,276)
Deferred inflows related to pensions not reported in the funds	(2,157,810)
Delinquent property taxes	1,229,739
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	
Bonds Payable	(35,280,000)
Bond Premium, net	<u>(997,533)</u>
Net position of governmental activities	<u>\$ 18,719,684</u>

The accompanying notes are an integral part of these financial statements

(This page is intentionally left blank)

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

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

Year Ended June 30, 2016

	GENERAL	TITLE I
REVENUE		
Federal Programs	\$ 282,955	\$ 1,041,590
State Programs	1,174,616	-
Local Programs	162,499	-
State Equalization	18,238,737	-
Service Revenues	122,093	-
Taxes	192,486	-
Interest	2,063	-
Other revenue sources	32,714	-
TOTAL REVENUES	20,208,163	1,041,590
EXPENDITURES		
Current		
Instruction	11,440,086	760,814
Support Services	-	-
Support Services Students	2,079,413	87,179
Support Services Instruction	147,821	5,644
Support Services General Administration	655,678	187,812
Support Services School Administration	1,158,974	14
Central Services	602,596	-
Operation and Maintenance of Plant	2,460,236	127
Student Transportation	927,583	-
Other Support Services	28,603	-
Food Services Operations	-	-
Capital Outlay	-	-
Debt Service		
Principal	-	-
Bond Issuance Cost	-	-
Interest and Fiscal Charge	-	-
TOTAL EXPENDITURES	19,500,990	1,041,590
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	707,173	-
Other Financing Sources (Uses)		
Transfers In/ Transfers (Out)	(63,918)	66,622
Bond Proceeds	-	-
Total Other Financing Sources	(63,918)	66,622
NET CHANGE IN FUND BALANCE	643,255	66,622
FUND BALANCE		
June 30, 2015	2,520,253	(66,622)
Restatements	(9,090)	-
June 30, 2015 as restated	2,511,163	(66,622)
FUND BALANCE		
June 30, 2016	\$ 3,154,418	\$ -

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

EXHIBIT E

SB-9	ED TECH EQUIPMENT ACT	DEBT SERVICE	NON MAJOR GOVERNMENTAL FUNDS	Total GOVERNMENTAL FUNDS
\$ -	\$ -	\$ 586,238	\$ 2,653,162	\$ 4,563,945
60,715	-	-	897,861	2,133,192
-	-	-	-	162,499
-	-	-	-	18,238,737
-	-	-	240,225	362,318
2,239,655	-	3,006,646	631,685	6,070,472
612	431	707	848	4,661
9,691	-	-	-	42,405
<u>2,310,673</u>	<u>431</u>	<u>3,593,591</u>	<u>4,423,781</u>	<u>31,578,229</u>
-	-	-	1,441,427	13,642,327
-	-	-	-	-
-	-	-	436,452	2,603,044
-	-	-	31,944	185,409
22,583	-	30,440	62,370	958,883
-	-	-	57,471	1,216,459
-	-	-	98,986	701,582
-	-	-	1,215	2,461,578
-	-	-	38,680	966,263
450,405	-	-	-	479,008
-	-	-	1,683,386	1,683,386
2,417,809	617,871	-	917,985	3,953,665
-	-	1,940,000	675,000	2,615,000
-	63,552	-	-	63,552
-	-	2,112,031	45,052	2,157,083
<u>2,890,797</u>	<u>681,423</u>	<u>4,082,471</u>	<u>5,489,968</u>	<u>33,687,239</u>
(580,124)	(680,992)	(488,880)	(1,066,187)	(2,109,010)
-	-	-	(2,704)	-
-	1,904,930	-	-	1,904,930
-	1,904,930	-	(2,704)	1,904,930
(580,124)	1,223,938	(488,880)	(1,068,891)	(204,080)
1,891,080	533,796	2,897,370	1,355,877	9,131,754
-	-	-	472,697	463,607
<u>1,891,080</u>	<u>533,796</u>	<u>2,897,370</u>	<u>1,828,574</u>	<u>9,595,361</u>
<u>\$ 1,310,956</u>	<u>\$ 1,757,734</u>	<u>\$ 2,408,490</u>	<u>\$ 759,683</u>	<u>\$ 9,391,281</u>

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE -
ALL GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2016

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

Net change in fund balance - total governmental funds	\$ (204,080)
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current year</p>	
Capital Outlay	2,006,109
Depreciation	(2,014,845)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds</p>	
<p>The issuance of long-term debt (e.g., bonds) provides current financial resources to the 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, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items</p>	
	(1,904,930)
<p>Expenses in Statement of Activities which do not require use of current financial resources</p>	
Amortization of bond premium	75,762
Pension related expense	(188,807)
Change in delinquent property taxes	74,572
Bond Principal	2,615,000
Change in Net Position	<u>\$ 458,781</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT G

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

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ 81,248	\$ 81,248	\$ 282,955	\$ 201,707
State Programs	19,642,263	19,547,907	19,413,353	(134,554)
Local Programs	447,245	447,245	614,126	166,881
TOTAL REVENUE	20,170,756	20,076,400	\$ 20,310,434	\$ 234,034
BUDGETED CASH BALANCE	1,269,996	1,512,230		
TOTAL REVENUE & CASH	\$ 21,440,752	\$ 21,588,630		
EXPENDITURES				
Current				
Instruction	\$ 12,252,082	\$ 12,439,329	\$ 11,525,760	\$ 913,569
Support Services	-	-	-	-
Support Services Students	2,143,807	2,140,507	2,079,413	61,094
Support Services Instruction	226,758	183,658	147,821	35,837
Support Services General Administration	708,312	713,662	655,678	57,984
Support Services School Administration	1,192,292	1,206,592	1,158,974	47,618
Central Services	591,176	605,226	589,093	16,133
Operation and Maintenance of Plant	2,491,678	2,529,778	2,460,236	69,542
Student Transportation	966,954	927,585	927,583	2
Other Support Services	867,693	842,293	28,603	813,690
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	\$ 21,440,752	\$ 21,588,630	\$ 19,573,161	\$ 2,015,469

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT H

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

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ 1,011,861	\$ 1,225,542	\$ 1,213,864	\$ (11,678)
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>1,011,861</u>	<u>1,225,542</u>	<u>\$ 1,213,864</u>	<u>\$ (11,678)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 1,011,861</u>	<u>\$ 1,225,542</u>		
EXPENDITURES				
Current				
Instruction	\$ 733,533	\$ 900,923	\$ 760,814	\$ 140,109
Support Services	-	-	-	-
Support Services Students	85,435	89,078	87,179	1,899
Support Services Instruction	-	7,167	5,644	1,523
Support Services General Administration	192,893	203,262	187,812	15,450
Support Services School Administration	-	1,501	14	1,487
Central Services	-	23,400	-	23,400
Operation and Maintenance of Plant	-	211	127	84
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 1,011,861</u>	<u>\$ 1,225,542</u>	<u>\$ 1,041,590</u>	<u>\$ 183,952</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT I

STATEMENT OF REVENUE AND EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--SB-9

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	60,715	-	(60,715)
Local Programs	2,213,772	2,213,772	2,268,598	54,826
TOTAL REVENUE	<u>2,213,772</u>	<u>2,274,487</u>	<u>\$ 2,268,598</u>	<u>\$ (5,889)</u>
BUDGETED CASH BALANCE	<u>2,028,236</u>	<u>2,028,236</u>		
TOTAL REVENUE & CASH	<u>\$ 4,242,008</u>	<u>\$ 4,302,723</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	30,000	30,000	22,583	7,417
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	493,000	492,303	697
Food Services Operations	-	-	-	-
Capital Outlay	4,212,008	3,779,723	2,416,602	1,363,121
TOTAL EXPENDITURES	<u>\$ 4,242,008</u>	<u>\$ 4,302,723</u>	<u>\$ 2,931,488</u>	<u>\$ 1,371,235</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT J

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

JUNE 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash on Deposit	\$ 420,260
TOTAL ASSETS	<u>\$ 420,260</u>
LIABILITIES	
Due To Student Groups	\$ 420,260
TOTAL LIABILITIES	<u>\$ 420,260</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Taos Municipal 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 Board of Education is the basic level of government, which has oversight responsibility and control over all activities related to public elementary and secondary school education within its jurisdiction. The District receives funding from local, state and federal government sources and must comply with the requirements of these funding source entities.

This summary of significant accounting policies of the District is presented to assist in the understanding of the District's financial statements. The financial statements and notes are the representation of the District's management that is responsible for the financial statements. The financial statements of the District have been prepared in conformity with the accounting principles generally accepted in the United States of American (GAAP) as applied to the governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting financial reporting principles. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Report Standards which, along with the subsequent GASB pronouncements (Statements and Interpretations), constitutes the governmental units.

During the year ended June 30, 2015, the District adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date-an amendment of GASB Statement No. 68*. Statements No. 68 and 71 require cost-sharing employers to record a liability and expense equal to their proportionate share of the collective net pension liability and expense for the costs-sharing plan.

A. Financial Reporting Entity

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

The basis, but not the only criterion for including a potential component unit within the reporting entity, is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criteria used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and /or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

The District has three charter schools which operate as component units of the District - Anansi Charter School, Taos Charter School, and Vista Grande High School. In addition, Anansi Charter School has a foundation, Friends of Anansi Charter School, which is a component unit of the charter school, and Taos Charter School has a foundation, Friends of the Taos Charter School, which is a component unit of the charter school.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Government-wide and fund financial statements

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

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

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.

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

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 funds financial statements.

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

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

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.

Deferred outflows of resources - a consumption of net position by the government that is applicable to a future reporting period. It has a positive effect on net position, similar to assets: therefore, it is not recognized as an outflow of resources (expense) until then.

Deferred inflows of resources - an acquisition of net position by the government that is applicable to a future reporting period. It has a negative effect on net position, similar to liabilities: therefore it is not recognized as an inflow or resources (revenue) until that time.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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.

Ad valorem taxes (property taxes), and interest associated with 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 of the general government, except those required to be accounted for in another funds. The General Fund includes Operational, Transportation, and Instructional Materials.

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

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

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Under the requirements of GASB Statement No. 34, the District is required to present some of its governmental funds based upon certain criteria. The major funds presented in the fund financial statements include the following:

OPERATIONAL – General Fund - Accounts for the primary revenues and expenditures of the District, including, but not limited to, student instruction, student support, instructional support, general administration, school administration, central services, and operations and maintenance of plant. Revenues come from district tax levy, state equalization, and other local, state, and federal sources.

TRANSPORTATION - General Fund - Accounts for state equalization funds authorized by Section 22-8-26, NMSA, 1978 designated for the costs of transporting school-age children who are students within the District.

INSTRUCTIONAL MATERIAL – General Fund - Accounts for funding designated for instructional materials purchases as authorized by Sections 22-15-1 through 22-15-14, NMSA, 1978 for the purposes of purchasing instructional materials (books, manuals periodicals, etc.) used in the education of students.

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

EDUCATION TECHNOLOGY EQUIPMENT ACT – Capital Projects - Fund ensures that American children have skills they need to succeed in the information-intensive 21st century, the federal Government is committed to working with the private sector to promote four major developments in American education: making modern computer technology an integral part of every classroom; providing teachers with the professional development they need to use new technologies effectively; connecting classrooms to the National information infrastructure; and encouraging the creation of excellent educational software. The authority for the creation of this fund is the Federal Property and Administrative Services Act of 1949, Ch.288, 63 Stat 377, and the National Defense Authorization Act for the Fiscal Year 1996, Public Law 104-106.

DEBT SERVICE - 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 accounts for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. The fiduciary funds are student activities.

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

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

1. 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 OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

1. Cash and Temporary Investments (continued)

State statutes authorize the District's to invest in certificates of deposit and other similar obligations of the U.S. Government, and the State Treasury's Investment Pool.

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

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

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

2. Restricted Assets

The Debt Service Fund is used to report resources set aside as restricted to make up potential future deficiencies in the revenue bon current debt service account.

3. Receivables and Payables

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

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

The District receives monthly income from a tax levy in Taos 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 Taos County Treasurer's 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.

4. 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.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

5. Inventory

The District accounts for its inventories under the consumption method, reporting inventories purchased as an asset. The recognition of the expenditures is deferred until the period in which the inventories are actually consumed. Inventory in the Cafeteria Fund 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 items are consumed.

6. 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 if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Information Technology Equipment, including software, is being capitalized and included in furniture and equipment in accordance with NMAC 2.20.1.9 C (5). Capital expenditures made by the NM Public Schools Facilities Authority are appropriately included in the District's capital assets.

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. The District expenses the cost of library books when purchase because their estimated useful life is less than one year.

Major outlays for capital assets and improvements are to be 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:

<u>Assets</u>	<u>Years</u>
Buildings	40-50
Buildings & Improvements	20
Land Improvements	10-20
Vehicles	5-7
Furniture, Fixtures, and Equipment	3-5

7. Deferred Outflows of Resources-Subsequent Employer Contributions and Change in Proportion-Pensions

The government-wide financial statements report pension related expenses and liabilities for the cost-sharing plan one year in arrears, i.e. expenses and liabilities as of June 30, 2016. Contributions made by the District in the current fiscal year and changes in proportion for the District are thus applicable to a future reporting period where they will then be expensed. As such, they are presented in the Statement of Net Position as a deferred outflow of resources in the current period.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

8. 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.

9. Compensated Absences

District policy does not allow employees to be paid for unused annual or sick leave. As such, the District has no compensated absences that should be recorded.

10. Net Pension Liability

The District records its proportionate share of the difference between the value of total pension liabilities and plan assets for the State of New Mexico's Employee Retirement Board pension plan.

11. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. For bonds issued after the fiscal year ended June 30, 2004 bond premiums and discounts, will be deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discounts. Bond issuance costs are reported as expensed in the year of incurred except for insurance costs which lower the effective rate of interest which will be reported as deferred charges and amortized over the term of the related debt.

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

12. Deferred Inflows of Resources-Unavailable Revenues

Governmental funds report unavailable revenues in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Revenues not received within sixty (60) days of year-end are not considered available; therefore, a receivable is recorded for the amount due and corresponding deferred revenue is recorded as well.

13. Deferred Inflows of Resources-Change in Pension Experience and Proportion

Changes in actuarial experience, investment experience, and change in proportion for the District are applicable to a future reporting period and will be expensed over a five-year period beginning in the next fiscal year. As such, these amounts are presented in the Statement of Net Position as deferred inflows of resources in the current period.

14. 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.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

14. Net Position or Fund Equity (continued)

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 is restricted for "debt service or capital projects". Total restricted net position of \$6,144,331 is comprised of Special Revenue \$1,014,424 Capital Projects \$1,757,734 and Debt Service Funds \$3,372,173.

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

15. 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 balances classifications.

In the governmental financial statements, fund balances are classified and are displayed in five components:

Non-spendable: 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.

Assigned: Consist of amounts that are constrained by the government's *intent* to be used for specific Purpose, but are neither restricted nor committed, Intent should be expressed by (a) the governing body itself or (b) a body (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 fun 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.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

16. Revenues

Reclassifications - Certain amounts included in the financial statements have been reclassified to conform to the current year presentation.

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

Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of American 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 and Finance. The District received \$18,238,737 in state equalization guarantee distributions during the year ended June 30, 2016.

Tax Revenues - The District property taxes are levied each year on the assessed valuation of property located in the School District. The assed valuation for the 2016 fiscal year was \$1,101,950,763. Mill levy rates are set by the State of New Mexico each year for the General Fund, SB-9 Fund and Debt Service Funds. Property taxes are assessed on January 1st of each year and are payable in two equal installments, on November 10th of the year in which the tax bill is prepared and April 10th of the following year with the levies becoming delinquent 30 days (one month) thereafter. In the government-wide financial statements, the District recognizes property tax revenues in the period for which they are levied, net of estimated refunds and uncollectible amounts. The District records only the portion of the taxes considered to be 'measurable' and 'available' in the government fund financial statements, which is within 60 days of year-end. 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.

In the financial statements, the mill levy and ad-valorem taxes are broken out into two types: property taxes-residential and commercial and property taxes-oil and gas. Amounts recognized from residential and commercial property taxes at June 30, 2016 were \$6,070,472. Amounts collected from oil and gas taxes were \$0.

Transportation Distribution - School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$917,321 in transportation distributions during the year ended June 30, 2016.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

16. Revenues (continued)

Instructional Materials - The New Mexico Public Education Department (PED) receives federal material leasing funds from which it makes annual allocations to the various school district 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 \$169,850.

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 distributions 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 \$60,715 in state SB-9 matching during the year ended June 30, 2016.

Public School Capital Outlay - Under the provisions of Chapter 22, Article 24, NMSA, 1978. 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 per Section 22-24-4 (B); core administrative functions of the public school facilities authority and for projects management expenses upon approval of the council per Section 22-24-4(G); and for the purpose of demolishing abandoned school district facilities, upon application by a school district to the council, per Section 22-24-4(L).

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

During the year ended June 30, 2016, the District received no special capital outlay funds.

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

This 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.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

The governmental fund balance sheet includes reconciliation between fund *balance total governmental funds* and *net position - governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of the \$ (35,280,000) difference is as follows:

Bonds Payable	\$ (32,620,000)
Ed Tech Equipment Notes	<u>(2,660,000)</u>
Net adjustment to reduce fund balance – total governmental funds to arrive at net position – governmental activities	<u>\$ (35,620,000)</u>

Other liabilities that are not reported in the funds are the net pension liabilities and the related deferred inflows and outflows. The details of the \$ (30,040,977) difference is as follows:

Net pension Liability	\$ (31,134,276)
Deferred outflows	3,251,109
Deferred inflows	<u>(2,157,810)</u>
Net adjustment to reduce fund balance- total governmental funds to arrive at net position- governmental activities	<u>\$ (30,040,977)</u>

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances - total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of the \$(8,736) difference is as follows:

Capital Outlay	\$ 2,006,109
Depreciation expense	<u>(2,014,845)</u>
Net adjustment to increase net changes in fund balances – total government funds to arrive at changes in net position of governmental activities	<u>\$ (8,736)</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (continued)

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

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of the \$435,000 difference is as follows:

Principal repayments:	
General obligation debt	<u>\$ 2,615,000</u>
Net adjustment to decrease net changes in fund balances- total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 2,615,000</u>

III. STEWARDSHIP, COMPLAINE AND ACCOUNTABILITY

A. Budgetary Information

Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are prepared by management and are approved by the local Board of Education and the School Budget and Planning Unit of the Public Education Department. Auxiliary student activity accounts are not budgeted. Public School Capital Outlay Council expenditures in the Public School Capital Outlay fund are not budgeted at the District level, so there is no budgetary comparison presented.

These budgets are prepared on the Non-GAAP cash basis, excluding encumbrances, and secure appropriation of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year. The budget process in the State of New Mexico requires that the ending cash balance be appropriated in the budget of the subsequent fiscal year.

Actual expenditures may not exceed the budget at the function level, the level of budgetary control for districts. 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 School District follows these procedures in establishing the budgetary data reflected in the financial statements:

- In April or May, the superintendent submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department (100%) 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.

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (continued)

A. Budgetary Information (continued)

- 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.
- The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called.
- The "operating" budget will be used by the District until they have been notified that the budget has been approved by the DBPU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system.
- The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the DBPU.
- 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 Department of Education.
- 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.
- Legal budget control for expenditures is by function.
- Appropriations lapse at fiscal year-end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.
- Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds.

The Board of Education may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. The appropriated budget for the year ended June 30, 2016 was properly amended by the Board through the year. New Mexico state law prohibits a Governmental Agency to exceed an individual line item. These amendments resulted in the following changes:

	<u>Original Budget</u>	<u>Final Budget</u>
General Fund	\$ 21,440,752	\$ 21,588,630
Special Revenue Funds	8,930,898	10,150,359
Capital Projects Funds	1,270,301	3,453,009
Debt Service Funds	7,537,870	7,537,870
	<u>\$ 39,179,821</u>	<u>\$ 42,729,868</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (continued)

B. Deficit Fund Equity

At June 30, 2016 deficit fund balances consisted of: Food Services \$(185,332).

The District is evaluating the need to transfer cash from the operational fund to eliminate the deficit balances.

IV. DETAILED NOTES ON ALL FUNDS

A. 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 follow 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 collateralized as required by the statute.

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 of the United States or are backed by the full faith and credit of those governments.

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 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.

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

IV. DETAILED NOTES ON ALL FUNDS (continued)

A. Cash and temporary investments (continued)

At June 30, 2016, the carrying amount of the District's deposits was \$10,240,217 and the bank balance was \$11,334,209. Of this balance \$500,000 was covered by federal depository insurance and \$7,392,496 was covered by collateral held in joint safekeeping by a third party in the entities name.

Collateral requirements are as follows:

Cintinel Bank	Total Deposits	\$	8,800,379
US Bank	Total Deposits		2,533,830
	Less: FDIC coverage		(500,000)
	Uninsured Public Funds		<u>10,834,209</u>
	Pledged collateral held by pledging bank's agent in the District's name		7,392,496
	Uninsured and un-collateralized	\$	<u><u>3,441,713</u></u>

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 District for at least one half of the amount on deposit with the institution. The collateral pledged is listed on Schedule 2 of this report. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, district or political subdivision of the State of New Mexico.

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

Investments held by the New Mexico State Treasurer are valued at fair value based on quoted market prices as of the valuation date. The State Treasurer Local Government Investment Pool is not SEC registered. Section 6-10-10 I, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investment fund in securities that are issued by the direct obligations of the United States government or by its departments or agencies and are either direct obligations of the United States or are backed by the full faith and credit of the United States government or are agencies sponsored by the United States government. The Local Government Investment Pool investments are monitored by the same investment committee and the same policies and procedures that apply to all other state investments. Obligations of the United States Government or obligations explicitly guaranteed by the United States Government are not considered to have credit risk. The pool does not have unit shares. Per Section 6-10-10.1 F, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the amounts were invested. Participation in the local government investment pool is voluntary.

The State Treasurer issues a separate, publicly available audited financial report that includes disclosure of the collateral pledged to secure State Treasurer cash and investments.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

IV. DETAILED NOTES ON ALL FUNDS (continued)

B. 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. As of June 30, 2016, the government bank balance was 65% collateralized. As of June 30, 2016, \$3,441,713 of the government's bank balance of \$11,334,209 was exposed to custodial credit risk.

Uninsured and un-collateralized \$ 3,441,713

C. Receivables

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

	General	Title I	SB-9	Debt Service	Non Major Governmental	TOTAL
Taxes:						
Property	\$ 41,401	\$ -	\$503,171	\$ 633,388	\$ 180,717	\$ 1,358,677
Intergovernmental						
Grants:						
Federal	\$ -	\$ 416,367	\$ -	\$ -	\$ 300,252	\$ 716,619
State	-	-	60,715	-	232,157	292,872
	<u>\$ 41,401</u>	<u>\$ 416,367</u>	<u>\$563,886</u>	<u>\$ 633,388</u>	<u>\$ 713,126</u>	<u>\$ 2,368,168</u>

The above receivables are deemed 100% collectible. In accordance with GASB No. 33, property tax revenues in the amount of \$1,229,739 and governmental revenues in the amount of \$1,623 were not collected within the period of availability and have been reclassified as unavailable revenues in the governmental fund financial statements.

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

	<u>Unavailable</u>
Delinquent property taxes	\$ 1,229,739
Grant draw downs prior to meeting all eligibility requirements	<u>1,623</u>
Total deferred/unearned revenue for government funds	<u>\$ 1,231,362</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

IV. DETAILED NOTES ON ALL FUNDS (continued)

D. Capital Assets

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 3,528,625	\$ -	\$ -	\$ 3,528,625
Construction in Progress	3,321,495	1,734,703	4,946,041	110,157
Total Capital Assets not being depreciated	<u>6,850,120</u>	<u>1,734,703</u>	<u>4,946,041</u>	<u>3,638,782</u>
Capital assets, being depreciated:				
Land Improvements	7,913,260	83,919	-	7,997,179
Buildings & Building Improvements	72,631,164	4,946,041	-	77,577,205
Furniture, Fixtures, Equipment & Vehicles	3,971,557	187,487	-	4,159,044
Total Capital Assets being depreciated	<u>84,515,981</u>	<u>5,217,447</u>	<u>-</u>	<u>89,733,428</u>
Less accumulated depreciation for:				
Land Improvements	358,389	160,389	-	518,778
Buildings & Building Improvements	13,326,724	1,714,990	-	15,041,714
Furniture, Fixtures, Equipment & Vehicles	3,255,078	139,466	-	3,394,544
Total accumulated depreciation	<u>16,940,191</u>	<u>2,014,845</u>	<u>-</u>	<u>18,955,036</u>
Total Capital assets, being depreciated, net	<u>67,575,790</u>	<u>3,202,602</u>	<u>-</u>	<u>70,778,392</u>
Governmental activities capital assets, net	<u>\$ 74,425,910</u>	<u>\$ 4,937,305</u>	<u>\$ 4,946,041</u>	<u>\$ 74,417,174</u>

Depreciation expense for the year ended June 30, 2016 was unallocated in the amount of \$2,014,845.

Bond premiums are capitalized and amortized on straight line. Amortization activity for the year ended June 30, 2016 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Bond Premium	\$ 1,167,998	\$ -	\$ -	\$ 1,167,998
Less accumulated amortization	<u>94,703</u>	<u>75,762</u>	<u>-</u>	<u>170,465</u>
Bond premium, net	<u>\$ 1,073,295</u>	<u>\$ (75,762)</u>	<u>\$ -</u>	<u>\$ 997,533</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

IV. DETAILED NOTES ON ALL FUNDS (continued)

E. Long-Term Debt

Governmental Activities Bonds Payable

A summary in changes in long-term obligations follows:

	<u>Balance 7-1-2015</u>	<u>Bonds Issued</u>	<u>Bonds Redeemed</u>	<u>Balance 6-30-2016</u>	<u>Amounts due within One Year</u>
12/23/2008 \$9,900,000 GO Building Bonds due in annual installments of \$465,000 to \$845,000 through September 2028, interest at 3.5% to 4.5%	\$ 8,965,000	\$ -	\$ 485,000	\$ 8,480,000	\$ 500,000
10/5/2010 \$13,000,000 GO Building Bonds due in annual installments of \$455,000 to \$1,765,000 through September 2027, interest at 5.15%	12,090,000	-	455,000	11,635,000	455,000
10/5/2010 \$1,100,000 GO Building Bonds due in annual installments of \$250,000 to \$300,000 from September 2027 through September 2030, interest at 5.45%	1,100,000	-	-	1,100,000	-
9/17/2013 \$1,150,000 GO Ed Tech Bonds due in annual installments of \$50,000 to \$380,000 through October 2016, interest at 0.25% to 1.05%	410,000	-	360,000	50,000	50,000
9/17/2013 \$1,000,000 GO Ed Tech Bonds due in annual installments of \$50,000 to \$320,000 through October 2016, interest at 0.50% to 1.40%	365,000	-	315,000	50,000	50,000
4/8/2014 \$13,250,000 GO Building Bonds due in annual installments of \$25,000 to \$2,040,000 through September 2029, interest at 2.00% to 5.00%	12,405,000	-	1,000,000	11,405,000	1,035,000
10/6/2015 \$1,030,000 GO Ed TEch Bonds due in annual installments of \$120,000 to \$275,000 through October 2020, interest at 2.00%	-	1,030,000	-	1,030,000	120,000
10/6/2015 \$1,530,000 GO Ed Tech Bonds due in annual installments of \$300,000 to \$310,000 through October 2020, interest at 2.00% to 2.50%	-	1,530,000	-	1,530,000	310,000
Total	<u>\$ 35,335,000</u>	<u>\$ 2,560,000</u>	<u>\$ 2,615,000</u>	<u>\$ 35,280,000</u>	<u>\$ 2,520,000</u>

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

IV. DETAILED NOTES ON ALL FUNDS (continued)

E. Long-Term Debt (continued)

Governmental Activities Bonds Payable (continued)

Go Bond indebtedness typically has been liquidated using Deb Service Funds. The annual requirements to amortize all bonded debt outstanding as of June 30, 2016, including interest of \$1,279,923 are shown below:

	Governmental Activities	
	General Obligation	
	Principal	Interest
6/30/2017	\$ 2,520,000	\$ 1,572,198
6/30/2018	2,600,000	1,488,630
6/30/2019	2,665,000	1,398,840
6/30/2020	2,735,000	1,323,204
6/30/2021	2,665,000	1,259,877
2022-2026	11,500,000	5,578,552
2027-2031	10,595,000	1,840,334
TOTAL	\$ 35,280,000	\$ 14,461,635

Legal Debt Margin

The legal debt margin is specified by Article IX Section 11 of the Constitution of the State of New Mexico as not greater than 6% of the assessed value of the taxable property within the School District. Based on these criteria, the maximum general obligation debt permissible is \$66,117,046 including \$35,280,000 debt outstanding based on the June 30, 2016 valuation.

V. OTHER INFORMATION

A. Risk Management

The District is a member of the New Mexico Public Schools Insurance Authority (NMPSIA). The Authority was created to provide comprehensive core insurance programs by expanding the pool of subscribers to maximize cost containment opportunities for required insurance coverage. The District pays an annual premium to the NMPSIA based on claim experience and the status of the pool. The Risk Management Program includes workers compensation, general and automobile liability, automobile physical damage, and property and crime coverage. Also included under the risk management program are boiler, machinery and student accident insurance.

The NMPSIA provides coverage for up to a maximum of \$500,000,000 for 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 Tor Claims Act. The cram 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
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

V. OTHER INFORMATION

B. Contingent liabilities

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

C. Pension Plan – Education Retirement Board

Summary of Significant Accounting Policies

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

General Information about the Pension Plan

Plan Description – Substantially all of the Taos Municipal School District's (District) full-time employees participate in an educational employee retirement system authorized under the Educational Retirement Act (Chapter 22, Article 11, NMSA 1978). The Educational Retirement Board (ERB) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members (certified teachers, and other employees of State public school districts, colleges and universities, and some state agency employees) and beneficiaries. ERB issues a separate, publicly available financial report that includes the financial statements and required supplementary information for the plan. That report may be obtained by writing to ERB, P.O. Box 26129, Santa Fe, New Mexico 87502. The report is also available on ERB's website at www.nmerb.org.

Funding Policy

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

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

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

V. OTHER INFORMATION (continued)

C. Pension Plan – Education Retirement Board (continued)

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

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

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

Contributions - The contribution requirements of defined benefit plan members and the Taos Municipal School District and its component units are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from the Taos Municipal School District were \$1,856,944 for the year ended June 30, 2016. For the related component units those contributions for the year ended June 30, 2016 were as follow: Anansi Charter School - \$117,031; Taos Charter School - \$124,347; and Vista Grande Charter School - \$75,804.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

V. OTHER INFORMATION (continued)

C. Pension Plan – Education Retirement Board (continued)

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, the Taos Municipal School District reported a liability of \$31,134,276 for its proportionate share of the net pension liability. The reported liability for the component units are: Anansi Charter School - \$1,654,942; Taos Charter School - \$1,992,407; and Vista Grande High School - \$1,368,646. The Taos Municipal School District's and its component units' proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, the Taos Municipal School District's proportion was 0.48067%, which was an increase of 0.12173% from its proportion measured as of June 30, 2014. The proportion for Anansi Charter School was 0.02555% which is an increase of 0.0031% from June 30, 2014; Taos Charter School's proportion was 0.03076% which is an increase of 0.00042% from June, 2014; and Vista Grande Charter School's proportion was 0.02113% which was a increase of 0.00375% from June 30, 2014.

For the year ended June 30, 2016, the Taos Municipal School District recognized pension expense of \$2,045,751. For the year June 30, 2016, the component units recognized the following pension expense: Anansi Charter School-\$201,758; Taos Charter School-\$224,486; and Vista Grande Charter School \$93,306.

At June 30, 2016 the Taos Municipal School District and its component unites reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Taos Municipal Schools		
	Deferred Outflow of Resources	Deferred Inflow of Resources
Beginning balance	\$ 2,394,348	\$ 3,085,296
Changes in proportion	-	1,256,829
Changes of assumptions	1,070,874	-
Net difference between projected and actual earnings on pension plan investments	-	(1,729,702)
Differences between expected and actuarial experience	-	310,510
2015 Actual employer contributions	(1,899,093)	-
2016 Actual employer contributions	1,856,944	-
Net amortization of deferred amounts from changes in proportion	(171,964)	(765,138)
Rounding	-	15
Total	<u>\$ 3,251,109</u>	<u>\$ 2,157,810</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

V. OTHER INFORMATION (continued)

C. Pension Plan – Education Retirement Board (continued)

Anansi Charter School		
	Deferred Outflow of Resources	Deferred Inflow of Resources
Beginning balance	\$ 155,448	\$ 135,520
Changes in proportion	145,133	18,718
Changes of assumptions	56,922	-
Net difference between projected and actual earnings on pension plan investments	-	(91,942)
Differences between expected and actuarial experience	-	16,505
2015 Actual employer contributions	(100,944)	-
2016 Actual employer contributions	117,031	-
Net amortization of deferred amounts from changes in proportion	(18,925)	(40,671)
Rounding	-	-
Total	<u>\$ 354,665</u>	<u>\$ 38,130</u>

Taos Charter School		
	Deferred Outflow of Resources	Deferred Inflow of Resources
Beginning balance	\$ 313,029	\$ 183,166
Changes in proportion	19,045	2,524
Changes of assumptions	68,529	-
Net difference between projected and actual earnings on pension plan investments	-	(110,691)
Differences between expected and actuarial experience	-	19,871
2015 Actual employer contributions	(121,548)	-
2016 Actual employer contributions	124,347	-
Net amortization of deferred amounts from changes in proportion	(66,486)	(48,964)
Rounding	11	-
Total	<u>\$ 336,927</u>	<u>\$ 45,906</u>

Vista Grande Charter School		
	Deferred Outflow of Resources	Deferred Inflow of Resources
Beginning balance	\$ 83,419	\$ 309,009
Changes in proportion	175,762	22,624
Changes of assumptions	47,075	-
Net difference between projected and actual earnings on pension plan investments	-	(76,037)
Differences between expected and actuarial experience	-	13,650
2015 Actual employer contributions	(83,419)	-
2016 Actual employer contributions	75,804	-
Net amortization of deferred amounts from changes in proportion	-	(104,495)
Rounding	17	(1)
Total	<u>\$ 298,658</u>	<u>\$ 164,750</u>

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

V. OTHER INFORMATION (continued)

C. Pension Plan – Education Retirement Board (continued)

Deferred outflows of resources related to pensions resulting from Taos Municipal School District's and its component units contributions subsequent to the measurement date of June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>Taos Municipal Schools</u>	
Year ended June 30:		
	2017	(393,662)
	2018	(397,275)
	2019	(405,135)
	2020	432,425
	Thereafter	Unavailable
	<u>Anansi Charter School</u>	
Year ended June 30:		
	2017	64,782
	2018	63,416
	2019	48,314
	2020	22,986
	Thereafter	Unavailable
	<u>Taos Charter School</u>	
Year ended June 30:		
	2017	66,385
	2018	61,496
	2019	9,121
	2020	27,673
	Thereafter	Unavailable
	<u>Vista Grande Charter School</u>	
Year ended June 30:		
	2017	(13,841)
	2018	(4,590)
	2019	57,523
	2020	19,009
	Thereafter	Unavailable

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

V. OTHER INFORMATION (continued)

C. Pension Plan – Education Retirement Board (continued)

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, 2014 and 10.7% thereafter.
2. Members hired after June 30, 2013 will have an actuarially reduced retirement benefit if they retire before age 55 and their COLA will be deferred until age 67.
3. COLAs for most retirees are reduced until ERB attains a 100% funded status.
4. These assumptions were adopted by ERB on April 26, 2013 in conjunction with the six-year experience study period ending June 30, 2012.

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 base table of age and service rates
Mortality	90% of RP-2000 Combined Mortality Table with White Collar Adjustment projected to 2014 using Scale AA (one year setback for females)

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

V. OTHER INFORMATION (continued)

C. Pension Plan – Education Retirement Board (continued)

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

V. OTHER INFORMATION (continued)

C. Pension Plan – Education Retirement Board (continued)

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

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate. The following table presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate.

Taos Municipal Schools

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The District's proportionate share of the net pension liability	<u>\$ 41,893,248</u>	<u>\$ 31,134,276</u>	<u>\$ 22,095,619</u>

Anansi Charter School

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The District's proportionate share of the net pension liability	<u>\$ 2,226,834</u>	<u>\$ 1,654,942</u>	<u>\$ 1,174,492</u>

Taos Charter School

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The District's proportionate share of the net pension liability	<u>\$ 2,680,917</u>	<u>\$ 1,992,407</u>	<u>\$ 1,413,987</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

V. OTHER INFORMATION (continued)

C. Pension Plan – Education Retirement Board (continued)

Vista Grande Charter School

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The District's proportionate share of the net pension liability	<u>\$ 1,841,605</u>	<u>\$ 1,368,646</u>	<u>\$ 971,312</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 – Taos Municipal School District had an outstanding liability of \$564,684 at June 30, 2016 which was paid in July 2016.

Anansi Charter School had an outstanding liability of \$37,843 to the pension plan at June 30, 2016 which was paid in July 2016.

Taos Charter School had an outstanding liability of \$39,468 to the pension plan at June 30, 2016 which was paid in July 2016.

Vista Grande Charter School had an outstanding liability of \$20,693 to the pension plan at June 30, 2016 which was paid in July 2016.

D. Post-Employment Benefits – State Retiree Health Care Plan

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

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

V. OTHER INFORMATION (continued)

D. Post-Employment Benefits – State Retiree Health Care Plan (continued)

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the post-employment 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 30,2016, the statutes required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2016, that statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The Taos Municipal School District's contributions to the RHCA for the years ended June 30, 2016, 2015 and 2014 were \$267,177, \$273,127 and \$281,169 respectively, which equal the required contributions for each year.

E. Subsequent Accounting Standard Pronouncements

In January 2013, GASB Statement No. 69 *Government Combinations and Disposals of Government Operation*, Effective Date: The provisions of this Statement are effective for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013. Earlier application is encouraged. The provisions of this Statement generally are required to be applied prospectively. The District is still evaluating how this standard will affect the District.

In February 2015, GASB Statement no. 71, *Fair Value Measurement and Application*, was issued. Effective Date: The provisions of this Statement provide guidance for determining a fair value measurement for financial reporting purposes to enhance comparability of financial statements among governments in financial reporting periods beginning after June 15, 2015. Earlier application is encouraged. The District is still evaluating how this standard will affect the District.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

V. OTHER INFORMATION (continued)

E. Subsequent Accounting Standard Pronouncements

In June 2015, *GASB Statement No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, was issued. Effective Date: The provisions of this Statement established requirements for defined benefit pensions that are not within the scope of Statement No. 68 in financial reporting periods beginning after June 15, 2016 and the requirements of this Statement that address financial reporting for assets accumulated for purposes of providing those pensions are effective for fiscal years beginning after June 15, 2015. Earlier application is encouraged. The District is still evaluating how this standard will affect the District.

In June 2015, *GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, was issued. Effective Date: The provisions of this Statement are effective for postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for fiscal years beginning after June 15, 2016. Earlier application is encouraged. The District is still evaluating how this standard will affect the District.

In June 2015, *GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, was issued. Effective Date: The provisions of this Statement are effective for addressing accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers for fiscal years beginning after June 15, 2017. Earlier application is encouraged. The District is still evaluating how this standard will affect the District.

In June 2015, *GASB Statement No. 76, The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, was issued. Effective Date: The provisions of this Statement identify in the context of the current governmental financial reporting environment- the hierarchy of generally accepted accounting principles (GAAP) which supersedes Statement No. 55 and is effective for fiscal years beginning after June 15, 2015 and should be applied retroactively. Early application is permitted. The District is still evaluating how this standard will affect the District.

In August 2015, *GASB Statement No. 77, Tax Abatement Disclosures* was issued. Effective Date: The provisions of this Statement require governments that enter into tax abatement agreements to disclose relevant information about those agreements and is effective for fiscal years beginning after December 15, 2015. Earlier application is encouraged. The District is still evaluating how this standard will affect the District.

F. Overspent Budgets

At June 30, 2016 the District had no overspent budgets.

G. Inter-fund Receivables

Cash overdrafts are inter-fund receivables and considered to be short-term borrowings from general funds to cover current year operating expenditures and will be paid back within the next year. At June 30, 2016 they consisted of the following:

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

V. OTHER INFORMATION (continued)

G. Inter-fund Receivables (continued)

Due To	
Operational	\$ 1,123,709
Total Due To	<u>\$ 1,123,709</u>

Due From	
Food Services	\$ 201,250
Title I	416,367
IDEA-B Entitlement	86,236
IDEA-B Preschool	391
IDEA-B Risk Pool	442
IDEA-B Results Plan	12,818
English Language Acquisition	16,120
Teacher Principal Training	67,318
Rural & Low Income Schools	9,199
Carl D Perkins Secondary Current	23,969
Carl D Perkins Secondary Redistribution	5,296
Carl D Perkins HSTW Current	52,551
Dual Credit Instructional Materials	5,018
2012 GO Bond Student Library Fund	26,570
NM Reads to Lead K-3	16,565
Truancy Initiative	16,209
Pre-K initiative	20,570
Indian Education Act	7,572
Kindergarten Three Plus	109,041
After School & Summer Enrichment Program	21,208
Social Workers for Middle Schools	2,453
Office of Cultural Affairs	6,546
Total Due From	<u>\$ 1,123,709</u>

H. Permanent Transfers

Transfers are used to move revenue from the fund that statute or budget requires them to be collected in, to the fund that statute or budget requires them to be expended in. These transfers are not routine in nature and are not consistent with the activities of the fund making transfer. At June 30, 2016 permanent transfer consisted of the following:

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

V. OTHER INFORMATION (continued)

H. Permanent Transfers (continued)

Fund	Transfers Out	Transfers In
Operational	\$ -	\$ 188,668
Title V Innovative Ed Pro Strategies	22	-
Carl D Perkins Secondary Current	217	-
TANF/GRADS HSD	13,757	-
Indian Ed Formula Grant	1,931	-
Education Jobs Fund Stimulus	1,500	-
ENLACE UNM	34	-
LANL Foundation	1,595	-
Intel Foundation	3,000	-
Northern NM Network - Teacher Incentive Fund	44,090	-
TANF PED	1	-
TANF Full Day Kindergarten	207	-
Summer Bridge	107	-
Kindergarten Three Plus	53,260	-
ASSIST Tobacco DOH	11,831	-
Healthier Schools	57,116	-
Total Transfers	<u>\$ 188,668</u>	<u>\$ 188,668</u>
Operational	\$ 252,586	\$ -
Title I	-	66,622
IDEA-B Discretionary	-	9,338
Fresh Fruits & Vegetables	-	30,780
ELL Title III Incentive Awards	-	2,467
English Language Acquisition	-	18,597
Teacher Principal Training	-	8,731
Safe & Drug Free Schools	-	1,594
Title III Immigrant Funding	-	19,711
Title I Stimulus	-	12,721
Indian Education Act	-	221
Breakfast for Elementary Students	-	9,897
GEAR-UP CHE	-	44,141
GRADS-Instruction	-	1,649
School Based Health Center	-	26,117
Total Transfers	<u>\$ 252,586</u>	<u>\$ 252,586</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

V. OTHER INFORMATION (continued)

I. Restatement of Beginning Net Position for Governmental Funds

	Governmental Activities
Net Position at June 30, 2015	\$ 18,314,529
Prior Period Adjustments	
To correct beginning cash in operational	1,175
To record the repayment of 1/2 cash balance to PED in transportation	(10,265)
To correct beginning deferred revenue balance in various special revenue funds	471,753
To correct beginning cash in medicaid title XIX	945
To correct beginning fund balance in dual credit instructional materials	1
To correct beginning fund balance in private direct grants	(1)
To correct beginning cash in special capital outlay local	(1)
To correct beginning taxes receivable	(300,868)
To correct beginning unavailable revenue (delinquent property taxes)	(216,365)
Net Position at June 30, 2015 as Restated	<u>\$ 18,260,903</u>

J. Restatements of Beginning Fund Balances

Fund	Description	Amount
Operational	To correct beginning cash	\$ 1,175
Transportation	To record repayment of 1/2 cash balance to PED	(10,265)
Fresh Fruits & Vegetables	To correct beginning deferred revenue balance	43,067
IDEA-B Results Plan	To correct beginning deferred revenue balance	171,492
English Language Acquisition	To correct beginning deferred revenue balance	27,201
Teacher/Principal Training	To correct beginning deferred revenue balance	115,414
Rural & Low Income Schools	To correct beginning deferred revenue balance	15,288
Carl D Perkins Secondary Current	To correct beginning deferred revenue balance	5,158
Medicaid Title XIX	To correct beginning cash	945
Dual Credit Instructional Materials	To correct beginning fund balance	1
2012 GO Bond Student Library Fund	To correct beginning deferred revenue balance	15,933
2013 School Bus	To correct beginning deferred revenue balance	78,200
Private Direct Grants	To correct beginning fund balance	(1)
Special Capital Outlay Local	To correct beginning cash	(1)
	Total restatements to fund balances	<u>\$ 463,607</u>

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

V. OTHER INFORMATION (continued)

K. Fund Balances Classified

Fund Balances	General Fund	SB-9	Ed Tech Equipment	Debt Service	Non-Major Governmental Funds	Total
Nonspendable:						
Inventory	\$ -	\$ -	\$ -	\$ -	\$ 15,918	\$ 15,918
Total Nonspendable	-	-	-	-	15,918	15,918
Restricted for:						
Teacherage	-	-	-	-	-	-
Transportation	2	-	-	-	-	2
Instructional Materials	141,552	-	-	-	-	141,552
Special Revenue Funds	-	1,310,956	-	-	49,452	1,360,408
Capital Projects	-	-	1,757,734	-	-	1,757,734
Debt Service	-	-	-	2,408,490	694,313	3,102,803
Total Restricted	141,554	1,310,956	1,757,734	2,408,490	743,765	6,362,499
Unassigned	3,012,864	-	-	-	-	3,012,864
Total Fund Balances	\$ 3,154,418	\$ 1,310,956	\$ 1,757,734	\$ 2,408,490	\$ 759,683	\$ 9,391,281

(This page is intentionally left blank)

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

V. OTHER INFORMATION (continued)

L. Reconciliation of Budgetary and GAAP Basis Amounts

	<u>Operational</u>	<u>Transportation</u>	<u>Instructional Materials</u>	<u>Food Services</u>
REVENUES				
Budgetary Basis	\$ 19,223,263	\$ 917,321	\$ 169,850	\$ 1,637,445
Add:				
Current Year Receivables & Other Credits	4,138	-	-	-
Deduct:				
Prior Year Receivables & Other Debits	<u>106,409</u>	<u>-</u>	<u>-</u>	<u>-</u>
REVENUE --GAAP BASIS	<u>\$ 19,120,992</u>	<u>\$ 917,321</u>	<u>\$ 169,850</u>	<u>\$ 1,637,445</u>
EXPENDITURES				
Budgetary Basis	\$ 18,385,310	\$ 927,583	\$ 260,268	\$ 1,599,300
Add:				
Current Year Payables & Other Debits	13,803	-	-	1,075
Deduct:				
Prior Year Payables & Other Credits	<u>85,974</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES --GAAP BASIS	<u>\$ 18,313,139</u>	<u>\$ 927,583</u>	<u>\$ 260,268</u>	<u>\$ 1,600,375</u>

Athletics	Title I	Entitlement	Discretionary	NM Autism Project	Preschool
\$ 67,116	\$ 1,213,864	\$ 840,544	\$ -	\$ 6,207	\$ 14,686
-	416,367	110,019	-	506	391
-	588,641	401,741	-	-	11,455
<u>\$ 67,116</u>	<u>\$ 1,041,590</u>	<u>\$ 548,822</u>	<u>\$ -</u>	<u>\$ 6,713</u>	<u>\$ 3,622</u>
\$ 62,704	\$ 1,041,590	\$ 549,822	\$ -	\$ 6,713	\$ 3,622
-	-	23,783	-	-	-
-	-	30,502	-	-	-
<u>\$ 62,704</u>	<u>\$ 1,041,590</u>	<u>\$ 543,103</u>	<u>\$ -</u>	<u>\$ 6,713</u>	<u>\$ 3,622</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

V. OTHER INFORMATION (continued)

L. Reconciliation of Budgetary and GAAP Basis Amounts (continued)

	<u>Fresh Fruits</u>	<u>Risk Pool</u>	<u>Results Plan</u>	<u>Enhancing Ed Thru Tech E2T2-F</u>
REVENUES				
Budgetary Basis	\$ 100,680	\$ 600	\$ 397,115	\$ -
Add:				
Current Year Receivables & Other Credits	-	442	12,818	-
Deduct:				
Prior Year Receivables & Other Debits	<u>43,965</u>	<u>600</u>	<u>371,299</u>	<u>-</u>
REVENUE --GAAP BASIS	<u><u>\$ 56,715</u></u>	<u><u>\$ 442</u></u>	<u><u>\$ 38,634</u></u>	<u><u>\$ -</u></u>
EXPENDITURES				
Budgetary Basis	\$ 56,715	\$ 442	\$ 38,634	\$ -
Add:				
Current Year Payables & Other Debits	-	-	-	-
Deduct:				
Prior Year Payables & Other Credits	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES --GAAP BASIS	<u><u>\$ 56,715</u></u>	<u><u>\$ 442</u></u>	<u><u>\$ 38,634</u></u>	<u><u>\$ -</u></u>

<u>ELL Title III Incentive Awards</u>	<u>Title V Innovative Ed Pro Strategies</u>	<u>English Language Acquisition</u>	<u>Teacher Principal Training</u>	<u>Safe & Drug Free Schools</u>	<u>21st Century Community Living Centers</u>
\$ -	\$ -	\$ 41,902	\$ 203,084	\$ -	\$ -
-	-	16,120	67,318	-	-
-	-	27,200	115,414	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,822</u>	<u>\$ 154,988</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ 30,822	\$ 154,988	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,822</u>	<u>\$ 154,988</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

V. OTHER INFORMATION (continued)

L. Reconciliation of Budgetary and GAAP Basis Amounts (continued)

	Rural & Low Income Schools	Title I School Improvement	Title III Immigrant Funding	Carl D Perkins Special Projects JAG
REVENUES				
Budgetary Basis	\$ 45,043	\$ 22	\$ -	\$ -
Add:				
Current Year Receivables & Other Credits	10,822	-	-	-
Deduct:				
Prior Year Receivables & Other Debits	16,911	22	-	-
REVENUE --GAAP BASIS	<u>\$ 38,954</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EXPENDITURES				
Budgetary Basis	\$ 38,954	\$ -	\$ -	\$ -
Add:				
Current Year Payables & Other Debits	-	-	-	-
Deduct:				
Prior Year Payables & Other Credits	-	-	-	-
EXPENDITURES --GAAP BASIS	<u>\$ 38,954</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Carl D Perkins Secondary Current</u>	<u>Carl D Perkins Secondary Redistribution</u>	<u>Carl D Perkins HSTW Current</u>	<u>Title I Stimulus</u>	<u>Entitlement Stimulus</u>	<u>Impact Aid Special Education</u>
\$ 29,243	\$ -	\$ 43,796	\$ -	\$ -	\$ 16,407
23,969	5,296	52,551	-	-	-
15,052	-	-	-	-	-
<u>\$ 38,160</u>	<u>\$ 5,296</u>	<u>\$ 96,347</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,407</u>
\$ 38,160	\$ 5,296	\$ 96,347	\$ -	\$ -	\$ 38,726
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 38,160</u>	<u>\$ 5,296</u>	<u>\$ 96,347</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,726</u>

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

V. OTHER INFORMATION (continued)

L. Reconciliation of Budgetary and GAAP Basis Amounts (continued)

	Impact Aid Indian Education	GRADS Child Care CYFD	Medicaid Title XIX	TANF/GRADS HSD
REVENUES				
Budgetary Basis	\$ 7,164	\$ -	\$ 235,764	\$ -
Add:				
Current Year Receivables & Other Credits	-	-	-	-
Deduct:				
Prior Year Receivables & Other Debits	-	-	40,712	-
REVENUE --GAAP BASIS	<u>\$ 7,164</u>	<u>\$ -</u>	<u>\$ 195,052</u>	<u>\$ -</u>
EXPENDITURES				
Budgetary Basis	\$ 7,732	\$ -	\$ 283,966	\$ -
Add:				
Current Year Payables & Other Debits	-	-	-	-
Deduct:				
Prior Year Payables & Other Credits	-	-	6,289	-
EXPENDITURES --GAAP BASIS	<u>\$ 7,732</u>	<u>\$ -</u>	<u>\$ 277,677</u>	<u>\$ -</u>

<u>Indian Ed Formula Grant</u>	<u>Education Jobs Fund Stimulus</u>	<u>ENLACE UNM</u>	<u>LANL Foundation</u>	<u>Intel Foundation</u>	<u>Northern NM Network Teacher Incentive Fund</u>
\$ 56,118	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>3,960</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 52,158</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 38,530	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 38,530</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

V. OTHER INFORMATION (continued)

L. Reconciliation of Budgetary and GAAP Basis Amounts (continued)

	Dual Credit Instructional Materials	2012 GO Bond Student Library Fund	NM Reads to Lead K-3	TANF PED
REVENUES				
Budgetary Basis	\$ 21,531	\$ 21,307	\$ 116,970	\$ -
Add:				
Current Year Receivables & Other Credits	5,423	26,570	16,565	-
Deduct:				
Prior Year Receivables & Other Debits	6,370	15,933	36,036	-
REVENUE --GAAP BASIS	<u>\$ 20,584</u>	<u>\$ 31,944</u>	<u>\$ 97,499</u>	<u>\$ -</u>
EXPENDITURES				
Budgetary Basis	\$ 20,584	\$ 31,944	\$ 97,499	\$ -
Add:				
Current Year Payables & Other Debits	-	-	-	-
Deduct:				
Prior Year Payables & Other Credits	-	-	-	-
EXPENDITURES --GAAP BASIS	<u>\$ 20,584</u>	<u>\$ 31,944</u>	<u>\$ 97,499</u>	<u>\$ -</u>

<u>Technology for Education</u>	<u>Obesity Program</u>	<u>TANF Full Day Kindergarten</u>	<u>Incentives for School Improvement</u>	<u>Truancy Initiative</u>	<u>Summer Bridge</u>
\$ -	\$ -	\$ -	\$ -	\$ 67,240	\$ -
-	-	-	-	16,209	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 83,449</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ 83,449	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 83,449</u>	<u>\$ -</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

V. OTHER INFORMATION (continued)

L. Reconciliation of Budgetary and GAAP Basis Amounts (continued)

	<u>Pre-K Initiative</u>	<u>Indian Education Act</u>	<u>Breakfast for Elementary Students</u>	<u>Kindergarten Three Plus</u>
REVENUES				
Budgetary Basis	\$ 100,778	\$ 15,986	\$ 25,156	\$ 247,450
Add:				
Current Year Receivables & Other Credits	20,570	7,572	-	109,041
Deduct:				
Prior Year Receivables & Other Debits	<u>14,917</u>	<u>6,569</u>	<u>1,872</u>	<u>104,591</u>
REVENUE --GAAP BASIS	<u><u>\$ 106,431</u></u>	<u><u>\$ 16,989</u></u>	<u><u>\$ 23,284</u></u>	<u><u>\$ 251,900</u></u>
EXPENDITURES				
Budgetary Basis	\$ 106,431	\$ 16,989	\$ 23,284	\$ 251,900
Add:				
Current Year Payables & Other Debits	-	-	-	-
Deduct:				
Prior Year Payables & Other Credits	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES --GAAP BASIS	<u><u>\$ 106,431</u></u>	<u><u>\$ 16,989</u></u>	<u><u>\$ 23,284</u></u>	<u><u>\$ 251,900</u></u>

After School & Summer Enrichment Program	2013 School Bus	NM Grown Fruits & Vegetables	Social Workers for Middle Schools	School Library Material Fund FY08	ASSIST Tobacco DOH
\$ 46,475	\$ 78,200	\$ 3,197	\$ 62,547	\$ -	\$ -
21,208	-	-	2,453	-	-
<u>17,933</u>	<u>78,200</u>	<u>185</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 49,750</u>	<u>\$ -</u>	<u>\$ 3,012</u>	<u>\$ 65,000</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 49,750	\$ -	\$ 3,012	\$ 65,000	\$ -	\$ -
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 49,750</u>	<u>\$ -</u>	<u>\$ 3,012</u>	<u>\$ 65,000</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

V. OTHER INFORMATION (continued)

L. Reconciliation of Budgetary and GAAP Basis Amounts (continued)

	Healthier Schools	Office of Cultural Affairs	GEAR-UP CHE	GRADS - Child Care
REVENUES				
Budgetary Basis	\$ -	\$ -	\$ -	\$ 24,372
Add:				
Current Year Receivables & Other Credits	-	6,546	-	-
Deduct:				
Prior Year Receivables & Other Debits	-	-	-	-
REVENUE --GAAP BASIS	<u>\$ -</u>	<u>\$ 6,546</u>	<u>\$ -</u>	<u>\$ 24,372</u>
EXPENDITURES				
Budgetary Basis	\$ -	\$ 6,546	\$ -	\$ 35,398
Add:				
Current Year Payables & Other Debits	-	-	-	-
Deduct:				
Prior Year Payables & Other Credits	-	-	-	-
EXPENDITURES --GAAP BASIS	<u>\$ -</u>	<u>\$ 6,546</u>	<u>\$ -</u>	<u>\$ 35,398</u>

<u>GRADS - Instuction</u>	<u>GRADS Plus</u>	<u>Private Direct Grants</u>	<u>School Based Health Center</u>	<u>SB-9</u>	<u>Bond Building</u>
\$ 5,648	\$ 9,983	\$ -	\$ -	\$ 2,268,598	\$ 848
-	-	-	-	108,338	-
-	-	-	-	66,263	-
<u>\$ 5,648</u>	<u>\$ 9,983</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,310,673</u>	<u>\$ 848</u>
\$ 4,000	\$ 9,983	\$ 182	\$ -	\$ 2,931,488	\$ 960,605
-	-	-	-	332,018	-
-	-	-	-	372,709	42,620
<u>\$ 4,000</u>	<u>\$ 9,983</u>	<u>\$ 182</u>	<u>\$ -</u>	<u>\$ 2,890,797</u>	<u>\$ 917,985</u>

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

V. OTHER INFORMATION (continued)

L. Reconciliation of Budgetary and GAAP Basis Amounts (continued)

	Special Capital Outlay Local	Ed Tech Equipment Act	Debt Service	Ed Tech Debt Service
REVENUES				
Budgetary Basis	\$ -	\$ 1,905,361	\$ 3,044,763	\$ 643,970
Add:				
Current Year Receivables & Other Credits	-	-	649,553	13,841
Deduct:				
Prior Year Receivables & Other Debits	-	-	100,725	26,126
REVENUE --GAAP BASIS	<u>\$ -</u>	<u>\$ 1,905,361</u>	<u>\$ 3,593,591</u>	<u>\$ 631,685</u>
EXPENDITURES				
Budgetary Basis	\$ -	\$ 735,049	\$ 2,977,159	\$ 712,401
Add:				
Current Year Payables & Other Debits	-	-	1,105,312	14,091
Deduct:				
Prior Year Payables & Other Credits	-	53,626	-	-
EXPENDITURES --GAAP BASIS	<u>\$ -</u>	<u>\$ 681,423</u>	<u>\$ 4,082,471</u>	<u>\$ 726,492</u>

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

VI. Component Units

A. Anansi Charter School

Anansi Charter School (ACS) is a dependent charter school formed under NMSA 22-8A and as such is presented here as a discrete component unit of Taos Municipal School District. ASC 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 State Auditor has determined that charter schools are major component units of their perspective Districts. Refer to Notes 1 through 16 for significant policies of ACS, 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, 2016 and for the year then ended:

1. Revenues

State Equalization Guarantee - ACS received \$1,417,922 in state equalization guarantee distributions during the year ended June 30, 2016.

Instructional Materials - Allocations received by ACS from the State for the year ended June 30, 2016 totaled \$11,366.

SB-9 State Match - ACS received \$0 in state SB-9 matching during the year ended June 30, 2016.

Public School Capital Outlay - ACS received \$103,075 in awards for rent assistance during the year ended June 30, 2016.

2. Cash and Temporary Investments

NM State Statues 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 at 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.

Collateral requirements are as follows:

US Bank	Total Deposits	\$ 128,714
	Less: FDIC coverage	<u>(128,714)</u>
	Uninsured Public Funds	<u>\$ -</u>
Collateral requirement (50% of uninsured public funds)		\$ -
Pledged collateral held by pledging bank's agent in the District's name		<u>126,866</u>
Uninsured and un-collateralized		<u>\$ (126,866)</u>

Funds are maintained in an interest bearing checking account.

3. Custodial Credit Risk-Deposits

Custodial credit risk is the risk that in the event of a bank failure, Anansi Charter School's deposits may not be returned to it. The School 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, NMSA1978). State law limits deposits of public monies to certain banks or credit unions. In addition, the depository must pledge eligible collateral to the extent of 50% of the balance of uninsured funds. At June 30, 2016, none of the Charter's bank balance of \$128,714 was exposed to custodial credit risk.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

VI. Component Units (continued)

A. Anansi Charter School (continued)

4. Receivables

Receivables for ACS as of June 30, 2016 are as follow:

	Instructional Materials	LANL Foundation	2012 GO Student Library	NM Reads to Lead K-3	Robotics 2012	SB-9	PSCO	TOTAL
Due from other governments	\$ 11,366	\$ 1,500	\$ 1,971	\$ 50,000	\$ 14,908	\$ 95,666	\$ 103,075	\$ 278,486
	<u>\$ 11,366</u>	<u>\$ 1,500</u>	<u>\$ 1,971</u>	<u>\$ 50,000</u>	<u>\$ 14,908</u>	<u>\$ 95,666</u>	<u>\$ 103,075</u>	<u>\$ 278,486</u>

The above receivables are deemed 100% collectible.

5. Capital Assets

A summary of ACS's capital assets and changes occurring during the year ended June 30, 2016 follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Construction in progress	\$ 295,306	\$ -	\$ 295,306	\$ -
Capital assets, being depreciated:				
Buildings and improvements	-	333,869	-	333,869
Equipment	79,819	-	-	79,819
Total Capital Assets being depreciated	79,819	333,869	-	413,688
Less accumulated depreciation for:				
Buildings and improvements	-	7,519	-	7,519
Equipment	43,629	7,982	-	51,611
Total accumulated depreciation	43,629	15,501	-	59,130
Total Capital assets, being depreciated, net	36,190	318,368	-	354,558
Governmental activities capital assets, net	<u>\$ 331,496</u>	<u>\$ 318,368</u>	<u>\$ 295,306</u>	<u>\$ 354,558</u>

Depreciation expense was charged to function/programs of ACS as follows:

Instruction	\$ 15,501
Total	<u>\$ 15,501</u>

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

VI. Component Units (continued)

A. Anansi Charter School (continued)

6. Long-Term Debt

Compensated Absences - The Charter does not accrue a liability for compensated absences. Employees are contracted on an annual basis with all contracts being fully executed by the end of the year. Also, the current leave policy does not award any leave upon termination or retirement.

7. Other Required Individual Fund Disclosures

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

A. Deficit fund balances of individual funds at June 30, 2016 are as follow:

Fund Description	Amount
Food Services	\$ (1,893)

B. Overspent budgets at June 30, 2016 are as follows:

Fund	Function	Amount
Operational	Support services	\$ 873
Operational	Food services operation	25
Instructional Materials	Instruction	1,354
Food Services	Food services operation	3,554
	Total	<u>\$ 5,806</u>

C. Cash overdrafts are inter-fund receivables and considered to be short-term borrowings from general funds to cover current year operating expenditures and will be paid back within the next year. At June 30, 2016 they consisted of the following:

Due To	
Operational	\$ 99,654
Total Due To	<u>\$ 99,654</u>

Due From	
Food Services	\$ 3,870
Title I	-
IDEA-B Entitlement	18,044
USDA Equipment Assistance	-
2010 GO Bond	-
2012 GO Bond	1,971
NM Reads to Lead K-3	50,000
STEM Teacher Initiative	-
Bond Building	-
PSCO	25,769
SB-9	-
Total Due From	<u>\$ 99,654</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

VI. Component Units (continued)

A. Anansi Charter School (continued)

7. Other Required Individual Fund Disclosures (continued)

D. Restatement of Beginning Net Position for ACS

	Governmental Activities
Net Position at June 30, 2015	\$ (29,695)
Prior Period Adjustments	
To correct cash balances in the operational fund	4,912
To correct unavailable revenue in SB-9	(76,901)
Net Position at June 30, 2015 as Restated	<u>\$ (101,684)</u>

8. Prepaid Lease Expense

In May of 2010, Anansi Charter School Paid \$931,562 to Friends of Anansi Charter School. The funds were used by the Friends of Anansi Charter School to construct and improve real estate which is leased by ACS. The payment represents prepayment of the lease expense for the twenty year period beginning July 1, 2010. Anansi Charter School will amortize the lease payment at the rate of \$3,882 per month. During the year ended June 30, 2016, ACS amortized \$46,584 of the prepaid lease expense.

9. Post-Employment Benefits-State Retiree Health Care Plan

The School's contributions to Retiree Healthcare for the year ended June 30, 2016, 2015, and 2014 were \$16,931, \$14,526 and \$12,376, respectively, which equal the required contributions for each year.

B. Friends of Anansi Charter School-Component Unit of Anansi Charter School

Friends of Anansi Charter School, Inc. (Foundation) is a legally separate, tax exempt component unit of Anansi Charter School, The Council is the basic level of government, which has oversight responsibility and control over all activities related to the Foundation. The Foundation operates for the purpose of providing supporting funds to the Anansi Charter School. The Foundation received funds from renting facilities to ACS, Donations, and fund raising.

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

The Foundation is reported as a discretely presented component unit of Anansi Charter School, as required in accordance with GASB Statement No. 14, The Financial Reporting Entity, and GASB Statement No 39, Determining Whether Certain Organizations are Component Units, an amendment of GASB No. 14 GASB Statement No. 61 modifies certain requirements for inclusion of component units in the financial reporting entity, and this has been taken into consideration in the determination.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

VI. Component Units (continued)

B. Friends of Anansi Charter School-Component Unit of Anansi Charter School (continued)

1. Cash and Temporary Investments

Financial instruments, which subject the Foundation to concentrations of credit risk, consist primarily of investments in short term money market instruments and domestic equity securities. The Foundation maintains cash and cash equivalents and temporary investments in a local branch of a national bank. Funds deposited with the bank are covered up to \$250,000 for each type of account.

	US Bank Operational	US Bank Facility Account	Total
Cash on deposit 6/30/16	\$ 2,447	\$ 72,117	\$ 74,564
FDIC coverage	(2,447)	(72,117)	(74,564)
Cash at risk	\$ -	\$ -	\$ -

2. Capital Assets

A summary of the Foundation's capital assets and changes occurring during the year ended June 30, 2016 follows:

	Beginning Balance	Increases	Decreases	Adjustments	Ending Balance
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 587,500	\$ -	\$ -	\$ -	\$ 587,500
Construction in progress	1,026,184	-	1,026,184	-	-
Total Capital assets, not being depreciated	1,613,684	-	1,026,184	-	587,500
Capital assets, being depreciated:					
Land improvements	37,461	110,417	-	-	147,878
Building and building improvements	1,984,858	1,040,382	-	-	3,025,240
Fixtures, furniture and equipment	23,624	-	-	-	23,624
Total Capital Assets being depreciated	2,045,943	1,150,799	-	-	3,196,742
Less accumulated depreciation for:					
Land improvements	10,527	3,092	-	-	13,619
Building and building improvements	279,578	81,992	-	-	361,570
Fixtures, furniture and equipment	29,675	794	-	(6,845)	23,624
Total accumulated depreciation	319,780	85,878	-	(6,845)	398,813
Total Capital assets, being depreciated, net	1,726,163	1,064,921	-	6,845	2,797,929
Governmental activities capital assets, net	\$ 3,339,847	\$ 1,064,921	\$ 1,026,184	\$ 6,845	\$ 3,385,429

At the end of the lease term, June 30, 2030, the land, building, and all improvements will transfer to Anansi Charter School in compliance with the terms of the agreement and in compliance with state requirements.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

VI. Component Units (continued)

B. Friends of Anansi Charter School-Component Unit of Anansi Charter School (continued)

3. Long-Term Debt

The Foundation borrowed \$1,800,000 on January 7, 2009 at 4.375% interest with a term of 40 years for the purpose of financing the construction of the Anansi Charter School buildings. Funding to pay the debt is from rent charged to the charter school for use of the buildings. The annual requirements to retire this loan as of June 30, 2016 are as follows:

	USDA Loan 1	
	Principal	Interest
6/30/2017	\$ 28,379	\$ 67,969
6/30/2018	29,645	66,703
6/30/2019	30,969	65,379
6/30/2020	32,351	63,997
6/30/2021	33,795	62,553
2022-2026	192,998	288,742
2027-2031	240,093	241,647
2032-2036	298,682	183,058
2037-2041	371,569	110,171
2042-2045	308,008	24,392
TOTAL	<u>\$ 1,566,489</u>	<u>\$ 1,174,611</u>

July 2015 after the Foundation closed a second loan with the USDA for \$1,015,000 which has a term of 40 years with monthly payments of \$4,243. The loan carries an interest rate of 4.0%. The annual requirements to retire this loan as of June 30, 2016 are as follows:

	USDA Loan 2	
	Principal	Interest
6/30/2017	\$ 11,546	\$ 39,372
6/30/2018	12,015	38,902
6/30/2019	12,505	38,412
6/30/2020	13,015	37,903
6/30/2021	13,545	37,373
2022-2026	76,466	178,122
2027-2031	93,364	161,222
2032-2036	113,998	140,590
2037-2041	139,191	115,397
2042-2046	169,952	84,636
2047-2051	207,510	47,077
2052-2054	126,454	6,954
TOTAL	<u>\$ 989,561</u>	<u>\$ 925,960</u>

The foundation has been paying additional principal payments since 2010 with the intent of paying off the loan by June 30, 2030 so that loan is extinguished when the lease on the property expires and the property transfers to Anansi Charter School.

Compensated Absences - The Foundation does not accrue a liability for compensated absences as it has no employees.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

VI. Component Units (continued)

B. Friends of Anansi Charter School-Component Unit of Anansi Charter School (continued)

4. Differed Lease Income

In May of 2010, Friends of Anansi Charter School received \$931,562 from the New Mexico Public Schools Facility Authority. The payment was for advance lease payments for real property from Anansi Charter School. The proceeds were used for construction and improvements of the real property lease to Anansi Charter School. The Foundation will recognize the deferred lease income at the rate of \$3,882 per month over a twenty year period beginning July 1, 2010. During the year ended June 30, 2016, the Foundation recognized \$46,584 of the deferred lease income.

5. Pension Plan-Educational Retirement Act

The Foundation does not participate in ERB.

6. Post-Employment Benefits-State Retiree Health Care Plan

The Foundation does not participate in RHCA.

7. Income Taxes

The Foundation is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Service Code.

8. Financial Statement Presentation

The Foundation has adopted Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Foundation is required to report information regarding its financial position and activities according to three classes of net position: Unrestricted Net Position, Temporarily Restricted Net Position, and Permanently Restricted net Position. In addition, the Foundation is required to present a statement of cash flows.

9. Statement of Cash Flows

For the purpose of the statement of cash flows, the Foundation considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

C. Taos Charter School

Taos Charter School (TCS) is a dependent charter school formed under NMSA22-8A and as such is presented here as a discrete component unit of Taos Municipal School District. TCS 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 State Auditor has determined that charter schools are major component units of their respective Districts. Refer to Notes 1 through 16 for significant policies of TCS, 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, 2016 and for the year then ended.

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

VI. Component Units (continued)

C. Taos Charter School (continued)

1. Revenues

State Equalization Guarantee - TCS received \$1,485,123 in state equalization guarantee distributions during the year ended June 30, 2016.

Instructional Materials - Allocations received by TCS from the State for the year ended June 30, 2016 totaled \$15,227.

SB-9 State Match - TCS received \$5,297 in state SB-9 matching during the year ended June 30, 2016.

Public School Capital Outlay - TCS received \$142,100 in awards for rent assistance during the year ended June 30, 2016.

2. Cash and Temporary Investments

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 at 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.

Collateral requirements are as follows:

Centinel Bank	Total Deposits	\$ 319,868
	Less: FDIC coverage	(250,000)
	Uninsured Public Funds	<u>\$ 69,868</u>
Collateral requirement (50% of uninsured public funds)		\$ 34,934
Pledged collateral held by pledging bank's agent in the District's name		<u>126,866</u>
Uninsured and un-collateralized		<u>\$ (56,998)</u>

Funds are maintained in an interest bearing checking account.

3. Custodial Credit Risk-Deposits

Custodial credit risk is the risk that in the event of a bank failure, Taos Charter School's deposits may not be returned to it. The School 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, NMSA1978). State law limits deposits of public monies to certain banks or credit unions. In addition, the depository must pledge eligible collateral to the extent of 50% of the balance of uninsured funds. At June 30, 2016, none of the Charter's bank balance of \$319,868 was exposed to custodial credit risk.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

VI. Component Units (continued)

C. Taos Charter School (continued)

4. Receivables

Receivables for TCS as of June 30, 2016 are as follow:

	IDEA-B Entitlement	SB-9	PSCO	TOTAL
Due from other governments	\$ 6,500	\$ 96,657	\$ 35,525	\$ 138,682
	<u>\$ 6,500</u>	<u>\$ 96,657</u>	<u>\$ 35,525</u>	<u>\$ 138,682</u>

The above receivables are deemed 100% collectible.

5. Capital Assets

A summary of TCS's capital assets and changes occurring during the year ended June 30, 2016 follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 250,000	\$ -	\$ -	\$ 250,000
Capital assets, being depreciated:				
Building and improvements	1,905,235	-	-	1,905,235
Equipment, vehicles and other	97,124	13,000	-	110,124
Total Capital Assets being depreciated	2,002,359	13,000	-	2,015,359
Less accumulated depreciation for:				
Building and improvements	234,280	67,637	-	301,917
Equipment, vehicles and other	18,918	7,935	-	26,853
Total accumulated depreciation	253,198	75,572	-	328,770
Total Capital assets, being depreciated, net	1,749,161	(62,572)	-	1,686,589
Governmental activities capital assets, net	<u>\$ 1,999,161</u>	<u>\$ (62,572)</u>	<u>\$ -</u>	<u>\$ 1,936,589</u>

Depreciation expense was charged to function/programs of ACS as follows:

Instruction	\$ 75,572
Total	<u>\$ 75,572</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

VI. Component Units (continued)

C. Taos Charter School (continued)

6. Long-Term Debt

Compensated Absences - The Charter does not accrue a liability for compensated absences. Employees are contracted on an annual basis with all contracts being fully executed by the end of the year. Also, the current leave policy does not award any leave upon termination or retirement.

7. Other Required Individual Fund Disclosures

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

A. Deficit fund balances of individual funds at June 30, 2016 are as follow:

<u>Fund Description</u>	<u>Amount</u>
2012 GO Bond	<u>\$ 2,008</u>

B. Overspent budgets at June 30, 2016 are as follows:

<u>Fund</u>	<u>Function</u>	<u>Amount</u>
IDEA-B Entitlement	Support services students	<u>\$ 315</u>

C. Cash overdrafts are inter-fund receivables and considered to be short-term borrowings from general funds to cover current year operating expenditures and will be paid back within the next year. At June 30, 2016 they consisted of the following:

Due To		
Operational		\$ 44,033
Total Due To		<u>\$ 44,033</u>
Due From		
IDEA-B Entitlement		\$ 6,500
2012 GO Bond		2,008
PSCO		35,525
Total Due From		<u>\$ 44,033</u>

D. Permanent transfers at June 30, 2016 consisted of the following:

Transferred From:		
Private Direct Grants		\$ 3,000
Total Transfers		<u>\$ 3,000</u>
Transferred To:		
Golden Apple Foundation		\$ 3,000
Total Transfers		<u>\$ 3,000</u>

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

VI. Component Units (continued)

C. Taos Charter School (continued)

E. Restatement of Beginning Net Position for TCS

	Governmental Activities
Net Position at June 30, 2015	\$ 702,889
Prior Period Adjustments	
To correct beginning cash in Operational	(313)
To correct unavailable revenue in SB-9	(139,454)
Net Position at June 30, 2015 as Restated	<u>\$ 563,122</u>

8. Post-Employment Benefits-State Retiree Health Care Plan

The School's contributions to Retiree Healthcare for the year ended June 30, 2016, 2015, and 2014 were \$17,767, \$17,490 and \$16,728, respectively, which equal the required contributions for each year.

D. Friends of Taos Charter School-Component Unit of Taos Charter School

Friends of Taos Charter School, Inc. (Foundation) is a legally separate, tax exempt component unit of Taos Charter School. The Council is the basic level of government, which has oversight responsibility and control over all activities related to the Foundation. The Foundation operates for the purpose of providing supporting funds to the Taos Charter School. The Foundation received funds from renting facilities to the Charter, donations, and fund raising.

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

The Foundation is reported as a discretely presented component unit of Taos Charter School, as required in accordance with GASB Statement No. 14, The Financial Reporting Entity, and GASB Statement No 39, Determining Whether Certain Organizations are Component Units, an amendment of GASB No. 14 GASB Statement No. 61 modifies certain requirements for inclusion of component units in the financial reporting entity, and this has been taken into consideration in the determination.

1. Cash and Temporary Investments

Financial instruments, which subject the Foundation to concentrations of credit risk, consist primarily of investments in short term money market instruments and domestic equity securities. The Foundation maintains cash and cash equivalents and temporary investments in a local branch of a national bank. Funds deposited with the bank are covered up to \$250,000 for each type of account.

	Centinel Bank	Total
Cash on deposit 6/30/16	\$ 78,384	\$ 78,384
FDIC coverage	(78,384)	(78,384)
Cash at risk	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

VI. Component Units (continued)

D. Friends of Taos Charter School-Component Unit of Taos Charter School (continued)

The Foundation has adopted SFAS No. 124, Accounting for Certain Investments Held by Not-for-Profit Organizations. Under SFAS No. 124, investments in marketable securities with readily determinable fair value are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the statement of activities. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

2. Receivables

At June 30, 2016, the Foundation had no receivables.

3. Capital Assets

A summary of the Foundation's capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ -	\$ -	\$ -	\$ -
Capital assets, being depreciated:				
Building and improvements	734,956	-	-	734,956
Total Capital Assets being depreciated	734,956	-	-	734,956
Less accumulated depreciation for:				
Building and improvements	165,366	18,374	-	183,740
Total accumulated depreciation	165,366	18,374	-	183,740
Total Capital assets, being depreciated, net	569,590	(18,374)	-	551,216
Governmental activities capital assets, net	<u>\$ 569,590</u>	<u>\$ (18,374)</u>	<u>\$ -</u>	<u>\$ 551,216</u>

4. Long-Term Debt

Compensated Absences - The Foundation does not accrue a liability for compensated absences as it has no employees.

5. Pension Plan-Educational Retirement Act

The Foundation does not participate in ERB.

6. Post-Employment Benefits-State Retiree Health Care Plan

The Foundation does not participate in RHCA.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

VI. Component Units (continued)

D. Friends of Taos Charter School-Component Unit of Taos Charter School (continued)

7. Income Taxes

The Foundation is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Service Code.

8. Financial Statement Presentation

The Foundation has adopted Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Foundation is required to report information regarding its financial position and activities according to three classes of net position: Unrestricted Net Position, Temporarily Restricted Net Position, and Permanently Restricted net Position. In addition, the Foundation is required to present a statement of cash flows.

10. *Statement of Cash Flows*

For the purpose of the statement of cash flows, the Foundation considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

E. Vista Grande High School

Vista Grande High School (VGHS) is a dependent charter school formed under NMSA22-8A and as such is presented here as a discrete component unit of Taos Municipal School District. VGHS 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 State Auditor has determined that charter schools are major component units of their respective Districts. Refer to Notes 1 through 16 for significant policies of TCS, 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, 2016 and for the year then ended.

1. Revenues

State Equalization Guarantee - VGHS received \$1,008,442 in state equalization guarantee distributions during the year ended June 30, 2016.

Instructional Materials - Allocations received by VGHS from the State for the year ended June 30, 2016 totaled \$6,791.

SB-9 State Match - TCS received \$9,674 in state SB-9 matching during the year ended June 30, 2016.

Public School Capital Outlay - TCS received \$85,493 in awards for rent assistance during the year ended June 30, 2016.

1. Cash and Temporary Investments

NM State Statues 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 at 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.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

VI. Component Units (continued)

E. Vista Grande High School (continued)

2. Cash and Temporary Investments (continued)

Collateral requirements are as follows:

Centinel Bank	Total Deposits	\$	133,018
	Less: FDIC coverage		(133,018)
	Uninsured Public Funds	\$	<u>-</u>
	Collateral requirement (50% of uninsured public funds)	\$	-
	Pledged collateral held by pledging bank's agent in the District's name		205,000
	Uninsured and un-collateralized	\$	<u>(205,000)</u>

3. Custodial Credit Risk-Deposits

Custodial credit risk is the risk that in the event of a bank failure, Vista Grande High School's deposits may not be returned to it. The School 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, NMSA1978). State law limits deposits of public monies to certain banks or credit unions. In addition, the depository must pledge eligible collateral to the extent of 50% of the balance of uninsured funds. At June 30, 2016, none of the Charter's bank balance of \$133,018 was exposed to custodial credit risk.

4. Receivables

There receivables for VGHS as of June 30, 2016 are as follows:

	Title I	IDEA-B Entitlement	USDA Equipment Assistance Program	2012 GO Student Library	After School Summer Enrichment	STEM Teacher Initiative	SB-9	TOTAL
Due from other governments	\$ 23,400	\$ 33,746	\$ 5,800	\$ 2,889	\$ 45,302	\$ 10,765	\$ 10,765	\$ 132,667
	<u>\$ 23,400</u>	<u>\$ 33,746</u>	<u>\$ 5,800</u>	<u>\$ 2,889</u>	<u>\$ 45,302</u>	<u>\$ 10,765</u>	<u>\$ 10,765</u>	<u>\$ 132,667</u>

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

VI. Component Units (continued)

E. Vista Grande High School (continued)

5. Capital Assets

A summary of VGHS's capital assets and changes occurring during the year ended June 30, 2016 follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Construction in progress	\$ -	\$ -	\$ -	\$ -
Capital assets, being depreciated:				
Leasehold improvements	131,570	-	-	131,570
Furniture, fixtures and equipment	66,725	5,800	-	72,525
Vehicles	-	62,922	-	62,922
Total Capital Assets being depreciated	198,295	68,722	-	267,017
Less accumulated depreciation for:				
Leasehold improvements	6,579	8,705	-	15,284
Furniture, fixtures and equipment	33,046	3,764	-	36,810
Vehicles	-	3,141	-	3,141
Total accumulated depreciation	39,625	15,610	-	55,235
Total Capital assets, being depreciated, net	158,670	53,112	-	211,782
Governmental activities capital assets, net	\$ 158,670	\$ 53,112	\$ -	\$ 211,782

Depreciation expense was charged to function/programs of ACS as follows:

Instruction	\$ 15,610
Total	\$ 15,610

6. Long-Term Debt

Compensated Absences - The School provides leave which it will pay out on request upon leaving employment. The liability related to that is listed below. During fiscal year ended June 30, 2016, compensated absences increased \$7,414 from the prior year. Changes to compensated absences occurring during the year ended June 30, 2016 are as follow:

Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016	Amounts due in One Year
\$ 3,775	\$ 10,031	\$ (2,617)	\$ 11,189	\$ 11,189

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

VI. Component Units (continued)

E. Vista Grande High School (continued)

7. Other Required Individual Fund Disclosures

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

A. Deficit fund balances of individual funds at June 30, 2016 are as follow:

Fund Description	Amount
Food Services	\$ 1,236
2010 GO Bond	2,021
SB-9	10,704
Bond Building	34,436
PSCO	33,443
Total	<u>\$ 81,840</u>

B. Overspent budgets at June 30, 2016 are as follows:

Fund	Function	Amount
Food Services	Food Services Operations	\$ 35,370
Bond Building	Capital Outlay	25,395
	Total	<u>\$ 60,765</u>

C. Cash overdrafts are inter-fund receivables and considered to be short-term borrowings from general funds to cover current year operating expenditures and will be paid back within the next year. At June 30, 2016 they consisted of the following:

Due To	
Operational	\$ 204,376
Total Due To	<u>\$ 204,376</u>
Due From	
Food Services	\$ 1,236
Title I	23,400
IDEA-B Entitlement	33,746
USDA Equipment Assistance	5,800
2010 GO Bond	2,021
2012 GO Bond	2,889
After School Summer Enrichment	45,302
STEM Teacher Initiative	10,765
Bond Building	25,395
PSCO	33,444
SB-9	20,378
Total Due From	<u>\$ 204,376</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

VI. Component Units (continued)

E. Vista Grande High School (continued)

8. Post-Employment Benefits-State Retiree Health Care Plan

The School's contributions to Retiree Healthcare for the year ended June 30, 2016, 2015, and 2014 were \$12,024, \$12,231 and \$9,818, respectively, which equal the required contributions for each year.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

VI. COMPONENT UNITS (continued)

F. Reconciliation of Budgetary and GAAP Basis Amounts - Anansi Charter School

	<u>Operational</u>	<u>Instructional Materials</u>	<u>Food Services</u>	<u>IDEA-B Entitlement</u>
REVENUES				
Budgetary Basis	\$ 1,490,611	\$ 11,366	\$ 53,495	\$ 37,764
Add:				
Current Year Receivables & Other Credits	-	-	1,661	18,044
Deduct:				
Prior Year Receivables & Other Debits	<u>2,168</u>	<u>-</u>	<u>-</u>	<u>6.00</u>
REVENUE --GAAP BASIS	<u>\$ 1,488,443</u>	<u>\$ 11,366</u>	<u>\$ 55,156</u>	<u>\$ 55,802</u>
EXPENDITURES				
Budgetary Basis	\$ 1,588,802	\$ 9,098	\$ 57,049	\$ 31,282
Add:				
Current Year Payables & Other Debits	68,046	-	-	-
Deduct:				
Prior Year Payables & Other Credits	<u>68,102</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES --GAAP BASIS	<u>\$ 1,588,746</u>	<u>\$ 9,098</u>	<u>\$ 57,049</u>	<u>\$ 31,282</u>

<u>SEG Federal Stimulus</u>	<u>LANL Foundation</u>	<u>GO 2012 Student Library Bond Fund</u>	<u>NM Reads to Lead K-3</u>	<u>Robotics 2012</u>	<u>Private Direct Grants</u>
\$ -	\$ 1,500	\$ -	\$ -	\$ 14,908	\$ -
-	-	1,971	50,000	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 1,500</u>	<u>\$ 1,971</u>	<u>\$ 50,000</u>	<u>\$ 14,908</u>	<u>\$ -</u>
\$ -	\$ 1,500	\$ 1,971	\$ 50,000	\$ -	\$ 4,496
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 1,500</u>	<u>\$ 1,971</u>	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ 4,496</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

VI. COMPONENT UNITS (continued)

F. Reconciliation of Budgetary and GAAP Basis Amounts - Anansi Charter School (continued)

	<u>SB-9</u>	<u>Bond Building</u>	<u>PSCO</u>
REVENUES			
Budgetary Basis	\$ 87,768	\$ 265,349	\$ 98,765
Add:			
Current Year Receivables & Other Credits	63,530	-	25,769
Deduct:			
Prior Year Receivables & Other Debits	<u>55,632</u>	<u>20,688</u>	<u>21,459</u>
REVENUE --GAAP BASIS	<u>\$ 95,666</u>	<u>\$ 244,661</u>	<u>\$ 103,075</u>
EXPENDITURES			
Budgetary Basis	\$ 68,448	\$ 136,999	\$ 103,075
Add:			
Current Year Payables & Other Debits	1,874	-	-
Deduct:			
Prior Year Payables & Other Credits	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES --GAAP BASIS	<u>\$ 70,322</u>	<u>\$ 136,999</u>	<u>\$ 103,075</u>

(This page is intentionally left blank)

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

VI. COMPONENT UNITS (continued)

G. Reconciliation of Budgetary and GAAP Basis Amounts - Taos Charter School

	Operational	Instructional Materials	Food Services	IDEA-B Entitlement	SEG Federal Stimulus
REVENUES					
Budgetary Basis	\$ 1,581,358	\$ 15,227	\$ 47,502	\$ 80,777	\$ -
Add:					
Current Year Receivables & Other Credits	-	-	-	6,499	-
Deduct:					
Prior Year Receivables & Other Debits	-	-	-	24,711.00	-
REVENUE --GAAP BASIS	<u>\$ 1,581,358</u>	<u>\$ 15,227</u>	<u>\$ 47,502</u>	<u>\$ 62,565</u>	<u>\$ -</u>
EXPENDITURES					
Budgetary Basis	\$ 1,672,115	\$ 9,969	\$ 34,501	\$ 62,565	\$ -
Add:					
Current Year Payables & Other Debits	39,853	-	-	-	-
Deduct:					
Prior Year Payables & Other Credits	111,451	-	-	-	-
EXPENDITURES --GAAP BASIS	<u>\$ 1,600,517</u>	<u>\$ 9,969</u>	<u>\$ 34,501</u>	<u>\$ 62,565</u>	<u>\$ -</u>

Golden Apple Foundation	GO 2012 Student Library Bond Fund	NM Reads to Lead K-3	Private Direct Grants	SB-9	Bond Building	PSCO
\$ -	\$ -	\$ 50,000	\$ -	\$ 153,507	\$ 162,836	\$ 106,575
-	-	-	-	96,657	-	35,525
-	-	-	-	99,726	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ 150,438</u>	<u>\$ 162,836</u>	<u>\$ 142,100</u>
\$ 3,000	\$ 1,155	\$ 50,000	\$ -	\$ -	\$ 75,336	\$ 142,100
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 3,000</u>	<u>\$ 1,155</u>	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,336</u>	<u>\$ 142,100</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

VI. COMPONENT UNITS (continued)

H. Reconciliation of Budgetary and GAAP Basis Amounts - Vista Grande High School

	<u>Operational</u>	<u>Instructional Materials</u>	<u>Food Services</u>	<u>TITLE I</u>
REVENUES				
Budgetary Basis	\$ 1,017,258	\$ 6,791	\$ 34,134	\$ -
Add:				
Current Year Receivables & Other Credits	-	-	-	23,400
Deduct:				
Prior Year Receivables & Other Debits	-	-	-	-
REVENUE --GAAP BASIS	<u>\$ 1,017,258</u>	<u>\$ 6,791</u>	<u>\$ 34,134</u>	<u>\$ 23,400</u>
EXPENDITURES				
Budgetary Basis	\$ 1,145,459	\$ 2,969	\$ 35,370	\$ 23,400
Add:				
Current Year Payables & Other Debits	-	-	-	-
Deduct:				
Prior Year Payables & Other Credits	-	-	-	-
EXPENDITURES --GAAP BASIS	<u>\$ 1,145,459</u>	<u>\$ 2,969</u>	<u>\$ 35,370</u>	<u>\$ 23,400</u>

<u>IDEA-B Entitlement</u>	<u>USDA Equipment Assistance</u>	<u>GO 2010 Student Library Bond Fund</u>	<u>GO 2012 Student Library Bond Fund</u>	<u>Technology for Education</u>	<u>After School Summer Enrichment</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
33,746	5,800	-	2,889	-	45,302
-	-	-	-	-	-
<u>\$ 33,746</u>	<u>\$ 5,800</u>	<u>\$ -</u>	<u>\$ 2,889</u>	<u>\$ -</u>	<u>\$ 45,302</u>
\$ 33,123	\$ 5,800	\$ -	\$ 2,889	\$ -	\$ 45,302
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 33,123</u>	<u>\$ 5,800</u>	<u>\$ -</u>	<u>\$ 2,889</u>	<u>\$ -</u>	<u>\$ 45,302</u>

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

VI. COMPONENT UNITS (continued)

L. Reconciliation of Budgetary and GAAP Basis Amounts - Vista Grande High School (continued)

	STEM Teacher Initiative	School Library Material Fund
REVENUES		
Budgetary Basis	\$ -	\$ -
Add:		
Current Year Receivables & Other Credits	10,765	-
Deduct:		
Prior Year Receivables & Other Debits	-	-
REVENUE --GAAP BASIS	<u>\$ 10,765</u>	<u>\$ -</u>
EXPENDITURES		
Budgetary Basis	\$ 10,765	\$ -
Add:		
Current Year Payables & Other Debits	-	-
Deduct:		
Prior Year Payables & Other Credits	-	-
EXPENDITURES --GAAP BASIS	<u>\$ 10,765</u>	<u>\$ -</u>

<u>Private Direct Grants</u>	<u>SB - 9</u>	<u>Bond Building</u>	<u>PSCO</u>	<u>Ed. Tech Equipment Act</u>
\$ -	\$ -	\$ 15,532	\$ 85,493	\$ 64,231
-	9,674	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ 9,674</u>	<u>\$ 15,532</u>	<u>\$ 85,493</u>	<u>\$ 64,231</u>
\$ -	\$ 9,674	\$ 25,395	\$ 62,213	\$ 12,346
-	-	-	-	-
-	-	18,904	-	-
<u>\$ -</u>	<u>\$ 9,674</u>	<u>\$ 6,491</u>	<u>\$ 62,213</u>	<u>\$ 12,346</u>

(This page is intentionally left blank)

SUPPLEMENTARY INFORMATION

(This page is intentionally left blank)

GENERAL FUND

To account for resources traditionally associated with governments, which are not required to be accounted for in any other fund.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT A-1

COMBINING BALANCE SHEET -- GENERAL FUND

June 30, 2016

	Operational	Transportation	Instructional Materials	TOTALS
ASSETS				
Cash and cash equivalents	\$ 2,577,432	\$ 2	\$ 141,552	\$ 2,718,986
Accounts Receivable				
Property Taxes Receivable	41,401	-	-	41,401
Federal	-	-	-	-
State	-	-	-	-
Inventories	-	-	-	-
Due from Other Funds	1,123,709	-	-	1,123,709
TOTAL ASSETS	\$ 3,742,542	\$ 2	\$ 141,552	\$ 3,884,096
LIABILITIES AND OTHER CREDITS				
Accounts Payable	\$ 13,803	\$ -	\$ -	\$ 13,803
Accrued Payroll Liabilities	678,612	-	-	678,612
Due to Charter Schools	-	-	-	-
Due to Other Funds	-	-	-	-
Accrued Interest Payable	-	-	-	-
TOTAL LIABILITIES	692,415	-	-	692,415
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	-
Unavailable Revenue - Property Taxes	37,263	-	-	37,263
TOTAL DEFERRED INFLOWS	37,263	-	-	37,263
FUND BALANCE				
Nonspendable	-	-	-	-
Restricted	-	2	141,552	141,554
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	3,012,864	-	-	3,012,864
TOTAL FUND BALANCE	3,012,864	2	141,552	3,154,418
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	\$ 3,742,542	\$ 2	\$ 141,552	\$ 3,884,096

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT A-2

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

Year Ended June 30, 2016

	Operational	Transportation	Instructional Materials	TOTALS
REVENUE				
Federal Programs	\$ 282,955	\$ -	\$ -	\$ 282,955
State Programs	87,445	917,321	169,850	1,174,616
Local Programs	162,499	-	-	162,499
State Equalization	18,238,737	-	-	18,238,737
Service Revenues	122,093	-	-	122,093
Taxes	192,486	-	-	192,486
Interest	2,063	-	-	2,063
Other revenue sources	32,714	-	-	32,714
TOTAL REVENUES	<u>19,120,992</u>	<u>917,321</u>	<u>169,850</u>	<u>20,208,163</u>
EXPENDITURES				
Current				
Instruction	11,179,818	-	260,268	11,440,086
Support Services	-	-	-	-
Support Services Students	2,079,413	-	-	2,079,413
Support Services Instruction	147,821	-	-	147,821
Support Services General Administration	655,678	-	-	655,678
Support Services School Administration	1,158,974	-	-	1,158,974
Central Services	602,596	-	-	602,596
Operation and Maintenance of Plant	2,460,236	-	-	2,460,236
Student Transportation	-	927,583	-	927,583
Other Support Services	28,603	-	-	28,603
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>18,313,139</u>	<u>927,583</u>	<u>260,268</u>	<u>19,500,990</u>
EXCESS (DEFICIENCY) OF				
REVENUE OVER EXPENDITURES	807,853	(10,262)	(90,418)	707,173
Other Financing Sources (Uses)				
Transfer In/Transfers (Out)	(63,918)	-	-	(63,918)
Total Other Financing Sources	<u>(63,918)</u>	<u>-</u>	<u>-</u>	<u>(63,918)</u>
NET CHANGE IN FUND BALANCE	743,935	(10,262)	(90,418)	643,255
FUND BALANCE				
June 30, 2015	2,267,754	20,529	231,970	2,520,253
Restatements	1,175	(10,265)	-	(9,090)
June 30, 2015 as restated	<u>2,268,929</u>	<u>10,264</u>	<u>231,970</u>	<u>2,511,163</u>
FUND BALANCE				
June 30, 2016	<u>\$ 3,012,864</u>	<u>\$ 2</u>	<u>\$ 141,552</u>	<u>\$ 3,154,418</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT A-3

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ 81,248	\$ 81,248	\$ 282,955	\$ 201,707
State Programs	81,191	81,191	87,445	6,254
Local Prgrams	170,000	170,000	261,888	91,888
State Equalization	18,462,166	18,379,546	18,238,737	(140,809)
Service Revenues	88,500	88,500	122,093	33,593
Taxes	187,745	187,745	195,368	7,623
Interest Income	1,000	1,000	2,063	1,063
Other Revenue Sources	-	-	32,714	32,714
TOTAL REVENUE	19,071,850	18,989,230	\$ 19,223,263	\$ 234,033
BUDGETED CASH BALANCE	1,269,996	1,269,996		
TOTAL REVENUE & CASH	\$ 20,341,846	\$ 20,259,226		
EXPENDITURES				
Current :				
Instruction	\$ 12,120,130	\$ 12,037,510	\$ 11,265,492	\$ 772,018
Support Services	-	-	-	-
Support Services Students	2,143,807	2,140,507	2,079,413	61,094
Support Services Instruction	226,758	183,658	147,821	35,837
Support Services General Administration	708,312	713,662	655,678	57,984
Support Services School Administration	1,192,292	1,206,592	1,158,974	47,618
Central Services	591,176	605,226	589,093	16,133
Operation and Maintenance of Plant	2,491,678	2,529,778	2,460,236	69,542
Student Transportation	-	-	-	-
Other Support Services	867,693	842,293	28,603	813,690
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	\$ 20,341,846	\$ 20,259,226	\$ 18,385,310	\$ 1,873,916

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT A-4

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	966,954	917,321	917,321	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>966,954</u>	<u>917,321</u>	<u>\$ 917,321</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>10,264</u>		
TOTAL REVENUE & CASH	<u>\$ 966,954</u>	<u>\$ 927,585</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	966,954	927,585	927,583	2
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 966,954</u>	<u>\$ 927,585</u>	<u>\$ 927,583</u>	<u>\$ 2</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT A-5

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	131,952	169,849	169,850	1
Local Programs	-	-	-	-
TOTAL REVENUE	<u>131,952</u>	<u>169,849</u>	<u>\$ 169,850</u>	<u>\$ 1</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>231,970</u>		
TOTAL REVENUE & CASH	<u>\$ 131,952</u>	<u>\$ 401,819</u>		
EXPENDITURES				
Current				
Instruction	\$ 131,952	\$ 401,819	\$ 260,268	\$ 141,551
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 131,952</u>	<u>\$ 401,819</u>	<u>\$ 260,268</u>	<u>\$ 141,551</u>

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

SPECIAL REVENUE FUNDS

FOOD SERVICES – This fund is utilized to account for Federal and Local sources of income relating to the food service programs. The Food Service Fund is segregated into two categories, one being the Federal funds and the other being Non-Federal funds. Federal funds consist of National School Lunch Program, which is administered by the State of New Mexico for the purpose of making break and lunch available to all school children and to encourage the domestic consumption of agricultural commodities and other food components. Authority for the creation of this fund is NMSA 22-13-13.

ATHLETICS – 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 IASA – The major objectives of the Title I programs 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.

IDEA-B ENTITLEMENT – 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 is authorized by Individuals with Disabilities Education Act, Part B, Sec. 611-620, as amended; Public Laws 91-230,93-380,94-142,98-199,99-457,100-630 and 101-476; 20 U.S.C. 1401-1420.

IDEA-B DISCRETIONARY – To provide grants to states that flow-through to schools to assist them in providing a free appropriate public education to all children with disabilities. The program is funded by the United States government under the Individuals with Disabilities Education Act, Part B, Section 611-617, and part D, Section 674 as amended, 20 U.S.C 1711-1417 and 1420

NEW MEXICO AUTISM PROJECT – To provide funds for research based programs for Autism provided through the New Mexico Public Education Department.

IDEA- B PRE-SCHOOL - 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 District through the New Mexico Department of Children, Youth and Families. Authority for creation of this fund is Public Law 105-17.

FRESH FRUIT & VEGETABLES – To assist States, through cash grants, in providing free fresh fruit and fresh 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.

IDEA-B RISK POOL – Funding for students with disabilities who are parentally placed in private elementary and secondary schools ("equitable participation services"). Located in the school district.

IDEA-B RESULTS PLAN – Funding for support activities included the Education Plan for Student Success for Ranchos Elementary School and Enos Elementary School.

ENHANCING EDUCATION THRU TECH (E2T2-F) – To account for a federal grant designed to strengthen teacher learning in the field of technology.

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

TITLE V-PART A INNOVATIVE ED PRO STRATEGIES – To assist State and Local educational agencies in the reform of elementary and secondary education. Authorized by the Elementary and Secondary Education Act of 1965, Title V, as amended, 20 U.S.C. 7301-7373.

ENGLISH LANGUAGE ACQUISITION – To provide funds to improve the educational performance of limited English proficient students by assisting the children to learn English and meet State academic content standards.

TEACHER/PRINCIPAL TRAINING & RECRUITING – To improve the skills of teachers and the quality of instruction in mathematics and science, and also increase the accessibility of such instruction to all students.

SAFE & DRUG FREE SCHOOLS & COMMUNITY – To establish a local program of alcohol and drug abuse education and prevention coordinated with related community efforts and resources. The authority for creation of this fund is the Elementary and Secondary Education Act, Title IV, Part A Subpart 1, as amended. 20 U.S.C. 7111-7118.

21st CENTURY COMMUNITY LIVING CENTERS – After school adolescence care, providing the community with responsible Child Care, while providing the children and their families with referral services, drug prevention education, academic help, and character building (social skills) activities. Funding is provided by the Department of Education under the Elementary and Secondary Education Act of 1965, Title X, part I section 10901, Public Law 103-382 Stat. 3844, 20 U.S.C. 8241.

RURAL & LOW-INCOME SCHOOLS – To provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools. Elementary and Secondary Education Act, Title VI, Part B.

TITLE I SCHOOL IMPROVEMENT – To account for funds used to provide financial assistance to districts to purchase and install educational materials and systems to help improve the quality of teaching and learning in their schools. (Authority: PL 100-297)

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

CARL D PERKINS SPECIAL PROJECTS-JAG – Basic grant to assist states and outlying areas to expand and improve their programs of vocational education and provide equal access in vocational education to special needs populations. Authorized by Carl D. Perkins Vocational and Applied Technology Education Amendments of 1998, Title I Public Law 105-332, 20 U.S. C. 2301, et seq.

CARL D PERKINS SECONDARY CURRENT – To account for federal funds to provide vocational and technical education for secondary education. (Authority: P.L. 105—332).

CARL D. PERKINS SECONDARY-REDISTRIBUTION – Redistribution for the program as described above in Carl D. Perkins Secondary Current.

CARL D. PERKINS HSTW – To account for federal High Schools That Work funds provided to research, implement and deliver advanced, engaging educational strategies that have proven outcomes for students. Authority is the Carl D. Perkins Career and Technical Education Act of 2006.

TITLE I-ASA FEDERAL STIMULUS (24201) – To account for the American Recovery and Reinvestment Act of 2009 (ARRA) funding for Title I Part A to meet the educational needs of the District. Authority for creation of this fund Title I of the Elementary and Secondary Education Act and the General Education Provisions Act (P.L. 103-381), Title I regulations in 34 CFR Part 200, EDGAR in 34 Parts 76 (except for 76.650-76.662), 77,80,81,82 and 85.

IDEA-B ENTITLEMENT FEDERAL STIMULUS (24206) – To account for a program funded by the American Recovery and Reinvestment Act 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.

IMPACT AID SPECIAL EDUCATION – To Account for a program funded by a Federal grant to provide financial assistance to local educational agencies (LEAs) where enrollments or availability of revenue are adversely affected by Federal activities, i.e. where the tax base of a district is reduced through the Federal acquisition of real property (Section 8002, ESEA), where there are a significant number of children who reside on Federal (including Native American) Indians and/or children whose parents are employed on Federal property or in the Uniformed Services (Sections 8003 and 8007, ESEA), where there is a sudden increase in school enrollment as the result of Federal activities (Section 8006, ESEA). To provide disaster assistance for reduced or increased operating costs for replacing or repairing damaged or destroyed support equipment and books and for repairing minor damage to facilities. Funding is authorized by the Elementary and Secondary Education Act, Title VIII, as amended.

IMPACT AID INDIAN EDUCATION – To account for funding of Federal program to provide financial assistance to local educational agencies (LEA's) where enrollments or availability of revenue are adversely affected by Federal activities, i.e. where the tax base of a district is reduced through the Federal acquisition of real property (Section 2), or where there are a significant number of children who reside on the Federal (including Indian) lands and /or children whose parents are employed on Federal property or in the Uniformed Services (Section 3 9a) and 3(b)): where there is a significant decrease (Section 3(c)) or a reduced or increased operating costs (Section 4) in school enrollment as the result of Federal activities; to provide disaster assistance for reduced or increased operating costs (Section 7(a)), for replacing or repairing damaged or destroyed supplies, equipment, and books, and for repairing minor damage to facilities. Funding authorized by Public Law 81-874.

GRADS CHILD CARE CYFD – To account for a Public Education Department grant through Children, Youth and Families Department to provide for the maintenance and expansion of the teen parent programs. Authorized by the School Board and the New Mexico Public Education Department.

TITLE XIX MEDICAID 3/21 YEARS – To provide school-based screening, diagnostic services and other related health services and administrative activities in accordance with the approved Medicaid State Plan in order to improve health and developmental outcomes for children. (P.L. 105-33)

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

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

EDUCATION JOBS FUND-FEDERAL STIMULUS – Funding to promote jobs and education for all students.

ENLANCE-UNM – Programs centered on family and community engagement, student to student mentoring, institution of sound educational policies, development of culturally relevant curricula, and professional development for teachers.

LANL FOUNDATION – To account for monies received from Los Alamos National Labs Foundation responding to the urgent needs in Northern New Mexico by assisting with small requests for community, cultural or educational projects. Authorization is the creation of the fund by PED and Authorization by the Foundation.

INTEL FOUNDATION – To assist schools in education by reducing the student to teacher ratio.

NORTHERN NM NETWORK – TEACHER INCENTIVE FUND - To account for a grant to purchase software for the STAR early literacy program.

DUAL CREDIT INSTRUCTIONAL MATERIALS – To purchase college textbooks for student who dual enroll in college credited courses while still attending high school.

NEW MEXICO READS TO K-3 READING INITIATIVE – The purpose of this grant is to provide funding for reading initiative for grades K-3. Funds accounted for in this fund are received from the State of New Mexico. The authority for creation of this fund is the School Board and the New Mexico Public Education Department.

TANF PED – Funding for the TANF Program through the Public Education Department to promote job preparation and work.

TECHNOLOGY FOR EDUCATION PED – 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.

OBESTIY PROGRAM-PED – To provide for physical activities before and after school.

TANF FULL DAY KINDERGARTEN – The purpose of this grant is to assist the District to develop and implement a full day kindergarten program.

INCENTIVES FOR SCHOOL IMPROVEMENT ACT-PED – 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 to awarded locations and to purchase items to improve those schools.

TRUANCY INITIATIVE – To hire a truancy and dropout prevention coach for Taos Municipal Schools. Funding provided by the New Mexico Public Education Department.

SUMMER BRIDGE – To account for revenues and expenditures from a state grant to provide funding for summer programs.

PREK INITIATIVE – The Pre- K Initiative program provides high-quality early childhood services (in accordance with the NM Pre-K standards) to four year old children in need. Authorized through 32A-23-a NMSA 1978.

INDIAN EDUCATION ACT – To account for funding provided by New Mexico Legislature through the New Mexico Public Education Department supporting various Exemplary Culture Based Education programs.

BEGINNING TEACHER MENTORING PROGRAM – 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 from creation of this fund is NMSA 22-2-8-10.

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

KINDERGARTEN-THREE PLUS – In 2007, Representative Mimi Steward sponsored House Bill 198 to establish a fund to allow New Mexico public schools and districts to develop a six year pilot project that extends to the school year for kindergarten through third grade by up to two months for participating students to measure the effect of additional time on literacy, numeric and social skills development.

AFTER SCHOOL AND SUMMER ENRICHMENT PROGRAM – The purpose of this award is to create learning centers that will provide student with a broad range of exceptional, school-linked learning and developmental opportunities, designed to complement the students' regular academic program. Funding for this program is provided through the New Mexico Public Education Department, Special Appropriation Fund.

2013 SCHOOL BUS – To account for funds provided by New Mexico Public Education Department to purchase school buses.

NM GROWN FRESH FRUITS AND VEGETABLE – To account for funds provided by New Mexico Public Education Department to purchase New Mexico locally grown fresh fruits and vegetables for school meal programs.

SOCIAL WORKERS FOR MIDDLE SCHOOLS – To account for funds provided by New Mexico Public Education Department to hire social workers for the middle school.

SCHOOL LIBRARY MATERIAL FUND FY 08 – Funds awarded to the District by the Instructional Materials Bureau in accordance with 2008 Senate Bill 471 for purchases of library books. Authorized by the School Board and the New Mexico Public Education Department.

ASSIST TABACCO DOH – To account for monies received from the State of New Mexico to be used for the implementation of prevention and intervention programs for student use of tobacco, including professional development for teachers.

HEALTHIER SCHOOLS – To account for the activities of a program to provide for healthier schools by providing a health center at the schools. Funding is from the New Mexico Department of Health.

OFFICE OF CULTURAL AFFAIRS – To fund activities for the New Mexico Arts Program.

GEAR UP CHE – (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 college.

GRADE-CHILD CARE – Partially fund the salary and benefits for a teacher participating in the GRADS program. Authority for the creation of this fund is the New Mexico Education Department.

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

GRADS PLUS – To support a shared case management model between the Taos High School GRADS program and school and community partners. Funding is provided through the New Mexico GRADS System.

PRIVATE DIRECT GRANTS – To account for local grants awarded to provide additional funding for specific projects.

SCHOOL BASED HEALTH CENTER – To enhance school based health centers infrastructure, develop and implement billing protocols, improve communication with school personnel, families, and outside agencies, and improve behavioral health programs.

ANANSI CHARTER SCHOOL

FOOD SERVICES – This fund is utilized to account for Federal and Local sources of income relating to the food service programs. The Food Service Fund is segregated into two categories, one being the Federal funds and the other being Non-Federal funds. Federal funds consist of National School Lunch Program, which is administered by the State of New Mexico for the purpose of making break and lunch available to all school children and to encourage the domestic consumption of agricultural commodities and other food components. Authority for the creation of this fund is NMSA 22-13-13.

IDEA-B ENTITLEMENT – 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.

SEG FEDERAL STIMULUS – To account for resources received to supplement State and Local funding normally received for the operation of the school district. Financing and authority for this program are the American Recovery and Reinvestment Act.

LANL FOUNDATION – To account for monies received from Los Alamos National Labs Foundation responding to the urgent needs in Northern New Mexico by assisting with small requests for community, cultural or educational projects. Authorization is the creation of the fund by PED and Authorization by the Foundation.

2012 GO BONDS STUDENT LIBRARY FUND (SB66) - Funds used to purchase library books and library supplies for all school sites. Program is authorized by state statute.

NM READS TO LEAD K-3 READING INITIATIVE – The purpose of this grant is to provide funding for reading initiative activities for grades K-3. Funds accounted for in this fund are received from the State of New Mexico. The authority for creation of this fund is the School Board and the New Mexico Public Education Department.

ROBOTICS 2012 – The purpose of this grant is for robot and related equipment for robot education programs in public schools statewide that is participating in the annual International Robot Competition in Albuquerque in Bernalillo County. The fund is managed through the New Mexico Public Education Department and is authorized by Severance Tax Bonds, HB-55, Chapter 66, Section 13, Paragraph 243, Laws of 2014.

PRIVATE DIRECT GRANT – To provide students with experiences and career awareness in wildlife, forestry and environmental management operations.

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

TAOS CHARTER SCHOOL

FOOD SERVICES – This fund is utilized to account for Federal and Local sources of income relating to the food service programs. The Food Service Fund is segregated into two categories, one being the Federal funds and the other being Non-Federal funds. Federal funds consist of National School Lunch Program, which is administered by the State of New Mexico for the purpose of making break and lunch available to all school children and to encourage the domestic consumption of agricultural commodities and other food components. Authority for the creation of this fund is NMSA 22-13-13.

IDEA-B ENTITLEMENT – 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.

SEG FEDERAL STIMULUS – To account for resources received to supplement State and Local funding normally received for the operation of the school district. Financing and authority for this program are the American Recovery and Reinvestment Act.

GOLDEN APPLE – To account for funds provided by a local grant. The authority for creation of this fund is the School Board and the New Mexico Public Education Department.

2012 GO BONDS STUDENT LIBRARY FUND (SB66) - Funds used to purchase library books and library supplies for all school sites. Program is authorized by state statute.

NM READS TO LEAD K-3 READING INITIATIVE – The purpose of this grant is to provide funding for reading initiative activities for grades K-3. Funds accounted for in this fund are received from the State of New Mexico. The authority for creation of this fund is the School Board and the New Mexico Public Education Department.

2010 GO BONDS INSTRUCTIONAL MATERIALS – Accounts for funds provided for the purchase of books and instructional materials to The Family School. Funds accounted for in this fund are received from the State of New Mexico. The authority for creation of this fund is the School Board and the New Mexico Public Education Department.

PRIVATE DIRECT GRANT – To provide students with experiences and career awareness in wildlife, forestry and environmental management operations.

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

VISTA GRANDE HIGH SCHOOL

FOOD SERVICES – This fund is utilized to account for Federal and Local sources of income relating to the food service programs. The Food Service Fund is segregated into two categories, one being the Federal funds and the other being Non-Federal funds. Federal funds consist of National School Lunch Program, which is administered by the State of New Mexico for the purpose of making break and lunch available to all school children and to encourage the domestic consumption of agricultural commodities and other food components. Authority for the creation of this fund is NMSA 22-13-13.

TITLE I IASA – The major objectives of the Title I programs 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.

IDEA-B ENTITLEMENT – 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.

USDA EQUIPMENT ASSISTANCE PROGRAM – To account for funds to be used to buy equipment for the cafeteria. Authority for the fund is the USDA and the Charter board.

2010 GO BONDS STUDENT LIBRARY FUND (SB1) – Funds used to purchase library books and library supplies for all school sites. Program is authorized by state statute.

2012 GO BONDS STUDENT LIBRARY FUND (SB66) - Funds used to purchase library books and library supplies for all school sites. Program is authorized by state statute.

TECHNOLOGY FOR EDUCATION – State funding to provide financial assistance to school districts to improve educational opportunities for all students to close the technology gap between schools and the workplace through enhancement of computer education. The funding is provided by state resources and supplements the federal funding for the Technology Literacy Challenge Grant. The creation of the fund is authorized by NMSA 1978 22-5A-1 to 22-15A-10.

AFTER SCHOOL SUMMER ENRICHMENT – To account for funds from the New Mexico Public Education Department, Coordinated School Health and Wellness Bureau. These funds are to be used for the implementation of quality after school and summer enrichment programs that address literacy in an effort to close the achievement gap within and between schools.

STEM TEACHER INITIATIVE – To account for funds provided by the New Mexico Public Education Department. These funds are to be used as stipends for highly effective teachers in the areas of Science, Technology, Engineering or Mathematics (grades 7-12).

SCHOOL LIBRARY MATERIAL FUND FY08 – Funds awarded to the District by the instructional Materials Bureau in accordance with 2008 Senate Bill 471 purchases of library books. Authorized by the School Board and the New Mexico Public Education Department.

PRIVATE DIRECT GRANT – To provide students with experiences and career awareness in wildlife, forestry and environmental management operations.

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL

COMBINING BALANCE SHEET--NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

June 30, 2016

	Food Services	Athletics	IDEA- B Entitlement	IDEA-B Discretionary
ASSETS				
Cash and cash equivalents	\$ -	\$ 7,038	\$ -	\$ -
Accounts Receivable				
Property Taxes Receivable	-	-	-	-
Federal	-	-	110,019	-
State	-	-	-	-
Inventories	15,918	-	-	-
Due from Other Funds	-	-	-	-
TOTAL ASSETS	<u>\$ 15,918</u>	<u>\$ 7,038</u>	<u>\$ 110,019</u>	<u>\$ -</u>
LIABILITIES AND OTHER CREDITS				
Accounts Payable	\$ -	\$ -	\$ 5,739	\$ -
Accrued Payroll Liabilities	-	-	-	-
Due to Charter Schools	-	-	18,044	-
Due to Other Funds	201,250	-	86,236	-
Accrued Interest Payable	-	-	-	-
TOTAL LIABILITIES	<u>201,250</u>	<u>-</u>	<u>110,019</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	-
TOTAL DEFERRED INFLOWS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE				
Nonspendable	15,918	-	-	-
Restricted	(201,250)	7,038	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
TOTAL FUND BALANCE	<u>(185,332)</u>	<u>7,038</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 15,918</u>	<u>\$ 7,038</u>	<u>\$ 110,019</u>	<u>\$ -</u>

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

EXHIBIT B-1

<u>New Mexico Autism Project</u>	<u>IDEA-B Preschool</u>	<u>Fresh Fruits & Vegetables</u>	<u>IDEA-B Risk Pool</u>	<u>IDEA-B RESULTS PLAN</u>	<u>Enhancing Ed Thru Tech E2T2-F</u>
\$ 492	\$ -	\$ -	\$ -	\$ -	\$ 2,409
-	-	-	-	-	-
506	391	-	442	12,818	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 998</u>	<u>\$ 391</u>	<u>\$ -</u>	<u>\$ 442</u>	<u>\$ 12,818</u>	<u>\$ 2,409</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	391	-	442	12,818	-
-	-	-	-	-	-
<u>-</u>	<u>391</u>	<u>-</u>	<u>442</u>	<u>12,818</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
998	-	-	-	-	2,409
-	-	-	-	-	-
-	-	-	-	-	-
<u>998</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,409</u>
<u>\$ 998</u>	<u>\$ 391</u>	<u>\$ -</u>	<u>\$ 442</u>	<u>\$ 12,818</u>	<u>\$ 2,409</u>

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL

COMBINING BALANCE SHEET--NON-MAJOR GOVERNMENTAL FUNDS
 SPECIAL REVENUE FUNDS

June 30, 2016

	ELL Title III Incentive Awards	Title V Innovative Ed Pro Strategies	English Language Acquisition
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ -
Accounts Receivable			
Property Taxes Receivable	-	-	-
Federal	-	-	16,120
State	-	-	-
Inventories	-	-	-
Due from Other Funds	-	-	-
TOTAL ASSETS	\$ -	\$ -	\$ 16,120
LIABILITIES AND OTHER CREDITS			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Payroll Liabilities	-	-	-
Due to Charter Schools	-	-	-
Due to Other Funds	-	-	16,120
Accrued Interest Payable	-	-	-
TOTAL LIABILITIES	-	-	16,120
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	-	-	-
TOTAL DEFERRED INFLOWS	-	-	-
FUND BALANCE			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
TOTAL FUND BALANCE	-	-	-
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	\$ -	\$ -	\$ 16,120

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

EXHIBIT B-1
CONTINUED

Teacher/Principal Training	Safe & Drug Free Schools	21st Century Community Living Centers	Rural & Low Income Schools	Title I School Improvement	Title III Immigrant Funding
\$ -	\$ -	\$ 8,123	\$ -	\$ -	\$ -
-	-	-	-	-	-
67,318	-	-	10,822	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 67,318</u>	<u>\$ -</u>	<u>\$ 8,123</u>	<u>\$ 10,822</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
67,318	-	-	9,199	-	-
-	-	-	-	-	-
<u>67,318</u>	<u>-</u>	<u>-</u>	<u>9,199</u>	<u>-</u>	<u>-</u>
-	-	-	1,623	-	-
-	-	-	1,623	-	-
-	-	-	-	-	-
-	-	8,123	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>8,123</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 67,318</u>	<u>\$ -</u>	<u>\$ 8,123</u>	<u>\$ 10,822</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL

COMBINING BALANCE SHEET--NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

June 30, 2016

	Carl D Perkins Special Projects - JAG	Carl D Perkins Secondary Current	Carl D Perkins Secondary Redistribution	Carl D Perkins HSTW Current
ASSETS				
Cash and cash equivalents	\$ 22,058	\$ -	\$ -	\$ -
Accounts Receivable				
Property Taxes Receivable	-	-	-	-
Federal	-	23,969	5,296	52,551
State	-	-	-	-
Inventories	-	-	-	-
Due from Other Funds	-	-	-	-
TOTAL ASSETS	<u>\$ 22,058</u>	<u>\$ 23,969</u>	<u>\$ 5,296</u>	<u>\$ 52,551</u>
LIABILITIES AND OTHER CREDITS				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Payroll Liabilities	-	-	-	-
Due to Charter Schools	-	-	-	-
Due to Other Funds	-	23,969	5,296	52,551
Accrued Interest Payable	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>23,969</u>	<u>5,296</u>	<u>52,551</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	-
TOTAL DEFERRED INFLOWS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE				
Nonspendable	-	-	-	-
Restricted	22,058	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
TOTAL FUND BALANCE	<u>22,058</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 22,058</u>	<u>\$ 23,969</u>	<u>\$ 5,296</u>	<u>\$ 52,551</u>

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

EXHIBIT B-1
CONTINUED

<u>Title I Stimulus</u>	<u>IDEA-B Entitlement Stimulus</u>	<u>Impact Aid Special Education</u>	<u>Impact Aid Indian Education</u>	<u>GRADS Child Care CYFD</u>	<u>Medicaid Title XIX</u>
\$ -	\$ 394	\$ 23,286	\$ 10,782	\$ 6,556	\$ 57,392
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 394</u>	<u>\$ 23,286</u>	<u>\$ 10,782</u>	<u>\$ 6,556</u>	<u>\$ 57,392</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	394	23,286	10,782	6,556	57,392
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>394</u>	<u>23,286</u>	<u>10,782</u>	<u>6,556</u>	<u>57,392</u>
<u>\$ -</u>	<u>\$ 394</u>	<u>\$ 23,286</u>	<u>\$ 10,782</u>	<u>\$ 6,556</u>	<u>\$ 57,392</u>

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL

COMBINING BALANCE SHEET--NON-MAJOR GOVERNMENTAL FUNDS
 SPECIAL REVENUE FUNDS

June 30, 2016

	TANF/GRADS HSD	Indian Ed Formula Grant	Education Jobs Fund Stimulus	ENLACE UNM
ASSETS				
Cash and cash equivalents	\$ -	\$ 558	\$ -	\$ -
Accounts Receivable				
Property Taxes Receivable	-	-	-	-
Federal	-	-	-	-
State	-	-	-	-
Inventories	-	-	-	-
Due from Other Funds	-	-	-	-
TOTAL ASSETS	\$ -	\$ 558	\$ -	\$ -
LIABILITIES AND OTHER CREDITS				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Payroll Liabilities	-	-	-	-
Due to Charter Schools	-	-	-	-
Due to Other Funds	-	-	-	-
Accrued Interest Payable	-	-	-	-
TOTAL LIABILITIES	-	-	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	-
TOTAL DEFERRED INFLOWS	-	-	-	-
FUND BALANCE				
Nonspendable	-	-	-	-
Restricted	-	558	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
TOTAL FUND BALANCE	-	558	-	-
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	\$ -	\$ 558	\$ -	\$ -

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

EXHIBIT B-1
CONTINUED

LANL Foundation	Intel Foundation	Northern NM Network - Teacher Incentive Fund	Dual Credit Instructional Materials	2012 GO Bonds Student Library Fund	NM Reads to Lead K-3
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	5,423	26,570	16,565
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,423</u>	<u>\$ 26,570</u>	<u>\$ 16,565</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	5,018	26,570	16,565
-	-	-	-	-	-
-	-	-	5,018	26,570	16,565
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	405	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	405	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,423</u>	<u>\$ 26,570</u>	<u>\$ 16,565</u>

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL

COMBINING BALANCE SHEET--NON-MAJOR GOVERNMENTAL FUNDS
 SPECIAL REVENUE FUNDS

June 30, 2016

	TANF PED	Technology For Education	Obesity Program	TANF Full Day Kindergarten
ASSETS				
Cash and cash equivalents	\$ -	\$ 26,319	\$ 135	\$ -
Accounts Receivable				
Property Taxes Receivable	-	-	-	-
Federal	-	-	-	-
State	-	-	-	-
Inventories	-	-	-	-
Due from Other Funds	-	-	-	-
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 26,319</u>	<u>\$ 135</u>	<u>\$ -</u>
LIABILITIES AND OTHER CREDITS				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Payroll Liabilities	-	-	-	-
Due to Charter Schools	-	-	-	-
Due to Other Funds	-	-	-	-
Accrued Interest Payable	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	-
TOTAL DEFERRED INFLOWS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE				
Nonspendable	-	-	-	-
Restricted	-	26,319	135	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
TOTAL FUND BALANCE	<u>-</u>	<u>26,319</u>	<u>135</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ -</u>	<u>\$ 26,319</u>	<u>\$ 135</u>	<u>\$ -</u>

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

EXHIBIT B-1
CONTINUED

Incentives for School Improvement Act	Truancy Initiative	Summer Bridge	Pre-K Initiative	Indian Education Act	Beginning Teacher Mentoring
\$ 44,234	\$ -	\$ -	\$ -	\$ -	\$ 9,934
-	-	-	-	-	-
-	-	-	-	-	-
-	16,209	-	20,570	7,572	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 44,234</u>	<u>\$ 16,209</u>	<u>\$ -</u>	<u>\$ 20,570</u>	<u>\$ 7,572</u>	<u>\$ 9,934</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	16,209	-	20,570	7,572	-
-	-	-	-	-	-
<u>-</u>	<u>16,209</u>	<u>-</u>	<u>20,570</u>	<u>7,572</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
44,234	-	-	-	-	9,934
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>44,234</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,934</u>
<u>\$ 44,234</u>	<u>\$ 16,209</u>	<u>\$ -</u>	<u>\$ 20,570</u>	<u>\$ 7,572</u>	<u>\$ 9,934</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL

COMBINING BALANCE SHEET--NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

June 30, 2016

	Breakfast for Elementary Students	Kindergarten Three Plus	After School & Summer Enrichment Program	2013 School Bus
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Accounts Receivable				
Property Taxes Receivable	-	-	-	-
Federal	-	-	-	-
State	-	109,041	21,208	-
Inventories	-	-	-	-
Due from Other Funds	-	-	-	-
TOTAL ASSETS	\$ -	\$ 109,041	\$ 21,208	\$ -
LIABILITIES AND OTHER CREDITS				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Payroll Liabilities	-	-	-	-
Due to Charter Schools	-	-	-	-
Due to Other Funds	-	109,041	21,208	-
Accrued Interest Payable	-	-	-	-
TOTAL LIABILITIES	-	109,041	21,208	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	-
TOTAL DEFERRED INFLOWS	-	-	-	-
FUND BALANCE				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
TOTAL FUND BALANCE	-	-	-	-
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	\$ -	\$ 109,041	\$ 21,208	\$ -

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

EXHIBIT B-1
CONTINUED

<u>NM Grown Fruits & Vegetables</u>	<u>Social Workers for Middle Schools</u>	<u>School Library Material Fund FY08</u>	<u>ASSIST Tobacco DOH</u>	<u>Healthier Schools</u>	<u>Office of Cultural Affairs</u>
\$ -	\$ -	\$ 972	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	2,453	-	-	-	6,546
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 2,453</u>	<u>\$ 972</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,546</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	2,453	-	-	-	6,546
-	-	-	-	-	-
<u>-</u>	<u>2,453</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,546</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	972	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>972</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ 2,453</u>	<u>\$ 972</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,546</u>

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL

COMBINING BALANCE SHEET--NON-MAJOR GOVERNMENTAL FUNDS
 SPECIAL REVENUE FUNDS

June 30, 2016

	GEAR-UP CHE	GRADS - Child Care
ASSETS		
Cash and cash equivalents	\$ -	\$ 22,515
Accounts Receivable		
Property Taxes Receivable	-	-
Federal	-	-
State	-	-
Inventories	-	-
Due from Other Funds	-	-
TOTAL ASSETS	\$ -	\$ 22,515
LIABILITIES AND OTHER CREDITS		
Accounts Payable	\$ -	\$ -
Accrued Payroll Liabilities	-	-
Due to Charter Schools	-	-
Due to Other Funds	-	-
Accrued Interest Payable	-	-
TOTAL LIABILITIES	-	-
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue	-	-
TOTAL DEFFERED INFLOWS	-	-
FUND BALANCE		
Nonspendable	-	-
Restricted	-	22,515
Committed	-	-
Assigned	-	-
Unassigned	-	-
TOTAL FUND BALANCE	-	22,515
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	\$ -	\$ 22,515

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

EXHIBIT B-1
CONTINUED

GRADS - Instruction	GRADS Plus	Private Direct Grants	School Based Health Center	Total Non-Major Special Revenue Funds
\$ 1,648	\$ -	\$ 4,946	\$ -	\$ 249,791
-	-	-	-	-
-	-	-	-	300,252
-	-	-	-	232,157
-	-	-	-	15,918
-	-	-	-	-
<u>\$ 1,648</u>	<u>\$ -</u>	<u>\$ 4,946</u>	<u>\$ -</u>	<u>\$ 798,118</u>
\$ -	\$ -	\$ -	\$ -	\$ 5,739
-	-	-	-	-
-	-	-	-	18,044
-	-	-	-	707,342
-	-	-	-	-
-	-	-	-	731,125
-	-	-	-	-
-	-	-	-	1,623
-	-	-	-	1,623
-	-	-	-	-
1,648	-	4,946	-	15,918
-	-	-	-	49,452
-	-	-	-	-
-	-	-	-	-
<u>1,648</u>	<u>-</u>	<u>4,946</u>	<u>-</u>	<u>65,370</u>
<u>\$ 1,648</u>	<u>\$ -</u>	<u>\$ 4,946</u>	<u>\$ -</u>	<u>\$ 798,118</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

Year Ended June 30, 2016

	Food Services	Athletics	IDEA- B Entitlement	IDEA-B Discretionary
REVENUE				
Federal Programs	\$ 1,362,866	\$ -	\$ 548,822	\$ -
State Programs	101,470	-	-	-
Local Programs	-	-	-	-
State Equalization	-	-	-	-
Service Revenues	173,109	67,116	-	-
Taxes	-	-	-	-
Interest	-	-	-	-
Other revenue sources	-	-	-	-
TOTAL REVENUES	1,637,445	67,116	548,822	-
EXPENDITURES				
Current				
Instruction	-	62,704	297,994	-
Support Services	-	-	-	-
Support Services Students	-	-	76,027	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	30,030	-
Support Services School Administration	-	-	22,396	-
Central Services	-	-	98,986	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	17,670	-
Food Services Operations	1,600,375	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	1,600,375	62,704	543,103	-
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	37,070	4,412	5,719	-
Other Financing Sources (Uses)				
Transfer In/Transfers (Out)	-	-	-	9,338
Total Other Financing Sources	-	-	-	9,338
NET CHANGE IN FUND BALANCE	37,070	4,412	5,719	9,338
FUND BALANCE				
June 30, 2015	(222,402)	2,626	(5,719)	(9,338)
Restatements	-	-	-	-
June 30, 2015 as restated	(222,402)	2,626	(5,719)	(9,338)
FUND BALANCE	-	-	-	-
June 30, 2016	\$ (185,332)	\$ 7,038	\$ -	\$ -

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

EXHIBIT B-2

<u>New Mexico Autism Project</u>	<u>IDEA-B Preschool</u>	<u>Fresh Fruits & Vegetables</u>	<u>IDEA-B Risk Pool</u>	<u>IDEA-B RESULTS PLAN</u>	<u>Enhancing Ed Thru Tech E2T2-F</u>
\$ 6,713	\$ 3,622	\$ 56,715	\$ 442	\$ 38,634	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>6,713</u>	<u>3,622</u>	<u>56,715</u>	<u>442</u>	<u>38,634</u>	<u>-</u>
3,195	2,323	-	427	37,284	-
-	-	-	-	-	-
3,518	281	-	-	-	-
-	-	-	-	-	-
-	127	-	15	1,350	-
-	-	-	-	-	-
-	-	-	-	-	-
-	891	-	-	-	-
-	-	56,715	-	-	-
-	-	-	-	-	-
<u>6,713</u>	<u>3,622</u>	<u>56,715</u>	<u>442</u>	<u>38,634</u>	<u>-</u>
-	-	-	-	-	-
-	-	30,780	-	-	-
-	-	<u>30,780</u>	-	-	-
-	-	30,780	-	-	-
998	-	(73,847)	-	(171,492)	2,409
-	-	43,067	-	171,492	-
<u>998</u>	<u>-</u>	<u>(30,780)</u>	<u>-</u>	<u>-</u>	<u>2,409</u>
<u>\$ 998</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,409</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

Year Ended June 30, 2016

	ELL Title III Incentive Awards	Title V Innovative Ed Pro Strategies	English Language Acquisition
REVENUE			
Federal Programs	\$ -	\$ -	\$ 30,822
State Programs	-	-	-
Local Programs	-	-	-
State Equalization	-	-	-
Service Revenues	-	-	-
Taxes	-	-	-
Interest	-	-	-
Other revenue sources	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>30,822</u>
EXPENDITURES			
Current			
Instruction	-	-	30,135
Support Services	-	-	-
Support Services Students	-	-	-
Support Services Instruction	-	-	-
Support Services General Administration	-	-	687
Support Services School Administration	-	-	-
Central Services	-	-	-
Operation and Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Food Services Operations	-	-	-
Capital Outlay	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>30,822</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	-	-
Other Financing Sources (Uses)			
Transfer In/Transfers (Out)	2,467	(22)	18,597
Total Other Financing Sources	<u>2,467</u>	<u>(22)</u>	<u>18,597</u>
NET CHANGE IN FUND BALANCE	2,467	(22)	18,597
FUND BALANCE			
June 30, 2015	(2,467)	22	(45,798)
Restatements	-	-	27,201
June 30, 2015 as restated	<u>(2,467)</u>	<u>22</u>	<u>(18,597)</u>
FUND BALANCE June 30, 2016	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

EXHIBIT B-2
CONTINUED

Teacher/Principal Training	Safe & Drug Free Schools	21st Century Community Living Centers	Rural & Low Income Schools	Title I School Improvement	Title III Immigrant Funding
\$ 154,988	\$ -	\$ -	\$ 38,954	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
154,988	-	-	38,954	-	-
141,218	-	-	37,560	-	-
-	-	-	-	-	-
13	-	-	33	-	-
-	-	-	-	-	-
7,192	-	-	1,361	-	-
6,565	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
154,988	-	-	38,954	-	-
-	-	-	-	-	-
8,731	1,594	-	-	-	19,711
8,731	1,594	-	-	-	19,711
8,731	1,594	-	-	-	19,711
(124,145)	(1,594)	8,123	(15,288)	-	(19,711)
115,414	-	-	15,288	-	-
(8,731)	(1,594)	8,123	-	-	(19,711)
\$ -	\$ -	\$ 8,123	\$ -	\$ -	\$ -

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

Year Ended June 30, 2016

	Carl D Perkins Special Projects - JAG	Carl D Perkins Secondary Current	Carl D Perkins Secondary Redistribution	Carl D Perkins HSTW Current
REVENUE				
Federal Programs	\$ -	\$ 38,160	\$ 5,296	\$ 96,347
State Programs	-	-	-	-
Local Programs	-	-	-	-
State Equalization	-	-	-	-
Service Revenues	-	-	-	-
Taxes	-	-	-	-
Interest	-	-	-	-
Other revenue sources	-	-	-	-
TOTAL REVENUES	-	38,160	5,296	96,347
EXPENDITURES				
Current				
Instruction	-	36,846	5,296	93,478
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	2,869
Support Services School Administration	-	1,314	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	-	38,160	5,296	96,347
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	-	-	-
Other Financing Sources (Uses)				
Transfer In/Transfers (Out)	-	(217)	-	-
Total Other Financing Sources	-	(217)	-	-
NET CHANGE IN FUND BALANCE	-	(217)	-	-
FUND BALANCE				
June 30, 2015	22,058	(4,941)	-	-
Restatements	-	5,158	-	-
June 30, 2015 as restated	22,058	217	-	-
FUND BALANCE June 30, 2016	\$ 22,058	\$ -	\$ -	\$ -

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

EXHIBIT B-2
CONTINUED

<u>Title I Stimulus</u>	<u>IDEA-B Entitlement Stimulus</u>	<u>Impact Aid Special Education</u>	<u>Impact Aid Indian Education</u>	<u>GRADS Child Care CYFD</u>	<u>Medicaid Title XIX</u>
\$ -	\$ -	\$ 16,407	\$ 7,164	\$ -	\$ 195,052
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	16,407	7,164	-	195,052
-	-	30,589	4,135	-	125,731
-	-	6,784	3,327	-	151,946
-	-	1,353	270	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	38,726	7,732	-	277,677
-	-	(22,319)	(568)	-	(82,625)
12,721	-	-	-	-	-
12,721	-	-	-	-	-
12,721	-	(22,319)	(568)	-	(82,625)
(12,721)	394	45,605	11,350	6,556	139,072
-	-	-	-	-	945
(12,721)	394	45,605	11,350	6,556	140,017
\$ -	\$ 394	\$ 23,286	\$ 10,782	\$ 6,556	\$ 57,392

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

Year Ended June 30, 2016

	TANF/GRADS HSD	Indian Ed Formula Grant	Education Jobs Fund Stimulus	ENLACE UNM
REVENUE				
Federal Programs	\$ -	\$ 52,158	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
State Equalization	-	-	-	-
Service Revenues	-	-	-	-
Taxes	-	-	-	-
Interest	-	-	-	-
Other revenue sources	-	-	-	-
TOTAL REVENUES	-	52,158	-	-
EXPENDITURES				
Current				
Instruction	-	28,078	-	-
Support Services	-	-	-	-
Support Services Students	-	9,106	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	1,346	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	-	38,530	-	-
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	13,628	-	-
Other Financing Sources (Uses)				
Transfer In/Transfers (Out)	(13,757)	(1,931)	(1,500)	(34)
Total Other Financing Sources	(13,757)	(1,931)	(1,500)	(34)
NET CHANGE IN FUND BALANCE	(13,757)	11,697	(1,500)	(34)
FUND BALANCE				
June 30, 2015	13,757	(11,139)	1,500	34
Restatements	-	-	-	-
June 30, 2015 as restated	13,757	(11,139)	1,500	34
FUND BALANCE				
June 30, 2016	\$ -	\$ 558	\$ -	\$ -

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

EXHIBIT B-2
CONTINUED

LANL Foundation	Intel Foundation	Northern NM Network - Teacher Incentive Fund	Dual Credit Instructional Materials	2012 GO Bonds Student Library Fund	NM Reads to Lead K-3
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	20,584	31,944	97,499
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	20,584	31,944	97,499
-	-	-	-	-	-
-	-	-	20,584	-	94,093
-	-	-	-	-	-
-	-	-	-	31,944	-
-	-	-	-	-	3,406
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	20,584	31,944	97,499
-	-	-	-	-	-
(1,595)	(3,000)	(44,090)	-	-	-
(1,595)	(3,000)	(44,090)	-	-	-
(1,595)	(3,000)	(44,090)	-	-	-
1,595	3,000	44,090	404	(15,933)	-
-	-	-	1	15,933	-
1,595	3,000	44,090	405	-	-
\$ -	\$ -	\$ -	\$ 405	\$ -	\$ -

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

Year Ended June 30, 2016

	TANF PED	Technology For Education	Obesity Program	TANF Full Day Kindergarten
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
State Equalization	-	-	-	-
Service Revenues	-	-	-	-
Taxes	-	-	-	-
Interest	-	-	-	-
Other revenue sources	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES				
Current				
Instruction	-	-	-	-
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	-	-	-
Other Financing Sources (Uses)				
Transfer In/Transfers (Out)	(1)	-	-	(207)
Total Other Financing Sources	(1)	-	-	(207)
NET CHANGE IN FUND BALANCE	(1)	-	-	(207)
FUND BALANCE				
June 30, 2015	1	26,319	135	207
Restatements	-	-	-	-
June 30, 2015 as restated	1	26,319	135	207
FUND BALANCE	\$ -	\$ 26,319	\$ 135	\$ -

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

EXHIBIT B-2
CONTINUED

Incentives for School Improvement Act	Truancy Initiative	Summer Bridge	Pre-K Initiative	Indian Education Act	Beginning Teacher Mentoring
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	83,449	-	106,431	16,989	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>83,449</u>	<u>-</u>	<u>106,431</u>	<u>16,989</u>	<u>-</u>
-	-	-	105,431	10,487	-
-	-	-	-	-	-
-	83,449	-	-	5,656	-
-	-	-	-	-	-
-	-	-	1,000	846	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>83,449</u>	<u>-</u>	<u>106,431</u>	<u>16,989</u>	<u>-</u>
-	-	-	-	-	-
-	-	(107)	-	221	-
<u>-</u>	<u>-</u>	<u>(107)</u>	<u>-</u>	<u>221</u>	<u>-</u>
-	-	(107)	-	221	-
44,234	-	107	-	(221)	9,934
-	-	-	-	-	-
<u>44,234</u>	<u>-</u>	<u>107</u>	<u>-</u>	<u>(221)</u>	<u>9,934</u>
<u>\$ 44,234</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,934</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

Year Ended June 30, 2016

	Breakfast for Elementary Students	Kindergarten Three Plus	After School & Summer Enrichment Program	2013 School Bus
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	23,284	251,900	49,750	-
Local Programs	-	-	-	-
State Equalization	-	-	-	-
Service Revenues	-	-	-	-
Taxes	-	-	-	-
Interest	-	-	-	-
Other revenue sources	-	-	-	-
TOTAL REVENUES	23,284	251,900	49,750	-
EXPENDITURES				
Current				
Instruction	-	195,613	45,672	-
Support Services	-	-	-	-
Support Services Students	-	7,757	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	4,078	-
Support Services School Administration	-	27,196	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	1,215	-	-
Student Transportation	-	20,119	-	-
Food Services Operations	23,284	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	23,284	251,900	49,750	-
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	-	-	-
Other Financing Sources (Uses)				
Transfer In/Transfers (Out)	9,897	(53,260)	-	-
Total Other Financing Sources	9,897	(53,260)	-	-
NET CHANGE IN FUND BALANCE	9,897	(53,260)	-	-
FUND BALANCE				
June 30, 2015	(9,897)	53,260	-	(78,200)
Restatements	-	-	-	78,200
June 30, 2015 as restated	(9,897)	53,260	-	-
FUND BALANCE	-	-	-	-
June 30, 2016	\$ -	\$ -	\$ -	\$ -

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

EXHIBIT B-2
CONTINUED

NM Grown Fruits & Vegetables	Social Workers for Middle Schools	School Library Material Fund FY08	ASSIST Tobacco DOH	Healthier Schools	Office of Cultural Affairs
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,012	65,000	-	-	-	6,546
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>3,012</u>	<u>65,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,546</u>
-	-	-	-	-	6,546
-	-	-	-	-	-
-	65,000	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,012	-	-	-	-	-
-	-	-	-	-	-
<u>3,012</u>	<u>65,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,546</u>
-	-	-	-	-	-
-	-	-	(11,831)	(57,116)	-
-	-	-	<u>(11,831)</u>	<u>(57,116)</u>	-
-	-	-	(11,831)	(57,116)	-
-	-	972	11,831	57,116	-
-	-	-	-	-	-
-	-	<u>972</u>	<u>11,831</u>	<u>57,116</u>	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 972</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

Year Ended June 30, 2016

	GEAR-UP CHE	GRADS - Child Care
REVENUE		
Federal Programs	\$ -	\$ -
State Programs	-	24,372
Local Programs	-	-
State Equalization	-	-
Service Revenues	-	-
Taxes	-	-
Interest	-	-
Other revenue sources	-	-
TOTAL REVENUES	<u>-</u>	<u>24,372</u>
EXPENDITURES		
Current		
Instruction	-	25,826
Support Services	-	-
Support Services Students	-	9,572
Support Services Instruction	-	-
Support Services General Administration	-	-
Support Services School Administration	-	-
Central Services	-	-
Operation and Maintenance of Plant	-	-
Student Transportation	-	-
Food Services Operations	-	-
Capital Outlay	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>35,398</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	(11,026)
Other Financing Sources (Uses)		
Transfer In/Transfers (Out)	44,141	-
Total Other Financing Sources	<u>44,141</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	44,141	(11,026)
FUND BALANCE		
June 30, 2015	(44,141)	33,541
Restatements	-	-
June 30, 2015 as restated	<u>(44,141)</u>	<u>33,541</u>
FUND BALANCE June 30, 2016	<u>\$ -</u>	<u>\$ 22,515</u>

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

EXHIBIT B-2
CONTINUED

GRADS - Instruction	GRADS Plus	Private Direct Grants	School Based Health Center	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
\$ -	\$ -	\$ -	\$ -	\$ 2,653,162
5,648	9,983	-	-	897,861
-	-	-	-	-
-	-	-	-	-
-	-	-	-	240,225
-	-	-	-	-
-	-	-	-	-
<u>5,648</u>	<u>9,983</u>	<u>-</u>	<u>-</u>	<u>3,791,248</u>
-	-	182	-	1,441,427
-	-	-	-	-
4,000	9,983	-	-	436,452
-	-	-	-	31,944
-	-	-	-	55,930
-	-	-	-	57,471
-	-	-	-	98,986
-	-	-	-	1,215
-	-	-	-	38,680
-	-	-	-	1,683,386
-	-	-	-	-
<u>4,000</u>	<u>9,983</u>	<u>182</u>	<u>-</u>	<u>3,845,491</u>
1,648	-	(182)	-	(54,243)
1,649	-	-	26,117	(2,704)
<u>1,649</u>	<u>-</u>	<u>-</u>	<u>26,117</u>	<u>(2,704)</u>
3,297	-	(182)	26,117	(56,947)
(1,649)	-	5,129	(26,117)	(350,381)
-	-	(1)	-	472,698
<u>(1,649)</u>	<u>-</u>	<u>5,128</u>	<u>(26,117)</u>	<u>122,317</u>
<u>\$ 1,648</u>	<u>\$ -</u>	<u>\$ 4,946</u>	<u>\$ -</u>	<u>\$ 65,370</u>

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

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ 1,297,678	\$ 1,297,678	\$ 1,362,866	\$ 65,188
State Programs	115,000	115,000	101,470	(13,530)
Local Programs	242,200	242,200	173,109	(69,091)
TOTAL REVENUE	<u>1,654,878</u>	<u>1,654,878</u>	<u>\$ 1,637,445</u>	<u>\$ (17,433)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 1,654,878</u>	<u>\$ 1,654,878</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	1,654,878	1,654,878	1,599,300	55,578
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 1,654,878</u>	<u>\$ 1,654,878</u>	<u>\$ 1,599,300</u>	<u>\$ 55,578</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

EXHIBIT B-4

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	67,159	67,159	67,116	(43)
TOTAL REVENUE	<u>67,159</u>	<u>67,159</u>	<u>\$ 67,116</u>	<u>\$ (43)</u>
BUDGETED CASH BALANCE	<u>6,918</u>	<u>2,626</u>		
TOTAL REVENUE & CASH	<u>\$ 74,077</u>	<u>\$ 69,785</u>		
EXPENDITURES				
Current				
Instruction	\$ 74,077	\$ 69,785	\$ 62,704	\$ 7,081
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 74,077</u>	<u>\$ 69,785</u>	<u>\$ 62,704</u>	<u>\$ 7,081</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-5

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ 662,555	\$ 791,720	\$ 840,544	\$ 48,824
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>662,555</u>	<u>791,720</u>	<u>\$ 840,544</u>	<u>\$ 48,824</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 662,555</u>	<u>\$ 791,720</u>		
EXPENDITURES				
Current				
Instruction	\$ 400,840	\$ 449,092	\$ 304,713	\$ 144,379
Support Services	-	-	-	-
Support Services Students	56,900	91,312	76,027	15,285
Support Services Instruction	-	-	-	-
Support Services General Administration	32,724	39,536	30,030	9,506
Support Services School Administration	48,310	51,110	22,396	28,714
Central Services	113,781	132,670	98,986	33,684
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	10,000	28,000	17,670	10,330
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 662,555</u>	<u>\$ 791,720</u>	<u>\$ 549,822</u>	<u>\$ 241,898</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

EXHIBIT B-6

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-7

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ 6,980	\$ 6,207	\$ (773)
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>6,980</u>	<u>\$ 6,207</u>	<u>\$ (773)</u>
 BUDGETED CASH BALANCE	 <u>-</u>	 <u>-</u>		
 TOTAL REVENUE & CASH	 <u>\$ -</u>	 <u>\$ 6,980</u>		
 EXPENDITURES				
Current				
Instruction	\$ -	\$ 3,374	\$ 3,195	\$ 179
Support Services	-	-	-	-
Support Services Students	-	3,606	3,518	88
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 6,980</u>	<u>\$ 6,713</u>	<u>\$ 267</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-8

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ 20,982	\$ 33,205	\$ 14,686	\$ (18,519)
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>20,982</u>	<u>33,205</u>	<u>\$ 14,686</u>	<u>\$ (18,519)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 20,982</u>	<u>\$ 33,205</u>		
EXPENDITURES				
Current				
Instruction	\$ 11,382	\$ 13,382	\$ 2,323	\$ 11,059
Support Services	-	-	-	-
Support Services Students	-	9,796	281	9,515
Support Services Instruction	-	-	-	-
Support Services General Administration	600	1,027	127	900
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	9,000	9,000	891	8,109
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 20,982</u>	<u>\$ 33,205</u>	<u>\$ 3,622</u>	<u>\$ 29,583</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-9

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--FRESH FRUITS & VEGETABLES

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ 57,096	\$ 100,680	\$ 43,584
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>57,096</u>	<u>\$ 100,680</u>	<u>\$ 43,584</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 57,096</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	57,096	56,715	381
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 57,096</u>	<u>\$ 56,715</u>	<u>\$ 381</u>

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

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ 587	\$ 600	\$ 13
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>587</u>	<u>\$ 600</u>	<u>\$ 13</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 587</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 567	\$ 427	\$ 140
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	20	15	5
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 587</u>	<u>\$ 442</u>	<u>\$ 145</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-11

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ 40,000	\$ 40,000	\$ 397,115	\$ 357,115
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>40,000</u>	<u>40,000</u>	<u>\$ 397,115</u>	<u>\$ 357,115</u>
BUDGETED CASH BALANCE	-	-		
TOTAL REVENUE & CASH	<u>\$ 40,000</u>	<u>\$ 40,000</u>		
EXPENDITURES				
Current				
Instruction	\$ 38,602	\$ 38,602	\$ 37,284	\$ 1,318
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	1,398	1,398	1,350	48
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 40,000</u>	<u>\$ 40,000</u>	<u>\$ 38,634</u>	<u>\$ 1,366</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-12

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--ENHANCING ED THROUGH TECH E2T2-F

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

EXHIBIT B-13

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--ELL TITLE III INCENTIVE AWARDS

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--TITLE V INNOVATIVE ED PROG STRATEGIES

Year Ended June 30, 2016

	ORIGINAL ACTUAL	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-15

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

Year Ended June 30, 2016

	ORIGINAL ACTUAL	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ 26,073	\$ 44,584	\$ 41,902	\$ (2,682)
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>26,073</u>	<u>44,584</u>	<u>\$ 41,902</u>	<u>\$ (2,682)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 26,073</u>	<u>\$ 44,584</u>		
EXPENDITURES				
Current				
Instruction	\$ 25,312	\$ 43,460	\$ 30,135	\$ 13,325
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	511	874	687	187
Support Services School Administration	250	250	-	250
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 26,073</u>	<u>\$ 44,584</u>	<u>\$ 30,822</u>	<u>\$ 13,762</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-16

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ 150,689	\$ 299,908	\$ 203,084	\$ (96,824)
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>150,689</u>	<u>299,908</u>	<u>\$ 203,084</u>	<u>\$ (96,824)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 150,689</u>	<u>\$ 299,908</u>		
EXPENDITURES				
Current				
Instruction	\$ 138,851	\$ 278,843	\$ 141,218	\$ 137,625
Support Services	-	-	-	-
Support Services Students	-	13	13	-
Support Services Instruction	-	-	-	-
Support Services General Administration	6,338	15,052	7,192	7,860
Support Services School Administration	5,500	6,000	6,565	(565)
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 150,689</u>	<u>\$ 299,908</u>	<u>\$ 154,988</u>	<u>\$ 144,920</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-17

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--TITLE IV --SAFE & DRUG FREE SCHOOLS

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-18

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--21ST CENTURY COMMUNITY LIVING CENTERS

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ 45,484	\$ 45,484	\$ 45,043	\$ (441)
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>45,484</u>	<u>45,484</u>	<u>\$ 45,043</u>	<u>\$ (441)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 45,484</u>	<u>\$ 45,484</u>		
EXPENDITURES				
Current				
Instruction	\$ 38,360	\$ 38,360	\$ 37,560	\$ 800
Support Services	-	-	-	-
Support Services Students	1,500	1,500	33	1,467
Support Services Instruction	-	-	-	-
Support Services General Administration	3,124	3,124	1,361	1,763
Support Services School Administration	2,500	2,500	-	2,500
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 45,484</u>	<u>\$ 45,484</u>	<u>\$ 38,954</u>	<u>\$ 6,530</u>

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

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ 22	\$ 22
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ 22</u>	<u>\$ 22</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

EXHIBIT B-22

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--CARL D PERKINS SPECIAL PROJECTS JAG

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-23

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--CARL D PERKINS SECONDARY CURRENT

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ 37,603	\$ 42,208	\$ 29,243	\$ (12,965)
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>37,603</u>	<u>42,208</u>	<u>\$ 29,243</u>	<u>\$ (12,965)</u>
BUDGETED CASH BALANCE	-	-		
TOTAL REVENUE & CASH	<u>\$ 37,603</u>	<u>\$ 42,208</u>		
EXPENDITURES				
Current				
Instruction	\$ 33,136	\$ 37,741	\$ 36,846	\$ 895
Support Services	-	-	-	-
Support Services Students	3,153	3,153	-	3,153
Support Services Instruction	-	-	-	-
Support Services General Administration	1,314	1,314	1,314	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 37,603</u>	<u>\$ 42,208</u>	<u>\$ 38,160</u>	<u>\$ 4,048</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--CARL D PERKINS SECONDARY REDISTRIBUTION

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ 7,343	\$ -	\$ (7,343)
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>7,343</u>	<u>\$ -</u>	<u>\$ (7,343)</u>
BUDGETED CASH BALANCE	-	-		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 7,343</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 7,343	\$ 5,296	\$ 2,047
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 7,343</u>	<u>\$ 5,296</u>	<u>\$ 2,047</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-25

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--CARL D PERKINS HSTW CURRENT

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ 105,871	\$ 43,796	\$ (62,075)
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>105,871</u>	<u>\$ 43,796</u>	<u>\$ (62,075)</u>
BUDGETED CASH BALANCE	-	-		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 105,871</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 103,002	\$ 93,478	\$ 9,524
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	2,869	2,869	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 105,871</u>	<u>\$ 96,347</u>	<u>\$ 9,524</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-26

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

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-27

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-28

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ 27,456	\$ 27,456	\$ 16,407	\$ (11,049)
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>27,456</u>	<u>27,456</u>	<u>\$ 16,407</u>	<u>\$ (11,049)</u>
BUDGETED CASH BALANCE	<u>38,169</u>	<u>38,169</u>		
TOTAL REVENUE & CASH	<u>\$ 65,625</u>	<u>\$ 65,625</u>		
EXPENDITURES				
Current				
Instruction	\$ 57,450	\$ 55,850	\$ 30,589	\$ 25,261
Support Services	-	-	-	-
Support Services Students	5,882	7,482	6,784	698
Support Services Instruction	-	-	-	-
Support Services General Administration	2,293	2,293	1,353	940
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 65,625</u>	<u>\$ 65,625</u>	<u>\$ 38,726</u>	<u>\$ 26,899</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-29

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ 5,766	\$ 5,766	\$ 7,164	\$ 1,398
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>5,766</u>	<u>5,766</u>	<u>\$ 7,164</u>	<u>\$ 1,398</u>
BUDGETED CASH BALANCE	<u>7,170</u>	<u>7,170</u>		
TOTAL REVENUE & CASH	<u>\$ 12,936</u>	<u>\$ 12,936</u>		
EXPENDITURES				
Current				
Instruction	\$ 9,542	\$ 8,842	\$ 4,135	\$ 4,707
Support Services	-	-	-	-
Support Services Students	2,942	3,642	3,327	315
Support Services Instruction	-	-	-	-
Support Services General Administration	452	452	270	182
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 12,936</u>	<u>\$ 12,936</u>	<u>\$ 7,732</u>	<u>\$ 5,204</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-30

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-31

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

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ 122,354	\$ 184,419	\$ 235,764	\$ 51,345
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>122,354</u>	<u>184,419</u>	<u>\$ 235,764</u>	<u>\$ 51,345</u>
BUDGETED CASH BALANCE	<u>201,137</u>	<u>105,594</u>		
TOTAL REVENUE & CASH	<u>\$ 323,491</u>	<u>\$ 290,013</u>		
EXPENDITURES				
Current				
Instruction	\$ 130,079	\$ 128,241	\$ 125,731	\$ 2,510
Support Services	-	-	-	-
Support Services Students	193,412	161,772	158,235	3,537
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 323,491</u>	<u>\$ 290,013</u>	<u>\$ 283,966</u>	<u>\$ 6,047</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-32

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-33

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ 43,572	\$ 43,572	\$ 56,118	\$ 12,546
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>43,572</u>	<u>43,572</u>	<u>\$ 56,118</u>	<u>\$ 12,546</u>
BUDGETED CASH BALANCE	<u>12,833</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 56,405</u>	<u>\$ 43,572</u>		
EXPENDITURES				
Current				
Instruction	\$ 34,695	\$ 28,862	\$ 28,078	\$ 784
Support Services	-	-	-	-
Support Services Students	20,187	13,187	9,106	4,081
Support Services Instruction	-	-	-	-
Support Services General Administration	1,523	1,523	1,346	177
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 56,405</u>	<u>\$ 43,572</u>	<u>\$ 38,530</u>	<u>\$ 5,042</u>

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

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-36

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-37

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--NORTHERN NM NETWORK TEACHER INCENTIVE

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

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

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	20,638	21,531	893
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>20,638</u>	<u>\$ 21,531</u>	<u>\$ 893</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 20,638</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 20,638	\$ 20,584	\$ 54
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 20,638</u>	<u>\$ 20,584</u>	<u>\$ 54</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-40

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	27,492	32,865	21,307	(11,558)
Local Programs	-	-	-	-
TOTAL REVENUE	<u>27,492</u>	<u>32,865</u>	<u>\$ 21,307</u>	<u>\$ (11,558)</u>
BUDGETED CASH BALANCE	-	-		
TOTAL REVENUE & CASH	<u>\$ 27,492</u>	<u>\$ 32,865</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	27,492	32,865	31,944	921
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 27,492</u>	<u>\$ 32,865</u>	<u>\$ 31,944</u>	<u>\$ 921</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-41

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--NM READS TO LEAD K-3

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	97,500	97,500	116,970	19,470
Local Programs	-	-	-	-
TOTAL REVENUE	<u>97,500</u>	<u>97,500</u>	<u>\$ 116,970</u>	<u>\$ 19,470</u>
BUDGETED CASH BALANCE	-	-		
TOTAL REVENUE & CASH	<u>\$ 97,500</u>	<u>\$ 97,500</u>		
EXPENDITURES				
Current				
Instruction	\$ 94,093	\$ 94,093	\$ 94,093	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	3,407	3,407	3,406	1
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 97,500</u>	<u>\$ 97,500</u>	<u>\$ 97,499</u>	<u>\$ 1</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-42

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--TECHNOLOGY FOR EDUCATION PED

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-45

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--TANF FULL DAY KINDERGARTEN

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

EXHIBIT B-47

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	120,000	67,240	(52,760)
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>120,000</u>	<u>\$ 67,240</u>	<u>\$ (52,760)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 120,000</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	120,000	83,449	36,551
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 120,000</u>	<u>\$ 83,449</u>	<u>\$ 36,551</u>

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

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

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-49

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

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	230,310	230,310	100,778	(129,532)
Local Programs	-	-	-	-
TOTAL REVENUE	<u>230,310</u>	<u>230,310</u>	<u>\$ 100,778</u>	<u>\$ (129,532)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 230,310</u>	<u>\$ 230,310</u>		
EXPENDITURES				
Current				
Instruction	\$ 159,310	\$ 159,310	\$ 105,431	\$ 53,879
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	1,000	1,000	1,000	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	70,000	70,000	-	70,000
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 230,310</u>	<u>\$ 230,310</u>	<u>\$ 106,431</u>	<u>\$ 123,879</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-50

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

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	25,000	15,986	(9,014)
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>25,000</u>	<u>\$ 15,986</u>	<u>\$ (9,014)</u>
BUDGETED CASH BALANCE				
	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 25,000</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 17,826	\$ 10,487	\$ 7,339
Support Services	-	-	-	-
Support Services Students	-	5,700	5,656	44
Support Services Instruction	-	-	-	-
Support Services General Administration	-	1,474	846	628
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 25,000</u>	<u>\$ 16,989</u>	<u>\$ 8,011</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--BEGINNING TEACHER MENTORING

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	41,201	25,156	(16,045)
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>41,201</u>	<u>\$ 25,156</u>	<u>\$ (16,045)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 41,201</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	41,201	23,284	17,917
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 41,201</u>	<u>\$ 23,284</u>	<u>\$ 17,917</u>

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

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

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	147,877	265,606	247,450	(18,156)
Local Programs	-	-	-	-
TOTAL REVENUE	<u>147,877</u>	<u>265,606</u>	<u>\$ 247,450</u>	<u>\$ (18,156)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 147,877</u>	<u>\$ 265,606</u>		
EXPENDITURES				
Current				
Instruction	\$ 119,982	\$ 209,242	\$ 195,613	\$ 13,629
Support Services	-	-	-	-
Support Services Students	3,576	6,500	7,757	(1,257)
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	13,368	26,887	27,196	(309)
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	1,027	1,215	(188)
Student Transportation	10,951	21,950	20,119	1,831
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 147,877</u>	<u>\$ 265,606</u>	<u>\$ 251,900</u>	<u>\$ 13,706</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--AFTER SCHOOL & SUMMER ENRICHMENT PROGRAM

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	50,000	46,475	(3,525)
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>50,000</u>	<u>\$ 46,475</u>	<u>\$ (3,525)</u>
 BUDGETED CASH BALANCE	 <u>-</u>	 <u>-</u>		
 TOTAL REVENUE & CASH	 <u>\$ -</u>	 <u>\$ 50,000</u>		
 EXPENDITURES				
Current				
Instruction	\$ -	\$ 45,675	\$ 45,672	\$ 3
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	4,325	4,078	247
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 50,000</u>	<u>\$ 49,750</u>	<u>\$ 250</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-55

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--2013 SCHOOL BUS

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	78,200	78,200
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ 78,200</u>	<u>\$ 78,200</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-56

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--NM GROWN FRESH FRUITS & VEGETALES

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	3,036	3,197	161
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>3,036</u>	<u>\$ 3,197</u>	<u>\$ 161</u>
 BUDGETED CASH BALANCE	 <u>-</u>	 <u>-</u>		
 TOTAL REVENUE & CASH	 <u>\$ -</u>	 <u>\$ 3,036</u>		
 EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	3,036	3,012	24
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 3,036</u>	<u>\$ 3,012</u>	<u>\$ 24</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--SOCIAL WORKERS FOR MIDDLE SCHOOLS

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	65,000	62,547	(2,453)
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>65,000</u>	<u>\$ 62,547</u>	<u>\$ (2,453)</u>
BUDGETED CASH BALANCE				
	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 65,000</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	65,000	65,000	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 65,000</u>	<u>\$ 65,000</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-58

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--SCHOOL LIBRARY MATERIAL FUND FY08

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
 BUDGETED CASH BALANCE	 <u>-</u>	 <u>-</u>		
 TOTAL REVENUE & CASH	 <u>\$ -</u>	 <u>\$ -</u>		
 EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

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

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
 BUDGETED CASH BALANCE	 <u>-</u>	 <u>-</u>		
 TOTAL REVENUE & CASH	 <u>\$ -</u>	 <u>\$ -</u>		
 EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

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

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-61

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--OFFICE OF CULTURAL AFFAIRS

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	6,551	-	(6,551)
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>6,551</u>	<u>\$ -</u>	<u>\$ (6,551)</u>
 BUDGETED CASH BALANCE	 <u>-</u>	 <u>-</u>		
 TOTAL REVENUE & CASH	 <u>\$ -</u>	 <u>\$ 6,551</u>		
 EXPENDITURES				
Current				
Instruction	\$ -	\$ 6,551	\$ 6,546	\$ 5
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 6,551</u>	<u>\$ 6,546</u>	<u>\$ 5</u>

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

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

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-63

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

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	2,000	24,372	22,372
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>2,000</u>	<u>\$ 24,372</u>	<u>\$ 22,372</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>33,540</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 35,540</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 25,832	\$ 25,826	\$ 6
Support Services	-	-	-	-
Support Services Students	-	9,708	9,572	136
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 35,540</u>	<u>\$ 35,398</u>	<u>\$ 142</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-64

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

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	4,000	5,648	1,648
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>4,000</u>	<u>\$ 5,648</u>	<u>\$ 1,648</u>
 BUDGETED CASH BALANCE	 <u>-</u>	 <u>-</u>		
 TOTAL REVENUE & CASH	 <u>\$ -</u>	 <u>\$ 4,000</u>		
 EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	4,000	4,000	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 4,000</u>	<u>\$ 4,000</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

EXHIBIT B-65

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

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	10,000	9,983	(17)
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>10,000</u>	<u>\$ 9,983</u>	<u>\$ (17)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 10,000</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	10,000	9,983	17
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ 9,983</u>	<u>\$ 17</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-66

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--PRIVATE DIRECT GRANTS

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>3,052</u>	<u>3,052</u>		
TOTAL REVENUE & CASH	<u>\$ 3,052</u>	<u>\$ 3,052</u>		
EXPENDITURES				
Current				
Instruction	\$ 3,052	\$ 3,052	\$ 182	\$ 2,870
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 3,052</u>	<u>\$ 3,052</u>	<u>\$ 182</u>	<u>\$ 2,870</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT B-67

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--SCHOOL BASED HEALTH CENTER

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

CAPITAL PROJECTS FUND

BOND BUILDING - 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.

SPECIAL CAPITAL OUTLAY LOCAL – The fund provides financing from local revenues for the construction and improvements to District buildings and facilities.

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

EXHIBIT C-1

COMBINING BALANCE SHEET--NON-MAJOR GOVERNMENTAL FUNDS
 CAPITAL PROJECTS FUNDS

JUNE 30, 2016

	Bond Building	Special Capital Outlay Local	Total Nonmajor Capital Projects
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ -
Accounts Receivable	-	-	-
Property Taxes Receivable	-	-	-
Federal	-	-	-
State	-	-	-
Due from Other Funds	-	-	-
TOTAL ASSETS	\$ -	\$ -	\$ -
LIABILITIES AND OTHER CREDITS			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Payroll Liabilities	-	-	-
Due to Charter Schools	-	-	-
Due to Other Funds	-	-	-
Accrued Interest Payable	-	-	-
TOTAL LIABILITIES	-	-	-
DEFERRED INFLOWS OF RESOURCES			
Dererred Revenue	-	-	-
TOTAL DEFERRED INFLOWS	-	-	-
FUND BALANCE			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
TOTAL FUND BALANCE	-	-	-
TOTAL LIABILITIES AND FUND BALANCE	\$ -	\$ -	\$ -

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT C-2

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCE --NON-MAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECTS FUNDS

JUNE 30, 2016

	Bond Building	Special Capital Outlay Local	Total Nonmajor Capital Projects
REVENUE			
Federal Programs	\$ -	\$ -	\$ -
State Programs	-	-	-
Local Programs	-	-	-
State Equalization	-	-	-
Service Revenues	-	-	-
Taxes	-	-	-
Interest	848	-	848
Other revenue sources	-	-	-
TOTAL REVENUES	<u>848</u>	<u>-</u>	<u>848</u>
EXPENDITURES			
Current			
Instruction	-	-	-
Support Services	-	-	-
Support Services Students	-	-	-
Support Services Instruction	-	-	-
Support Services General Administration	-	-	-
Support Services School Administration	-	-	-
Central Services	-	-	-
Operation and Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	-	-	-
Capital Outlay	917,985	-	917,985
TOTAL EXPENDITURES	<u>917,985</u>	<u>-</u>	<u>917,985</u>
EXCESS (DEFICIENCY) OF			
REVENUE OVER EXPENDITURES	(917,137)	-	(917,137)
Other Financial Sources (Uses)			
Transfer In/Transfers (Out)	-	-	-
Total Other Financial Sources	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(917,137)	-	(917,137)
FUND BALANCE			
June 30, 2015	917,137	1	917,138
Restatements	-	(1)	(1)
June 30, 2015 as restated	<u>917,137</u>	<u>-</u>	<u>917,137</u>
FUND BALANCE			
June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT C-3

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

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	900	900	848	(52)
TOTAL REVENUE	<u>900</u>	<u>900</u>	<u>\$ 848</u>	<u>\$ (52)</u>
BUDGETED CASH BALANCE	<u>640,634</u>	<u>959,757</u>		
TOTAL REVENUE & CASH	<u>\$ 641,534</u>	<u>\$ 960,657</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	641,534	960,657	960,605	52
TOTAL EXPENDITURES	<u>\$ 641,534</u>	<u>\$ 960,657</u>	<u>\$ 960,605</u>	<u>\$ 52</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT C-4

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

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

(This page is intentionally left blank)

DEBT SERVICE FUNDS

EDUCATIONAL TECHNOLOGY DEBT SERVICE – To receive revenue for the payment of interest and principal on debt incurred in the expansion of technology in the District.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT D-1

COMBINING BALANCE SHEET – NON-MAJOR GOVERNMENTAL FUNDS
DEBT SERVICE FUND

JUNE 30, 2016

	ED TECH DEBT SERVICE	TOTAL NONMAJOR DEBT SERVICE	TOTAL NON MAJOR SPECIAL REVENUE	TOTAL NONMAJOR CAPITAL PROJECTS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS					
Cash and Cash Equivalents	\$ 694,564	\$ 694,564	\$ 249,791	\$ -	\$ 944,355
Accounts Receivable					
Property Taxes	180,717	180,717	-	-	180,717
Federal	-	-	300,252	-	300,252
State	-	-	232,157	-	232,157
Inventories			15,918	-	15,918
Due from Other Funds			-	-	-
TOTAL ASSETS	\$ 875,281	\$ 875,281	\$ 798,118	\$ -	\$ 1,673,399
LIABILITIES AND OTHER CREDITS					
Accounts Payable	\$ -	\$ -	\$ 5,739	\$ -	\$ 5,739
Accrued Payroll Liabilities	-	-	-	-	-
Due to Charter Schools	-	-	18,044	-	18,044
Due to Other Funds	-	-	707,342	-	707,342
Accrued Interest	14,091	14,091	-	-	14,091
TOTAL LIABILITIES	14,091	14,091	731,125	-	745,216
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	1,623	-	1,623
Unavailable Revenue - Property Taxes	166,877	166,877	-	-	166,877
TOTAL DEFERRED INFLOWS	166,877	166,877	1,623	-	168,500
FUND BALANCE					
Nonspendable	-	-	15,918	-	15,918
Restricted	694,313	694,313	49,452	-	743,765
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
TOTAL FUND BALANCE	694,313	694,313	65,370	-	759,683
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	\$ 875,281	\$ 875,281	\$ 798,118	\$ -	\$ 1,673,399

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT D-2

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCE -- NON-MAJOR GOVERNMENTAL FUNDS
DEBT SERVICE FUND

YEAR ENDED JUNE 30, 2016

	ED TECH DEBT SERVICE	TOTAL NONMAJOR DEBT SERVICE	TOTAL NON MAJOR SPECIAL REVENUE	TOTAL NONMAJOR CAPITAL PROJECTS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUE					
Federal Programs	\$ -	\$ -	\$ 2,653,162	\$ -	\$ 2,653,162
State Programs	-	-	897,861	-	897,861
Local Programs	-	-	-	-	-
State Equalization	-	-	-	-	-
Service Revenues	-	-	240,225	-	240,225
Taxes	631,685	631,685	-	-	631,685
Interest	-	-	-	848	848
Other revenue sources	-	-	-	-	-
TOTAL REVENUES	631,685	631,685	3,791,248	848	4,423,781
EXPENDITURES					
Current					
Instruction	-	-	1,441,427	-	1,441,427
Support Services	-	-	-	-	-
Support Services Students	-	-	436,452	-	436,452
Support Services Instruction	-	-	31,944	-	31,944
Support Services General Administration	6,440	6,440	55,930	-	62,370
Support Services School Administration	-	-	57,471	-	57,471
Central Services	-	-	98,986	-	98,986
Operation and Maintenance of Plant	-	-	1,215	-	1,215
Student Transportation	-	-	38,660	-	38,660
Other Support Services	-	-	-	-	-
Food Services Operations	-	-	1,683,386	-	1,683,386
Capital Outlay	-	-	-	917,985	917,985
Debt Service					
Principal	675,000	675,000	-	-	675,000
Interest and Fiscal Charge	45,052	45,052	-	-	45,052
TOTAL EXPENDITURES	726,492	726,492	3,845,491	917,985	5,489,968
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(94,807)	(94,807)	(54,243)	(917,137)	(1,066,187)
OTHER FINANCING SOURCES (USES)					
Transfers In/Transfers (Out)	-	-	(2,704)	-	(2,704)
TOTAL OTHER FINANCING SOURCES	-	-	(2,704)	-	(2,704)
NET CHANGE IN FUND BALANCE	(94,807)	(94,807)	(56,947)	(917,137)	(1,068,891)
FUND BALANCE June 30, 2015	789,120	789,120	(350,381)	917,138	1,355,877
Restatements	-	-	472,698	(1)	472,697
June 30, 2015 as restated	789,120	789,120	122,317	917,137	1,828,574
FUND BALANCE June 30, 2016	\$ 694,313	\$ 694,313	\$ 65,370	\$ -	\$ 759,683

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT D-3

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

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	679,308	679,308	643,970	(35,338)
TOTAL REVENUE	<u>679,308</u>	<u>679,308</u>	<u>\$ 643,970</u>	<u>\$ (35,338)</u>
BUDGETED CASH BALANCE	<u>753,678</u>	<u>753,678</u>		
TOTAL REVENUE & CASH	<u>\$ 1,432,986</u>	<u>\$ 1,432,986</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	6,793	6,793	6,440	353
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Debt Service	1,426,193	1,395,231	675,000	720,231
Debt Service - Interest & Fiscal Charges	-	30,962	30,961	1
TOTAL EXPENDITURES	<u>\$ 1,432,986</u>	<u>\$ 1,432,986</u>	<u>\$ 712,401</u>	<u>\$ 720,585</u>

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

OTHER MAJOR FUND INFORMATION

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT E-1

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--CAPITAL PROJECTS FUND--ED TECH EQUIPMENT ACT

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	1,904,930	1,905,361	431
TOTAL REVENUE	-	1,904,930	\$ 1,905,361	\$ 431
BUDGETED CASH BALANCE				
	628,767	587,422		
TOTAL REVENUE & CASH				
	\$ 628,767	\$ 2,492,352		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	628,767	2,492,352	735,049	1,757,303
TOTAL EXPENDITURES	\$ 628,767	\$ 2,492,352	\$ 735,049	\$ 1,757,303

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT E-2

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

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ 19	\$ 19
State Programs	-	-	-	-
Local Programs	3,525,418	3,525,418	3,044,744	(480,674)
TOTAL REVENUE	<u>3,525,418</u>	<u>3,525,418</u>	<u>\$ 3,044,763</u>	<u>\$ (480,655)</u>
BUDGETED CASH BALANCE	<u>2,579,466</u>	<u>2,579,466</u>		
TOTAL REVENUE & CASH	<u>\$ 6,104,884</u>	<u>\$ 6,104,884</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	35,254	35,254	30,440	4,814
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Debt Service	4,484,212	4,476,512	1,940,000	2,536,512
Debt Service - Interest & Fiscal Charges	1,585,418	1,593,118	1,006,719	586,399
TOTAL EXPENDITURES	<u>\$ 6,104,884</u>	<u>\$ 6,104,884</u>	<u>\$ 2,977,159</u>	<u>\$ 3,127,725</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT F-1

COMBINING STATEMENT OF NET POSITION--ALL COMPONENT UNITS

JUNE 30, 2016

	Anansi Charter School	Taos Charter School	Vista Grande High School	TOTAL
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 162,708	\$ 404,348	\$ 83,200	\$ 650,256
Investments	-	89,192	-	89,192
Receivables	160,975	138,682	131,577	431,234
Total current assets	323,683	632,222	214,777	1,170,682
Non-current assets:				
Prepaid lease	652,058	-	-	652,058
Capital assets, net	3,739,987	2,487,805	211,782	6,439,574
Total non-current assets	4,392,045	2,487,805	211,782	7,091,632
Total assets	4,715,728	3,120,027	426,559	8,262,314
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	354,660	336,927	298,656	990,243
Total deferred outflows	354,660	336,927	298,656	990,243
LIABILITIES				
Current liabilities:				
Accounts payable	1,874	-	-	1,874
Compensated absences	-	-	11,189	11,189
Accrued payroll	76,020	70,599	30,026	176,645
Unearned lease income	46,584	-	-	46,584
Current portion of long term debt	39,925	-	-	39,925
Total current liabilities	164,403	70,599	41,215	276,217
Non-current liabilities:				
Unearned lease income	605,474	-	-	605,474
Non-current portion of long term debt	2,516,125	-	-	2,516,125
Net pension liability	1,654,942	1,992,407	1,368,646	5,015,995
Total non-current liabilities	4,776,541	1,992,407	1,368,646	8,137,594
Total liabilities	4,940,944	2,063,006	1,409,861	8,413,811
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	38,130	45,906	164,750	248,786
Total deferred inflows	38,130	45,906	164,750	248,786
NET POSITION				
Net investment in capital assets	1,183,937	2,487,805	211,782	3,883,524
Restricted:				
Special revenue	86,175	156,084	(12,084)	230,175
Capital projects	55,182	87,500	(6,953)	135,729
Unrestricted	(1,233,980)	(1,383,347)	(1,042,141)	(3,659,468)
Total net position	\$ 91,314	\$ 1,348,042	\$ (849,396)	\$ 589,960

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

EXHIBIT F-2

COMBINING STATEMENT OF ACTIVITIES--ALL COMPONENT UNITS

For the Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue & Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities
Component Units					
Anansi Charter School	\$ 2,552,145	\$ 331,763	\$ 587,421	\$ 244,661	\$ (1,388,300)
Taos Charter School	2,272,037	173,407	478,991	162,836	(1,456,803)
Vista Grande High School	1,367,605	4,723	257,994	79,763	(1,025,125)
Total component units	\$ 6,191,787	\$ 509,893	\$ 1,324,406	\$ 487,260	(3,870,228)
General revenues:					
					3,911,487
					-
					-
					1,554
					71,579
					<u>3,984,620</u>
					114,392
					687,006
					(211,438)
					<u>475,568</u>
					\$ 589,960

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
ANANSI CHARTER SCHOOL

EXHIBIT G-1

STATEMENT OF NET POSITION

JUNE 30, 2016

	Anansi Charter School	Friends of Anansi Charter School	Total
<u>ASSETS</u>			
Current assets:			
Cash and cash equivalents	\$ 114,108	\$ 48,600	\$ 162,708
Receivables	160,975	-	160,975
Total current assets	275,083	48,600	323,683
Non-current assets:			
Prepaid lease	652,058	-	652,058
Capital assets, net	354,558	3,385,429	3,739,987
Total non-current assets	1,006,616	3,385,429	4,392,045
Total assets	1,281,699	3,434,029	4,715,728
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred outflows related to pensions	354,660	-	354,660
Total deferred outflows	354,660	-	354,660
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	1,874	-	1,874
Accrued payroll	76,020	-	76,020
Unearned lease income	-	46,584	46,584
Current portion of long term debt	-	39,925	39,925
Total current liabilities	77,894	86,509	164,403
Non-current liabilities:			
Unearned lease income	-	605,474	605,474
Non-current portion of long term debt	-	2,516,125	2,516,125
Net pension liability	1,654,942	-	1,654,942
Total non-current liabilities	1,654,942	3,121,599	4,776,541
Total liabilities	1,732,836	3,208,108	4,940,944
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred inflows related to pensions	38,130	-	38,130
Total deferred inflows	38,130	-	38,130
<u>NET POSITION</u>			
Net investment in capital assets	354,558	829,379	1,183,937
Restricted:			
Special revenue	86,175	-	86,175
Capital projects	55,182	-	55,182
Unrestricted	(630,522)	(603,458)	(1,233,980)
Total net position	\$ (134,607)	\$ 225,921	\$ 91,314

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 ANANASI CHARTER SCHOOL

EXHIBIT G-2

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue & Changes In Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Anansi Charter School	Component Unit
Primary government:						
Governmental activities:						
Instruction	\$ 1,205,579	\$ 101,529	\$ 334,288	\$ -	\$ (769,762)	\$ -
Support Services	-	-	-	-	-	-
Support Services Students	38,813	-	-	-	(38,813)	-
Support Services Instruction	10,493	-	-	-	(10,493)	-
Support Services General Administration	23,777	-	-	-	(23,777)	-
Support Services School Administration	270,128	-	-	-	(270,128)	-
Central Services	-	-	-	-	-	-
Operation and Maintenance of Plant	277,776	-	-	-	(277,776)	-
Student Transportation	-	-	-	-	-	-
Other Support Services	-	-	-	-	-	-
Food Services Operations	57,074	-	22,999	-	(34,075)	-
Bond Interest Paid	-	-	-	-	-	-
Facilities, materials, supplies and other	271,833	-	-	244,661	(27,172)	-
Amortization - Unallocated	-	-	-	-	-	-
Total governmental activities	\$ 2,155,471	\$ 101,529	\$ 357,287	\$ 244,661	(1,451,994)	-
Component Unit:						
Friends of Anansi Charter School	\$ 396,674	\$ 230,234	\$ 230,134	\$ -		63,694

General revenues:

State equalization guarantee	1,417,822	-
Grant & contributions not restricted	-	-
Grants & contributions restricted	-	-
Unrestricted investment earnings	-	58
Miscellaneous income	1,149	-
Total general revenues	1,419,071	58
Change in net position	(32,923)	63,752
Net position - beginning	(29,695)	162,169
Restatements	(71,989)	-
Net position - beginning as restated	(101,684)	162,169
Net position - ending	\$ (134,607)	\$ 225,921

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 ANANSI CHARTER SCHOOL

COMBINING BALANCE SHEET--GOVERNMENTAL FUNDS

June 30, 2016

	Operational	Instructional Materials	Food Services	IDEA - B Entitlement
ASSETS				
Cash and cash equivalents	\$ 22,662	\$ 9,536	\$ 316	\$ -
Accounts Receivable				
Federal	-	-	1,661	-
State	-	-	-	-
Inventories	-	-	-	-
Due from Other Funds	99,654	-	-	-
Due from Primary Government	-	-	-	18,044
TOTAL ASSETS	<u>\$ 122,316</u>	<u>\$ 9,536</u>	<u>\$ 1,977</u>	<u>\$ 18,044</u>
LIABILITIES AND OTHER CREDITS				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-	-	3,870	18,044
Accrued Payroll	76,020	-	-	-
TOTAL LIABILITIES	<u>76,020</u>	<u>-</u>	<u>3,870</u>	<u>18,044</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	-
TOTAL DEFERRED INFLOWS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE				
Nonspendable	-	-	-	-
Restricted	-	9,536	(1,893)	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	46,296	-	-	-
TOTAL FUND BALANCE	<u>46,296</u>	<u>9,536</u>	<u>(1,893)</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 122,316</u>	<u>\$ 9,536</u>	<u>\$ 1,977</u>	<u>\$ 18,044</u>

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

EXHIBIT G-3

SEG Federal Stimulus	LANL Foundation	2012 GO Bond Student Library Fund	NM Reads to Lead K-3	Robotics 2012	Private Direct Grants
\$ 191	\$ -	\$ -	\$ -	\$ -	\$ 504
-	-	-	-	-	-
-	-	1,971	50,000	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 191</u>	<u>\$ -</u>	<u>\$ 1,971</u>	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ 504</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	1,971	50,000	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>1,971</u>	<u>50,000</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
191	-	-	-	-	504
-	-	-	-	-	-
-	-	-	-	-	-
<u>191</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>504</u>
<u>\$ 191</u>	<u>\$ -</u>	<u>\$ 1,971</u>	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ 504</u>

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 ANANSI CHARTER SCHOOL

EXHIBIT G-3
 CONTINUED

COMBINING BALANCE SHEET--GOVERNMENTAL FUNDS

June 30, 2016

	SB-9	Bond Building	Public School Capital Outlay	Total
ASSETS				
Cash and cash equivalents	\$ 25,717	\$ 55,182	\$ -	\$ 114,108
Accounts Receivable				
Federal	-	-	-	1,661
State	63,530	-	25,769	141,270
Inventories	-	-	-	-
Due from Other Funds	-	-	-	99,654
Due from Primary Government	-	-	-	18,044
TOTAL ASSETS	<u>\$ 89,247</u>	<u>\$ 55,182</u>	<u>\$ 25,769</u>	<u>\$ 374,737</u>
LIABILITIES AND OTHER CREDITS				
Accounts Payable	\$ 1,874	\$ -	\$ -	\$ 1,874
Due to Other Funds	-	-	25,769	99,654
Accrued Payroll	-	-	-	76,020
TOTAL LIABILITIES	<u>1,874</u>	<u>-</u>	<u>25,769</u>	<u>177,548</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	-
TOTAL DEFERRED INFLOWS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE				
Nonspendable	-	-	-	-
Restricted	87,373	55,182	-	150,893
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	46,296
TOTAL FUND BALANCE	<u>87,373</u>	<u>55,182</u>	<u>-</u>	<u>197,189</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 89,247</u>	<u>\$ 55,182</u>	<u>\$ 25,769</u>	<u>\$ 374,737</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
ANANSI CHARTER SCHOOL

EXHIBIT G-4

RECONCILIATION OF THE BALANCE SHEET
ALL GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION

JUNE 30, 2016

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

Fund Balances - total governmental funds	\$ 197,189
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	354,558
Deferred outflows related to pensions not reported in the funds	354,660
Net pension liability not reported in the funds	(1,654,942)
Deferred inflows related to pensions not reported in the funds	(38,130)
Prepaid lease	<u>652,058</u>
Net position of governmental activities	<u>\$ (134,607)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 ANANSI CHARTER SCHOOL

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN FUND BALANCE--GOVERNMENTAL FUNDS

Year Ended June 30, 2016

	Operational	Instructional Materials	Food Services	IDEA - B Entitlement
REVENUE				
Federal Programs	\$ -	\$ -	\$ 22,999	\$ 55,802
State Programs	-	11,366	-	-
Local Programs	-	-	-	-
State Equalization	1,417,922	-	-	-
Service Revenues	69,372	-	32,157	-
Other revenue sources	1,149	-	-	-
TOTAL REVENUES	<u>1,488,443</u>	<u>11,366</u>	<u>55,156</u>	<u>55,802</u>
EXPENDITURES				
Current				
Instruction	1,016,291	9,098	-	31,282
Support Services Students	38,813	-	-	-
Support Services Instruction	8,522	-	-	-
Support Services General Administration	23,777	-	-	-
Support Services School Administration	270,126	-	-	-
Operation and Maintenance of Plant	231,192	-	-	-
Food Services Operations	25	-	57,049	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>1,588,746</u>	<u>9,098</u>	<u>57,049</u>	<u>31,282</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(100,303)	2,268	(1,893)	24,520
Other Financing Sources (Uses)				
Proceeds from Bonds	-	-	-	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(100,303)	2,268	(1,893)	24,520
FUND BALANCE				
June 30, 2015	141,687	7,268	-	(24,520)
Restatements	4,912	-	-	-
June 30, 2015 as restated	<u>146,599</u>	<u>7,268</u>	<u>-</u>	<u>(24,520)</u>
FUND BALANCE				
June 30, 2016	<u>\$ 46,296</u>	<u>\$ 9,536</u>	<u>\$ (1,893)</u>	<u>\$ -</u>

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

EXHIBIT G-5

SEG Federal Stimulus	LANL Foundation	2012 GO Bond Student Library Fund	NM Reads to Lead K-3	Robotics 2012	Private Direct Grants
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	1,971	50,000	14,908	-
-	1,500	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1,500	1,971	50,000	14,908	-
-	1,500	-	50,000	-	4,496
-	-	-	-	-	-
-	-	1,971	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1,500	1,971	50,000	-	4,496
-	-	-	-	14,908	(4,496)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	14,908	(4,496)
191	-	-	-	(14,908)	5,000
-	-	-	-	-	-
191	-	-	-	(14,908)	5,000
\$ 191	\$ -	\$ -	\$ -	\$ -	\$ 504

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 ANANSI CHARTER SCHOOL

EXHIBIT G-5
 CONTINUED

COMBINING STATEMENT OF REVENUE
 IN FUND BALANCE--GOVERNMENTAL

Year Ended June 30, 2016

	SB-9	Bond Building	Public School Capital Outlay	Total
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ 78,801
State Programs	95,666	-	103,075	276,986
Local Programs	-	-	-	1,500
State Equalization	-	-	-	1,417,922
Service Revenues	-	-	-	101,529
Other revenue sources	-	-	-	1,149
TOTAL REVENUES	95,666	-	103,075	1,877,887
EXPENDITURES				
Current				
Instruction	-	-	-	1,112,667
Support Services Students	-	-	-	38,813
Support Services Instruction	-	-	-	10,493
Support Services General Administration	-	-	-	23,777
Support Services School Administration	-	-	-	270,126
Operation and Maintenance of Plant	-	-	-	231,192
Food Services Operations	-	-	-	57,074
Capital Outlay	70,322	136,999	103,075	310,396
TOTAL EXPENDITURES	70,322	136,999	103,075	2,054,538
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	25,344	(136,999)	-	(176,651)
Other Financing Sources (Uses)				
Proceeds from Bonds	-	244,661	-	244,661
Total Other Financing Sources	-	244,661	-	244,661
NET CHANGE IN FUND BALANCE	25,344	107,662	-	68,010
FUND BALANCE				
June 30, 2015	62,029	(52,480)	-	124,267
Restatements	-	-	-	4,912
June 30, 2015 as restated	62,029	(52,480)	-	129,179
FUND BALANCE				
June 30, 2016	\$ 87,373	\$ 55,182	\$ -	\$ 197,189

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 ANANSI CHARTER SCHOOL

EXHIBIT G-6

RECONCILIATION OF THE STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCE -
 ALL GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2016

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

Net change in fund balance - total governmental funds	\$ 68,010
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current year</p>	
Capital Outlay	38,563
Depreciation	(15,501)
<p>Prepaid expenses used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.</p>	
Decrease in prepaid lease	(46,584)
Pension related expense	(77,411)
Change in Net Position	<u>\$ (32,923)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 ANANSI CHARTER SCHOOL

EXHIBIT G-7

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Fees	\$ 44,941	\$ 44,941	\$ 71,500	\$ 26,559
Interest Income	50	50	4	(46)
Private Donations	-	-	1,145	1,145
Refunds Prior Year	-	-	-	-
State Equalization	1,410,400	1,417,922	1,417,962	40
TOTAL REVENUE	<u>1,455,391</u>	<u>1,462,913</u>	<u>\$ 1,490,611</u>	<u>\$ 27,698</u>
BUDGETED CASH BALANCE	<u>129,143</u>	<u>129,143</u>		
TOTAL REVENUE & CASH	<u>\$ 1,584,534</u>	<u>\$ 1,592,056</u>		
EXPENDITURES				
Current				
Instruction	\$ 980,769	\$ 1,020,498	\$ 1,016,347	\$ 4,151
Support Services	-	-	-	-
Support Services Students	35,584	35,584	38,813	(3,229)
Support Services Instruction	10,863	10,863	8,521	2,342
Support Services General Administration	11,645	11,645	23,778	(12,133)
Support Services School Administration	279,278	279,278	270,126	9,152
Central Services	-	-	-	-
Operation and Maintenance of Plant	260,395	234,188	231,192	2,996
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	6,000	-	25	(25)
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 1,584,534</u>	<u>\$ 1,592,056</u>	<u>\$ 1,588,802</u>	<u>\$ 3,254</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 ANANSI CHARTER SCHOOL

EXHIBIT G-8

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	7,744	7,744	11,366	3,622
Local Programs	-	-	-	-
TOTAL REVENUE	<u>7,744</u>	<u>7,744</u>	<u>\$ 11,366</u>	<u>\$ 3,622</u>
BUDGETED CASH BALANCE				
	-	-		
TOTAL REVENUE & CASH	<u>\$ 7,744</u>	<u>\$ 7,744</u>		
EXPENDITURES				
Current				
Instruction	\$ 7,744	\$ 7,744	\$ 9,098	\$ (1,354)
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 7,744</u>	<u>\$ 7,744</u>	<u>\$ 9,098</u>	<u>\$ (1,354)</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 ANANSI CHARTER SCHOOL

EXHIBIT G-9

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

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ 21,338	\$ 21,338
State Programs	-	-	-	-
Local Programs	-	53,495	32,157	(21,338)
TOTAL REVENUE	-	53,495	\$ 53,495	\$ -
BUDGETED CASH BALANCE	-	-		
TOTAL REVENUE & CASH	\$ -	\$ 53,495		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	53,495	57,049	(3,554)
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	\$ -	\$ 53,495	\$ 57,049	\$ (3,554)

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 ANANSI CHARTER SCHOOL

EXHIBIT G-10

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ 28,033	\$ 31,282	\$ 37,764	\$ 6,482
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>28,033</u>	<u>31,282</u>	<u>\$ 37,764</u>	<u>\$ 6,482</u>
BUDGETED CASH BALANCE	-	-		
TOTAL REVENUE & CASH	<u>\$ 28,033</u>	<u>\$ 31,282</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	28,033	31,282	31,282	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 28,033</u>	<u>\$ 31,282</u>	<u>\$ 31,282</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 ANANSI CHARTER SCHOOL

EXHIBIT G-11

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 ANANSI CHARTER SCHOOL

EXHIBIT G-12

STATEMENT OF REVENUE AND EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--LANL FOUNDATION

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	1,500	1,500	-
TOTAL REVENUE	<u>-</u>	<u>1,500</u>	<u>\$ 1,500</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 1,500</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 1,500	\$ 1,500	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 1,500</u>	<u>\$ 1,500</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 ANANSI CHARTER SCHOOL

EXHIBIT G-13

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	3,377	3,377	-	(3,377)
Local Programs	-	-	-	-
TOTAL REVENUE	<u>3,377</u>	<u>3,377</u>	<u>\$ -</u>	<u>\$ (3,377)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 3,377</u>	<u>\$ 3,377</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	3,377	3,377	1,971	1,406
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 3,377</u>	<u>\$ 3,377</u>	<u>\$ 1,971</u>	<u>\$ 1,406</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 ANANSI CHARTER SCHOOL

EXHIBIT G-14

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--NM READS TO LEAD K-3

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	50,000	50,000	-	(50,000)
Local Programs	-	-	-	-
TOTAL REVENUE	<u>50,000</u>	<u>50,000</u>	<u>\$ -</u>	<u>\$ (50,000)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 50,000</u>	<u>\$ 50,000</u>		
EXPENDITURES				
Current				
Instruction	\$ 50,000	\$ 50,000	\$ 50,000	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 ANANSI CHARTER SCHOOL

EXHIBIT G-15

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--ROBOTICS 2012

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	14,908	14,908
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ 14,908</u>	<u>\$ 14,908</u>
 BUDGETED CASH BALANCE	 <u>-</u>	 <u>-</u>		
 TOTAL REVENUE & CASH	 <u>\$ -</u>	 <u>\$ -</u>		
 EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 ANANSI CHARTER SCHOOL

EXHIBIT G-16

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--PRIVATE DIRECT GRANTS

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>5,000</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 5,000</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 5,000	\$ 4,496	\$ 504
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 5,000</u>	<u>\$ 4,496</u>	<u>\$ 504</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 ANANSI CHARTER SCHOOL

EXHIBIT G-17

STATEMENT OF REVENUE AND EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--SB-9

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	3,213	62,881	87,768	24,887
Local Programs	-	-	-	-
TOTAL REVENUE	<u>3,213</u>	<u>62,881</u>	<u>\$ 87,768</u>	<u>\$ 24,887</u>
BUDGETED CASH BALANCE	<u>17,190</u>	<u>17,190</u>		
TOTAL REVENUE & CASH	<u>\$ 20,403</u>	<u>\$ 80,071</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	20,403	80,071	68,448	11,623
TOTAL EXPENDITURES	<u>\$ 20,403</u>	<u>\$ 80,071</u>	<u>\$ 68,448</u>	<u>\$ 11,623</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 ANANSI CHARTER SCHOOL

EXHIBIT G-18

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Bond Proceeds	\$ -	\$ -	\$ 137,522	\$ 137,522
State Sources	-	244,658	127,827	(116,831)
Earnings from Investments	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>244,658</u>	<u>\$ 265,349</u>	<u>\$ 20,691</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUES & CASH	<u>\$ -</u>	<u>\$ 244,658</u>		
EXPENDITURES				
Administration	\$ -	\$ -	\$ -	\$ -
Capital Outlay	-	244,658	136,999	107,659
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 244,658</u>	<u>\$ 136,999</u>	<u>\$ 107,659</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 ANANSI CHARTER SCHOOL

EXHIBIT G-19

STATEMENT OF REVENUE & EXPENDITURES--
 BUDGET (NON-GAAP) AND ACTUAL--CAPITAL PROJECT FUND--
 PUBLIC SCHOOL CAPITAL OUTLAY STATE

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
State Sources	\$ -	\$ 103,075	\$ 98,765	\$ (4,310)
Earnings from Investments	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>103,075</u>	<u>\$ 98,765</u>	<u>\$ (4,310)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL CASH & REVENUE	<u>\$ -</u>	<u>\$ 103,075</u>		
EXPENDITURES				
Facilities Acquisition and Construction	\$ -	\$ 103,075	\$ 103,075	\$ -
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 103,075</u>	<u>\$ 103,075</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 FRIENDS OF ANANSI CHARTER SCHOOL

EXHIBIT G-20

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2016

Cash flows from operating activities	
Cash received from customers	\$ 183,650
Donations and other income	230,134
Interest	58
Cash payments for supplies and maintenance	<u>(253,399)</u>
Net cash (used) by operating activities	<u>160,443</u>
Cash flows from noncapital financing activities	
Loan principal payments	(5,530)
Loan interest payments	(73,626)
Loan proceeds	<u>-</u>
Net cash provided by noncapital financing activities	<u>(79,156)</u>
Cash flows from capital and related financing activities	
Purchase of capital assets	<u>(124,617)</u>
Net cash provided by capital and related financing activities	<u>(124,617)</u>
Increase (decrease) in cash and cash equivalents	(43,330)
Cash and cash equivalents - beginning of year	<u>91,930</u>
Cash and cash equivalents - end of year	<u>\$ 48,600</u>
Reconciliation of net operating revenues (expenses) to net cash (used) by operations	
Operating Income (Loss)	\$ 63,752
Adjustments to reconcile operating income (loss) to net cash (used) by operations	
Depreciation	85,877
Changes in assets and liabilities:	
Receivables	-
Inventories	-
Other assets	-
Accounts payable and accrued liabilities	10,814
Pension liabilities	-
Compensated Absences	<u>-</u>
Net cash (used) by operating activities	<u>\$ 160,443</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 TAOS CHARTER SCHOOL

EXHIBIT H-1

STATEMENT OF NET POSITION

JUNE 30, 2016

	Taos Charter School	Friends of Taos Charter School	Total
<u>ASSETS</u>			
Current assets:			
Cash and cash equivalents	\$ 330,008	\$ 74,340	\$ 404,348
Investments	-	89,192	89,192
Accounts receivable	138,682	-	138,682
Due from other governments	-	-	-
Inventories	-	-	-
Total current assets	<u>468,690</u>	<u>163,532</u>	<u>632,222</u>
Non-current assets:			
Capital assets, net	1,936,589	551,216	2,487,805
Total non-current assets	<u>1,936,589</u>	<u>551,216</u>	<u>2,487,805</u>
Total assets	<u>2,405,279</u>	<u>714,748</u>	<u>3,120,027</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred outflows related to pensions	336,927	-	336,927
Total deferred outflows	<u>336,927</u>	<u>-</u>	<u>336,927</u>
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	-	-	-
Compensated absences	-	-	-
Accrued payroll	70,599	-	70,599
Current portion of long term debt	-	-	-
Total current liabilities	<u>70,599</u>	<u>-</u>	<u>70,599</u>
Non-current liabilities:			
Non-current portion of long term debt	-	-	-
Net pension liability	1,992,407	-	1,992,407
Total non-current liabilities	<u>1,992,407</u>	<u>-</u>	<u>1,992,407</u>
Total liabilities	<u>2,063,006</u>	<u>-</u>	<u>2,063,006</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Unavailable revenue	-	-	-
Deferred inflows related to pensions	45,906	-	45,906
Total deferred inflows	<u>45,906</u>	<u>-</u>	<u>45,906</u>
<u>NET POSITION</u>			
Net investment in capital assets	1,936,589	551,216	2,487,805
Restricted:			
Special Revenue	156,084	-	156,084
Capital Projects	87,500	-	87,500
Unrestricted	<u>(1,546,879)</u>	<u>163,532</u>	<u>(1,383,347)</u>
Total net position	<u>\$ 633,294</u>	<u>\$ 714,748</u>	<u>\$ 1,348,042</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 TAOS CHARTER SCHOOL

EXHIBIT H-2

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue & Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Anansi Charter School	Component Unit
Primary government:						
Governmental activities:						
Instruction	\$ 1,252,850	\$ 31,307	\$ 419,520	\$ -	\$ (802,023)	\$ -
Support Services	-	-	-	-	-	-
Support Services Students	116,503	-	-	-	(116,503)	-
Support Services Instruction	4,735	-	-	-	(4,735)	-
Support Services General Administration	21,013	-	-	-	(21,013)	-
Support Services School Administration	193,083	-	-	-	(193,083)	-
Central Services	59,572	-	-	-	(59,572)	-
Operation and Maintenance of Plant	227,836	-	-	-	(227,836)	-
Student Transportation	-	-	-	-	-	-
Other Support Services	-	-	-	-	-	-
Food Services Operations	61,826	-	46,903	-	(14,923)	-
Bond Interest Paid	-	-	-	-	-	-
Facilities, materials, supplies and other	204,436	-	-	162,836	(41,600)	-
Amortization - Unallocated	-	-	-	-	-	-
Total governmental activities	\$ 2,141,854	\$ 31,307	\$ 466,423	\$ 162,836	(1,481,288)	\$ -
Component Unit:						
Friends of Taos Charter School	\$ 130,183	\$ 142,100	\$ 12,568	\$ -		24,485

General revenues:

State equalization guarantee	1,485,123	-
Grant & contributions not restricted	-	-
Grants & contributions restricted	-	-
Unrestricted investment earnings	-	1,496
Miscellaneous income	66,337	-
Total general revenues	1,551,460	1,496
Change in net position	70,172	25,981
Net position - beginning	702,889	688,439
Restatements	(139,777)	328
Net position - beginning as restated	563,122	688,767
Net position - ending	\$ 633,294	\$ 714,748

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 TAOS CHARTER SCHOOL

COMBINING BALANCE SHEET--GOVERNMENTAL FUNDS

June 30, 2016

	Operational	Instructional Materials	Food Services	IDEA - B Entitlement
ASSETS				
Cash and cash equivalents	\$ 149,998	\$ 31,075	\$ 13,001	\$ -
Accounts Receivable				
Federal	-	-	-	6,500
State	-	-	-	-
Inventories	-	-	-	-
Due from Other Funds	44,033	-	-	-
TOTAL ASSETS	<u>\$ 194,031</u>	<u>\$ 31,075</u>	<u>\$ 13,001</u>	<u>\$ 6,500</u>
LIABILITIES AND OTHER CREDITS				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	6,500
Accrued Payroll	70,599	-	-	-
TOTAL LIABILITIES	<u>70,599</u>	<u>-</u>	<u>-</u>	<u>6,500</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	-
TOTAL DEFERRED INFLOWS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE				
Nonspendable	-	-	-	-
Restricted	-	31,075	13,001	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	123,432	-	-	-
TOTAL FUND BALANCE	<u>123,432</u>	<u>31,075</u>	<u>13,001</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 194,031</u>	<u>\$ 31,075</u>	<u>\$ 13,001</u>	<u>\$ 6,500</u>

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

EXHIBIT H-3

SEG Federal Stimulus	Golden Apple	2012 GO Bond Student Library Fund	NM Reads to Lead K-3	Private Direct Grants	SB-9
\$ 56	\$ -	\$ -	\$ -	\$ -	\$ 48,378
-	-	-	-	-	-
-	-	-	-	-	96,657
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 56</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 145,035</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	2,008	-	-	-
-	-	-	-	-	-
-	-	<u>2,008</u>	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
56	-	(2,008)	-	-	145,035
-	-	-	-	-	-
-	-	-	-	-	-
<u>56</u>	<u>-</u>	<u>(2,008)</u>	<u>-</u>	<u>-</u>	<u>145,035</u>
<u>\$ 56</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 145,035</u>

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 TAOS CHARTER SCHOOL

EXHIBIT H-3
 CONTINUED

COMBINING BALANCE SHEET--GOVERNMENTAL FUNDS

June 30, 2016

	Bond Building	Public School Capital Outlay	Total
ASSETS			
Cash and cash equivalents	\$ 87,500	\$ -	\$ 330,008
Accounts Receivable			
Federal	-	-	6,500
State	-	35,525	132,182
Inventories	-	-	-
Due from Other Funds	-	-	44,033
TOTAL ASSETS	<u>\$ 87,500</u>	<u>\$ 35,525</u>	<u>\$ 512,723</u>
LIABILITIES AND OTHER CREDITS			
Accounts Payable	\$ -	\$ -	\$ -
Due to Other Funds	-	35,525	44,033
Accrued Payroll	-	-	70,599
TOTAL LIABILITIES	<u>-</u>	<u>35,525</u>	<u>114,632</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	-	-	-
TOTAL DEFERRED INFLOWS	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE			
Nonspendable	-	-	-
Restricted	87,500	-	274,659
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	123,432
TOTAL FUND BALANCE	<u>87,500</u>	<u>-</u>	<u>398,091</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 87,500</u>	<u>\$ 35,525</u>	<u>\$ 512,723</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
TAOS CHARTER SCHOOL

EXHIBIT H-4

RECONCILIATION OF THE BALANCE SHEET
ALL GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION

JUNE 30, 2016

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

Fund Balances - total governmental funds	\$ 398,091
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	1,936,589
Deferred outflows related to pensions not reported in the funds	336,927
Net pension liability not reported in the funds	(1,992,407)
Deferred inflows related to pensions not reported in the funds	<u>(45,906)</u>
Net position of governmental activities	<u>\$ 633,294</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 TAOS CHARTER SCHOOL

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN FUND BALANCE--GOVERNMENTAL FUNDS

Year Ended June 30, 2016

	Operational	Instructional Materials	Food Services	IDEA - B Entitlement
REVENUE				
Federal Programs	\$ -	\$ -	\$ 46,093	\$ 62,565
State Programs	-	15,227	-	-
State Equalization	1,485,123	-	-	-
Service Revenues	29,898	-	1,409	-
Other revenue sources	66,337	-	-	-
TOTAL REVENUES	<u>1,581,358</u>	<u>15,227</u>	<u>47,502</u>	<u>62,565</u>
EXPENDITURES				
Current				
Instruction	992,419	9,969	-	21,751
Support Services Students	75,689	-	-	40,814
Support Services Instruction	3,580	-	-	-
Support Services General Administration	21,013	-	-	-
Support Services School Administration	193,083	-	-	-
Central Services	59,572	-	-	-
Operation and Maintenance of Plant	227,836	-	-	-
Food Services Operations	27,325	-	34,501	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>1,600,517</u>	<u>9,969</u>	<u>34,501</u>	<u>62,565</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(19,159)	5,258	13,001	-
Other Financing Sources (Uses)				
Proceeds from Bonds	-	-	-	-
Transfers In (Out)	-	-	-	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(19,159)	5,258	13,001	-
FUND BALANCE				
June 30, 2015	142,905	25,817	-	(24,712)
Restatements	(314)	-	-	24,712
June 30, 2015 as restated	<u>142,591</u>	<u>25,817</u>	<u>-</u>	<u>-</u>
FUND BALANCE				
June 30, 2016	<u>\$ 123,432</u>	<u>\$ 31,075</u>	<u>\$ 13,001</u>	<u>\$ -</u>

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

EXHIBIT H-5

SEG Federal Stimulus	Golden Apple	2012 GO Bond Student Library Fund	NM Reads to Lead K-3	Private Direct Grants	SB-9
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	50,000	-	150,438
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	50,000	-	150,438
-	3,000	-	50,000	-	-
-	-	-	-	-	-
-	-	1,155	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	3,000	1,155	50,000	-	-
-	(3,000)	(1,155)	-	-	150,438
-	-	-	-	-	-
-	3,000	-	-	(3,000)	-
-	3,000	-	-	(3,000)	-
-	-	(1,155)	-	(3,000)	150,438
56	-	(853)	-	3,000	(5,403)
-	-	-	-	-	-
56	-	(853)	-	3,000	(5,403)
\$ 56	\$ -	\$ (2,008)	\$ -	\$ -	\$ 145,035

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 TAOS CHARTER SCHOOL

EXHIBIT H-5
 CONTINUED

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN FUND BALANCE--GOVERNMENTAL FUNDS

Year Ended June 30, 2016

	Bond Building	Public School Capital Outlay	Total
REVENUE			
Federal Programs	\$ -	\$ -	\$ 108,658
State Programs	-	142,100	357,765
State Equalization	-	-	1,485,123
Service Revenues	-	-	31,307
Other revenue sources	-	-	66,337
TOTAL REVENUES	-	142,100	2,049,190
EXPENDITURES			
Current			
Instruction	-	-	1,077,139
Support Services Students	-	-	116,503
Support Services Instruction	-	-	4,735
Support Services General Administration	-	-	21,013
Support Services School Administration	-	-	193,083
Central Services	-	-	59,572
Operation and Maintenance of Plant	-	-	227,836
Food Services Operations	-	-	61,826
Capital Outlay	75,336	142,100	217,436
TOTAL EXPENDITURES	75,336	142,100	1,979,143
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(75,336)	-	70,047
Other Financing Sources (Uses)			
Proceeds from Bonds	162,836	-	162,836
Transfers In (Out)	-	-	-
Total Other Financing Sources	162,836	-	162,836
NET CHANGE IN FUND BALANCE	87,500	-	232,883
FUND BALANCE			
June 30, 2015	-	-	140,810
Restatements	-	-	24,398
June 30, 2015 as restated	-	-	165,208
FUND BALANCE			
June 30, 2016	\$ 87,500	\$ -	\$ 398,091

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

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE -
ALL GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2016

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

Net change in fund balance - total governmental funds	\$ 232,883
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current year	
Capital Outlay	13,000
Depreciation	(75,572)
Pension related expense	<u>(100,139)</u>
Change in Net Position	<u><u>\$ 70,172</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 TAOS CHARTER SCHOOL

EXHIBIT H-7

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Fees	\$ 22,164	\$ 22,164	\$ 29,897	\$ 7,733
Interest Income	-	-	-	-
Private Donations	46,714	46,714	66,337	19,623
Refunds Prior Year	-	-	-	-
State Equalization	1,487,366	1,485,123	1,485,124	1
TOTAL REVENUE	<u>1,556,244</u>	<u>1,554,001</u>	<u>\$ 1,581,358</u>	<u>\$ 27,357</u>
BUDGETED CASH BALANCE	<u>222,138</u>	<u>222,138</u>		
TOTAL REVENUE & CASH	<u>\$ 1,778,382</u>	<u>\$ 1,776,139</u>		
EXPENDITURES				
Current				
Instruction	\$ 1,146,065	\$ 1,137,405	\$ 1,064,017	\$ 73,388
Support Services	-	-	-	-
Support Services Students	81,558	85,667	75,689	9,978
Support Services Instruction	-	-	3,580	(3,580)
Support Services General Administration	13,650	20,709	21,013	(304)
Support Services School Administration	195,098	197,441	193,083	4,358
Central Services	59,638	59,708	59,572	136
Operation and Maintenance of Plant	276,951	247,881	227,836	20,045
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	5,422	27,328	27,325	3
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 1,778,382</u>	<u>\$ 1,776,139</u>	<u>\$ 1,672,115</u>	<u>\$ 104,024</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 TAOS CHARTER SCHOOL

EXHIBIT H-8

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	11,780	11,780	15,227	3,447
Local Programs	-	-	-	-
TOTAL REVENUE	<u>11,780</u>	<u>11,780</u>	<u>\$ 15,227</u>	<u>\$ 3,447</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 11,780</u>	<u>\$ 11,780</u>		
EXPENDITURES				
Current				
Instruction	\$ 11,780	\$ 11,780	\$ 9,969	\$ 1,811
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 11,780</u>	<u>\$ 11,780</u>	<u>\$ 9,969</u>	<u>\$ 1,811</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 TAOS CHARTER SCHOOL

EXHIBIT H-9

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

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ 46,093	\$ 46,093
State Programs	-	-	-	-
Local Programs	-	35,071	1,409	(33,662)
TOTAL REVENUE	<u>-</u>	<u>35,071</u>	<u>\$ 47,502</u>	<u>\$ 12,431</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 35,071</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	35,071	34,501	570
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 35,071</u>	<u>\$ 34,501</u>	<u>\$ 570</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 TAOS CHARTER SCHOOL

EXHIBIT H-10

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ 56,066	\$ 62,565	\$ 80,777	\$ 18,212
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>56,066</u>	<u>62,565</u>	<u>\$ 80,777</u>	<u>\$ 18,212</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 56,066</u>	<u>\$ 62,565</u>		
EXPENDITURES				
Current				
Instruction	\$ 22,066	\$ 22,066	\$ 21,751	\$ 315
Support Services	-	-	-	-
Support Services Students	34,000	40,499	40,814	(315)
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 56,066</u>	<u>\$ 62,565</u>	<u>\$ 62,565</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 TAOS CHARTER SCHOOL

EXHIBIT H-11

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 TAOS CHARTER SCHOOL

EXHIBIT H-12

STATEMENT OF REVENUE AND EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--GOLDEN APPLE FOUNDATION

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	3,000	-	(3,000)
TOTAL REVENUE	<u>-</u>	<u>3,000</u>	<u>\$ -</u>	<u>\$ (3,000)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 3,000</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 3,000	\$ 3,000	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 TAOS CHARTER SCHOOL

EXHIBIT H-13

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	4,729	4,992	-	(4,992)
Local Programs	-	-	-	-
TOTAL REVENUE	<u>4,729</u>	<u>4,992</u>	<u>\$ -</u>	<u>\$ (4,992)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 4,729</u>	<u>\$ 4,992</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	4,729	4,992	1,155	3,837
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 4,729</u>	<u>\$ 4,992</u>	<u>\$ 1,155</u>	<u>\$ 3,837</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 TAOS CHARTER SCHOOL

EXHIBIT H-14

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--NM READS TO LEAD K-3

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	50,000	50,000	50,000	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>50,000</u>	<u>50,000</u>	<u>\$ 50,000</u>	<u>\$ -</u>
BUDGETED CASH BALANCE				
	-	-		
TOTAL REVENUE & CASH	<u>\$ 50,000</u>	<u>\$ 50,000</u>		
EXPENDITURES				
Current				
Instruction	\$ 50,000	\$ 50,000	\$ 50,000	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 TAOS CHARTER SCHOOL

EXHIBIT H-15

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--PRIVATE DIRECT GRANTS

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	3,000	-	(3,000)
TOTAL REVENUE	<u>-</u>	<u>3,000</u>	<u>\$ -</u>	<u>\$ (3,000)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 3,000</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 3,000	\$ -	\$ 3,000
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 3,000</u>	<u>\$ -</u>	<u>\$ 3,000</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 TAOS CHARTER SCHOOL

EXHIBIT H-16

STATEMENT OF REVENUE AND EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--SB-9

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	5,405	153,507	148,102
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>5,405</u>	<u>\$ 153,507</u>	<u>\$ 148,102</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 5,405</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	5,405	-	5,405
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 5,405</u>	<u>\$ -</u>	<u>\$ 5,405</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 TAOS CHARTER SCHOOL

EXHIBIT H-17

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Bond Proceeds	\$ -	\$ -	\$ -	\$ -
State Sources	-	162,836	162,836	-
Earnings from Investments	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>162,836</u>	<u>\$ 162,836</u>	<u>\$ -</u>
 BUDGETED CASH BALANCE	 <u>-</u>	 <u>-</u>		
 TOTAL REVENUES & CASH	 <u>\$ -</u>	 <u>\$ 162,836</u>		
 EXPENDITURES				
Administration	\$ -	\$ -	\$ -	\$ -
Capital Outlay	-	162,836	75,336	87,500
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 162,836</u>	<u>\$ 75,336</u>	<u>\$ 87,500</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 TAOS CHARTER SCHOOL

EXHIBIT H-18

STATEMENT OF REVENUE & EXPENDITURES--
 BUDGET (NON-GAAP) AND ACTUAL--CAPITAL PROJECT FUND--
 PUBLIC SCHOOL CAPITAL OUTLAY STATE

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
State Sources	\$ -	\$ 142,100	\$ 106,575	\$ (35,525)
Earnings from Investments	-	-	-	-
TOTAL REVENUE	-	142,100	<u>\$ 106,575</u>	<u>\$ (35,525)</u>
 BUDGETED CASH BALANCE	 -	 -		
 TOTAL CASH & REVENUE	 <u>\$ -</u>	 <u>\$ 142,100</u>		
 EXPENDITURES				
Facilities Acquisition and Construction	\$ -	\$ 142,100	\$ 142,100	\$ -
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 142,100</u>	<u>\$ 142,100</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 FRIENDS OF TAOS CHARTER SCHOOL

EXHIBIT H-19

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2016

Cash flows from operating activities	
Cash received from customers	\$ 142,100
Donations and other income	12,568
Interest	3,673
Cash payments for supplies and maintenance	(90,825)
Net cash (used) by operating activities	<u>67,516</u>
Cash flows from financing activities	
Loan principal payments	-
Loan interest payments	-
Loan proceeds	-
Net cash provided by noncapital financing activities	<u>-</u>
Cash flows from investing activities	
Investments in marketable securities	(91,046)
Earnings from investments	1,854
Net cash provided by capital and related financing activities	<u>(89,192)</u>
Increase (decrease) in cash and cash equivalents	(21,676)
Cash and cash equivalents - beginning of year	<u>96,016</u>
Cash and cash equivalents - end of year	<u>\$ 74,340</u>
Reconciliation of net operating revenues (expenses) to net cash (used) by operations	
Operating Income (Loss)	\$ 25,981
Adjustments to reconcile operating income (loss) to net cash (used) by operations	
Depreciation	18,374
Changes in assets and liabilities:	
Receivables	23,683
Other assets	(522)
Net cash (used) by operating activities	<u>\$ 67,516</u>

The accompanying notes are an integral part of these financial statements

(This page is intentionally left blank)

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 VISTA GRANDE HIGH SCHOOL

EXHIBIT I-1

STATEMENT OF NET POSITION

JUNE 30, 2016

	<u>Vista Grande Charter School</u>
<u>ASSETS</u>	
Current assets:	
Cash and cash equivalents	\$ 83,200
Receivables	131,577
Due from other governments	-
Inventories	-
Total current assets	<u>214,777</u>
Non-current assets:	
Capital assets, net	211,782
Total non-current assets	<u>211,782</u>
Total assets	<u>426,559</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred outflows related to pensions	298,656
Total deferred outflows	<u>298,656</u>
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	-
Compensated absences	11,189
Accrued payroll	30,026
Current portion of long term debt	-
Total current liabilities	<u>41,215</u>
Non-current liabilities:	
Non-current portion of long term debt	-
Net pension liability	1,368,646
Total non-current liabilities	<u>1,368,646</u>
Total liabilities	<u>1,409,861</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Unavailable revenue	-
Deferred inflows related to pensions	164,750
Total deferred inflows	<u>164,750</u>
<u>NET POSITION</u>	
Net investment in capital assets	211,782
Restricted:	
Special revenue	(12,084)
Capital projects	(6,953)
Unrestricted	<u>(1,042,141)</u>
Total net position	<u>\$ (849,396)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 VISTA GRANDE HIGH SCHOOL

EXHIBIT I-2

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue & Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities
Primary government:					
Governmental activities:					
Instruction	\$ 759,228	\$ 4,723	\$ 223,860	\$ -	\$ (530,645)
Support Services	-	-	-	-	-
Support Services Students	92,732	-	-	-	(92,732)
Support Services Instruction	19,719	-	-	-	(19,719)
Support Services General Administration	21,759	-	-	-	(21,759)
Support Services School Administration	165,708	-	-	-	(165,708)
Central Services	150,945	-	-	-	(150,945)
Operation and Maintenance of Plant	95,179	-	-	-	(95,179)
Student Transportation	-	-	-	-	-
Other Support Services	-	-	-	-	-
Food Services Operations	40,333	-	34,134	-	(6,199)
Facilities, materials, supplies and other	22,002	-	-	79,763	57,761
Amortization - Unallocated	-	-	-	-	-
Total governmental activities	\$ 1,367,605	\$ 4,723	\$ 257,994	\$ 79,763	(1,025,125)
General revenues:					
State equalization guarantee					1,008,442
Grant & contributions not restricted					-
Grants & contributions restricted					-
Unrestricted investment earnings					-
Miscellaneous income					4,093
Total general revenues					1,012,535
Change in net position					(12,590)
Net position - beginning					(836,806)
Net position - ending					<u>\$ (849,396)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 VISTA GRANDE HIGH SCHOOL

COMBINING BALANCE SHEET--GOVERNMENTAL FUNDS

June 30, 2016

	Operational	Instructional Materials	Food Services	Title I
ASSETS				
Cash and cash equivalents	\$ 17,484	\$ 11,954	\$ -	\$ -
Accounts Receivable				
Federal	-	-	-	23,400
State	-	-	-	-
Inventories	-	-	-	-
Due from Other Funds	204,376	-	-	-
TOTAL ASSETS	\$ 221,860	\$ 11,954	\$ -	\$ 23,400
LIABILITIES AND OTHER CREDITS				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-	-	1,236	23,400
Accrued Payroll	30,026	-	-	-
TOTAL LIABILITIES	30,026	-	1,236	23,400
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	-
TOTAL DEFERRED INFLOWS	-	-	-	-
FUND BALANCE				
Nonspendable	-	-	-	-
Restricted	-	11,954	(1,236)	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	191,834	-	-	-
TOTAL FUND BALANCE	191,834	11,954	(1,236)	-
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	\$ 221,860	\$ 11,954	\$ -	\$ 23,400

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

EXHIBIT I-3

IDEA- B Entitlement	USDA Equipment Assistance Program	2010 GO Bond Student Library Fund	2012 GO Bond Student Library Fund	Technology for Education	After School Summer Enrichment
\$ -	\$ -	\$ -	\$ -	\$ 1,529	\$ -
33,746	5,800	-	-	-	-
-	-	-	2,889	-	45,302
-	-	-	-	-	-
<u>\$ 33,746</u>	<u>\$ 5,800</u>	<u>\$ -</u>	<u>\$ 2,889</u>	<u>\$ 1,529</u>	<u>\$ 45,302</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
33,746	5,800	2,021	2,889	-	45,302
-	-	-	-	-	-
<u>33,746</u>	<u>5,800</u>	<u>2,021</u>	<u>2,889</u>	<u>-</u>	<u>45,302</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	(2,021)	-	1,529	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	(2,021)	-	1,529	-
<u>\$ 33,746</u>	<u>\$ 5,800</u>	<u>\$ -</u>	<u>\$ 2,889</u>	<u>\$ 1,529</u>	<u>\$ 45,302</u>

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 VISTA GRANDE HIGH SCHOOL

COMBINING BALANCE SHEET--GOVERNMENTAL FUNDS

June 30, 2016

	STEM Teacher Initiative	School Library Material Fund FY08	Private Direct Grants
ASSETS			
Cash and cash equivalents	\$ -	\$ 304	\$ 44
Accounts Receivable			
Federal	-	-	-
State	10,765	-	-
Inventories	-	-	-
Due from Other Funds	-	-	-
TOTAL ASSETS	\$ 10,765	\$ 304	\$ 44
LIABILITIES AND OTHER CREDITS			
Accounts Payable	\$ -	\$ -	\$ -
Due to Other Funds	10,765	-	-
Accrued Payroll	-	-	-
TOTAL LIABILITIES	10,765	-	-
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	-	-	-
TOTAL DEFERRED INFLOWS	-	-	-
FUND BALANCE			
Nonspendable	-	-	-
Restricted	-	304	44
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
TOTAL FUND BALANCE	-	304	44
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	\$ 10,765	\$ 304	\$ 44

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

EXHIBIT I-3
CONTINUED

SB-9	Bond Building	Public School Capital Outlay	Ed. Tech Equipment Act	Total
\$ -	\$ -	\$ -	\$ 51,885	\$ 83,200
-	-	-	-	62,946
9,674	-	-	-	68,630
-	-	-	-	-
-	-	-	-	204,376
<u>\$ 9,674</u>	<u>\$ -</u>	<u>\$ -</u>	<u>51,885</u>	<u>\$ 419,152</u>
\$ -	\$ -	\$ -	\$ -	\$ -
20,378	25,395	33,443	-	204,375
-	-	-	-	30,026
<u>20,378</u>	<u>25,395</u>	<u>33,443</u>	<u>-</u>	<u>234,401</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
(10,704)	(25,395)	(33,443)	51,885	(7,083)
-	-	-	-	-
-	-	-	-	191,834
<u>(10,704)</u>	<u>(25,395)</u>	<u>(33,443)</u>	<u>51,885</u>	<u>184,751</u>
<u>\$ 9,674</u>	<u>\$ -</u>	<u>\$ -</u>	<u>51,885</u>	<u>\$ 419,152</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
VISTA GRANDE HIGH SCHOOL

EXHIBIT I-4

RECONCILIATION OF THE BALANCE SHEET
ALL GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION

JUNE 30, 2016

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

Fund Balances - total governmental funds	\$ 184,751
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	211,782
Deferred outflows related to pensions not reported in the funds	298,656
Net pension liability not reported in the funds	(1,368,646)
Deferred inflows related to pensions not reported in the funds	(164,750)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	
Compensated Absences	(11,189)
	<hr/>
Net position of governmental activities	<u>\$ (849,396)</u>

The accompanying notes are an integral part of these financial statements

(This page is intentionally left blank)

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 VISTA GRANDE HIGH SCHOOL

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN FUND BALANCE--GOVERNMENTAL FUNDS

Year Ended June 30, 2016

	Operational	Instructional Materials	Food Services	Title I
REVENUE				
Federal Programs	\$ -	\$ -	\$ 34,134	\$ 23,400
State Programs	-	6,791	-	-
State Equalization	1,008,442	-	-	-
Service Revenues	4,723	-	-	-
Other revenue sources	4,093	-	-	-
TOTAL REVENUES	1,017,258	6,791	34,134	23,400
EXPENDITURES				
Current				
Instruction	601,868	2,969	-	23,400
Support Services	-	-	-	-
Support Services Students	92,732	-	-	-
Support Services Instruction	19,719	-	-	-
Support Services General Administration	14,345	-	-	-
Support Services School Administration	165,708	-	-	-
Central Services	150,945	-	-	-
Operation and Maintenance of Plant	95,179	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	4,963	-	35,370	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	1,145,459	2,969	35,370	23,400
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(128,201)	3,822	(1,236)	-
Other Financing Sources (Uses)				
Proceeds from Bonds	-	-	-	-
Total Other Financing Sources	-	-	-	-
NET CHANGE IN FUND BALANCE	(128,201)	3,822	(1,236)	-
FUND BALANCE				
June 30, 2015	320,035	8,132	-	-
FUND BALANCE				
June 30, 2016	\$ 191,834	\$ 11,954	\$ (1,236)	\$ -

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

EXHIBIT I-5

IDEA- B Entitlement	USDA Equipment Assistance Program	2010 GO Bond Student Library Fund	2012 GO Bond Student Library Fund	Technology for Education	After School Summer Enrichment
\$ 33,746	\$ 5,800	\$ -	\$ -	\$ -	\$ -
-	-	-	2,889	-	45,302
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>33,746</u>	<u>5,800</u>	<u>-</u>	<u>2,889</u>	<u>-</u>	<u>45,302</u>
33,123	5,800	-	2,889	-	45,302
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>33,123</u>	<u>5,800</u>	<u>-</u>	<u>2,889</u>	<u>-</u>	<u>45,302</u>
623	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
623	-	-	-	-	-
(623)	-	(2,021)	-	1,529	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,021)</u>	<u>\$ -</u>	<u>\$ 1,529</u>	<u>\$ -</u>

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 VISTA GRANDE HIGH SCHOOL

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN FUND BALANCE--GOVERNMENTAL FUNDS

Year Ended June 30, 2016

	STEM Teacher Initiative	School Library Material Fund FY08	Private Direct Grants
REVENUE			
Federal Programs	\$ -	\$ -	\$ -
State Programs	10,765	-	-
State Equalization	-	-	-
Service Revenues	-	-	-
Other revenue sources	-	-	-
TOTAL REVENUES	<u>10,765</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Current			
Instruction	10,765	-	-
Support Services	-	-	-
Support Services Students	-	-	-
Support Services Instruction	-	-	-
Support Services General Administration	-	-	-
Support Services School Administration	-	-	-
Central Services	-	-	-
Operation and Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	-	-	-
Capital Outlay	-	-	-
TOTAL EXPENDITURES	<u>10,765</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	-	-
Other Financing Sources (Uses)			
Proceeds from Bonds	-	-	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE			
June 30, 2015	<u>-</u>	<u>304</u>	<u>44</u>
FUND BALANCE			
June 30, 2016	<u>\$ -</u>	<u>\$ 304</u>	<u>\$ 44</u>

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

EXHIBIT I-5
CONTINUED

SB-9	Bond Building	Public School Capital Outlay	Ed. Tech Equipment Act	Total
\$ -	\$ -	\$ -	\$ -	\$ 97,080
9,674	-	85,493	-	160,914
-	-	-	-	1,008,442
-	-	-	-	4,723
-	-	-	-	4,093
<u>9,674</u>	<u>-</u>	<u>85,493</u>	<u>-</u>	<u>1,275,252</u>
-	-	-	-	726,116
-	-	-	-	-
-	-	-	-	92,732
-	-	-	-	19,719
-	-	-	-	14,345
-	-	-	-	165,708
-	-	-	-	150,945
-	-	-	-	95,179
-	-	-	-	-
-	-	-	-	-
-	-	-	-	40,333
<u>9,674</u>	<u>6,491</u>	<u>62,213</u>	<u>12,346</u>	<u>90,724</u>
<u>9,674</u>	<u>6,491</u>	<u>62,213</u>	<u>12,346</u>	<u>1,395,801</u>
-	(6,491)	23,280	(12,346)	(120,549)
-	<u>15,532</u>	<u>-</u>	<u>64,231</u>	<u>79,763</u>
-	<u>15,532</u>	<u>-</u>	<u>64,231</u>	<u>79,763</u>
-	9,041	23,280	51,885	(40,786)
<u>(10,704)</u>	<u>(34,436)</u>	<u>(56,723)</u>	<u>-</u>	<u>225,537</u>
<u>\$ (10,704)</u>	<u>\$ (25,395)</u>	<u>\$ (33,443)</u>	<u>\$ 51,885</u>	<u>\$ 184,751</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
VISTA GRANDE HIGH SCHOOL

EXHIBIT I-6

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE -
ALL GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2016

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

Net change in fund balance - total governmental funds	\$ (40,786)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current year	
Capital Outlay	68,722
Depreciation	(15,610)
Expenses in Statement of Activities which do not require use of current financial resources i.e. Compensated Absences	(7,414)
Pension related expense	(17,502)
Bond Principal	-
Change in Net Position	<u>\$ (12,590)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 VISTA GRANDE HIGH SCHOOL

EXHIBIT I-7

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Fees	\$ -	\$ -	\$ 4,723	\$ 4,723
Interest Income	-	-	-	-
Private Donations	-	-	47	47
Refunds Prior Year	-	-	4,046	4,046
State Equalization	1,080,600	1,104,453	1,008,442	(96,011)
TOTAL REVENUE	<u>1,080,600</u>	<u>1,104,453</u>	<u>\$ 1,017,258</u>	<u>\$ (87,195)</u>
BUDGETED CASH BALANCE	<u>159,832</u>	<u>320,035</u>		
TOTAL REVENUE & CASH	<u>\$ 1,240,432</u>	<u>\$ 1,424,488</u>		
EXPENDITURES				
Current				
Instruction	\$ 629,474	\$ 653,327	\$ 601,869	\$ 51,458
Support Services	-	-	-	-
Support Services Students	98,823	124,784	97,732	27,052
Support Services Instruction	1,000	24,210	19,719	4,491
Support Services General Administration	14,500	24,496	14,345	10,151
Support Services School Administration	178,830	178,830	165,708	13,122
Central Services	156,079	181,642	150,944	30,698
Operation and Maintenance of Plant	157,726	197,155	95,179	101,976
Student Transportation	-	30,685	-	30,685
Other Support Services	-	-	-	-
Food Services Operations	4,000	9,359	4,963	4,396
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 1,240,432</u>	<u>\$ 1,424,488</u>	<u>\$ 1,150,459</u>	<u>\$ 274,029</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 VISTA GRANDE HIGH SCHOOL

EXHIBIT I-8

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	4,647	6,791	6,791	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>4,647</u>	<u>6,791</u>	<u>\$ 6,791</u>	<u>\$ -</u>
BUDGETED CASH BALANCE				
	-	-		
TOTAL REVENUE & CASH	<u>\$ 4,647</u>	<u>\$ 6,791</u>		
EXPENDITURES				
Current				
Instruction	\$ 4,647	\$ 6,791	\$ 2,969	\$ 3,822
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 4,647</u>	<u>\$ 6,791</u>	<u>\$ 2,969</u>	<u>\$ 3,822</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 VISTA GRANDE HIGH SCHOOL

EXHIBIT I-9

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

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ 34,133	\$ 34,133
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ 34,133</u>	<u>\$ 34,133</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	35,370	(35,370)
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,370</u>	<u>\$ (35,370)</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 VISTA GRANDE HIGH SCHOOL

EXHIBIT I-10

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

Year Ended June 30, 2016.

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ 23,400	\$ -	\$ (23,400)
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>23,400</u>	<u>\$ -</u>	<u>\$ (23,400)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 23,400</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 23,400	\$ 23,400	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 23,400</u>	<u>\$ 23,400</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 VISTA GRANDE HIGH SCHOOL

EXHIBIT I-11

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ 29,682	\$ 33,123	\$ -	\$ (33,123)
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>29,682</u>	<u>33,123</u>	<u>\$ -</u>	<u>\$ (33,123)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 29,682</u>	<u>\$ 33,123</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	29,682	33,123	33,123	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 29,682</u>	<u>\$ 33,123</u>	<u>\$ 33,123</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 VISTA GRANDE HIGH SCHOOL

EXHIBIT I-12

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--USDA EQUIPMENT ASSISTANCE

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ 7,300	\$ -	\$ (7,300)
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>7,300</u>	<u>\$ -</u>	<u>\$ (7,300)</u>
BUDGETED CASH BALANCE				
	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 7,300</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	7,300	5,800	1,500
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 7,300</u>	<u>\$ 5,800</u>	<u>\$ 1,500</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 VISTA GRANDE HIGH SCHOOL

EXHIBIT I-13

STATEMENT OF REVENUE AND EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--2010 GO BOND STUDENT LIBRARY FUND

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 VISTA GRANDE HIGH SCHOOL

EXHIBIT I-14

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	6,348	6,348	-	(6,348)
Local Programs	-	-	-	-
TOTAL REVENUE	<u>6,348</u>	<u>6,348</u>	<u>\$ -</u>	<u>\$ (6,348)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 6,348</u>	<u>\$ 6,348</u>		
EXPENDITURES				
Current				
Instruction	\$ 6,348	\$ 6,348	\$ 2,889	\$ 3,459
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 6,348</u>	<u>\$ 6,348</u>	<u>\$ 2,889</u>	<u>\$ 3,459</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 VISTA GRANDE HIGH SCHOOL

EXHIBIT I-15

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 VISTA GRANDE HIGH SCHOOL

EXHIBIT I-16

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--AFTER SCHOOL ENRICHMENT PROGRAM

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	46,095	-	(46,095)
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>46,095</u>	<u>\$ -</u>	<u>\$ (46,095)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 46,095</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 46,095	\$ 45,302	\$ 793
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 46,095</u>	<u>\$ 45,302</u>	<u>\$ 793</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 VISTA GRANDE HIGH SCHOOL

EXHIBIT I-17

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	12,150	-	(12,150)
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>12,150</u>	<u>\$ -</u>	<u>\$ (12,150)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 12,150</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 12,150	\$ 10,765	\$ 1,385
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 12,150</u>	<u>\$ 10,765</u>	<u>\$ 1,385</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 VISTA GRANDE HIGH SCHOOL

EXHIBIT I-18

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 VISTA GRANDE HIGH SCHOOL

EXHIBIT I-19

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--PRIVATE DIRECT GRANTS

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 VISTA GRANDE HIGH SCHOOL

EXHIBIT I-20

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--SB-9

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	9,674	16,327	-	(16,327)
Local Programs	-	-	-	-
TOTAL REVENUE	<u>9,674</u>	<u>16,327</u>	<u>\$ -</u>	<u>\$ (16,327)</u>
BUDGETED CASH BALANCE				
	-	-		
TOTAL REVENUE & CASH	<u>\$ 9,674</u>	<u>\$ 16,327</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	9,674	16,327	9,674	6,653
TOTAL EXPENDITURES	<u>\$ 9,674</u>	<u>\$ 16,327</u>	<u>\$ 9,674</u>	<u>\$ 6,653</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 VISTA GRANDE HIGH SCHOOL

EXHIBIT I-21

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

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Bond Proceeds	\$ -	\$ -	\$ 15,533	\$ 15,533
State Sources	-	-	-	-
Earnings from Investments	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ 15,533</u>	<u>\$ 15,533</u>
 BUDGETED CASH BALANCE	 <u>-</u>	 <u>-</u>		
 TOTAL REVENUES & CASH	 <u>\$ -</u>	 <u>\$ -</u>		
 EXPENDITURES				
Administration	\$ -	\$ -	\$ -	\$ -
Capital Outlay	-	-	25,395	(25,395)
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,395</u>	<u>\$ (25,395)</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 VISTA GRANDE HIGH SCHOOL

EXHIBIT I-22

STATEMENT OF REVENUE & EXPENDITURES--
 BUDGET (NON-GAAP) AND ACTUAL--CAPITAL PROJECT FUND--
 PUBLIC SCHOOL CAPITAL OUTLAY STATE

Year Ended June 30, 2016

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
State Sources	\$ -	\$ 62,213	\$ 85,493	\$ 23,280
Earnings from Investments	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>62,213</u>	<u>\$ 85,493</u>	<u>\$ 23,280</u>
 BUDGETED CASH BALANCE	 <u>-</u>	 <u>-</u>		
 TOTAL CASH & REVENUE	 <u>\$ -</u>	 <u>\$ 62,213</u>		
 EXPENDITURES				
CAPITAL OUTLAY	\$ -	\$ 62,213	\$ 62,213	\$ -
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 62,213</u>	<u>\$ 62,213</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS
 VISTA GRANDE HIGH SCHOOL

EXHIBIT I-23

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--CAPITAL PROJECTS FUND--ED TECH EQUIPMENT ACT

Year Ended June 30, 2016

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Bond Proceeds	\$ -	\$ 64,231	\$ 64,231	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>64,231</u>	<u>\$ 64,231</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 64,231</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	64,231	12,346	51,885
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 64,231</u>	<u>\$ 12,346</u>	<u>\$ 51,885</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
VISTA GRANDE HIGH SCHOOL

EXHIBIT I-24

STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash on Deposit	\$ 2,818
TOTAL ASSETS	<u>\$ 2,818</u>
LIABILITIES	
Due To Student Groups	\$ 2,818
TOTAL LIABILITIES	<u>\$ 2,818</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
VISTA GRANDE HIGH SCHOOL

EXHIBIT I-25

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -- AGENCY FUNDS

Year Ended June 30, 2016

	Balance 6/30/2015	ADDITIONS	DEDUCTIONS	Balance 6/30/2016
GENERAL	<u>\$ 2,612</u>	<u>\$ 3,055</u>	<u>\$ 2,849</u>	<u>\$ 2,818</u>
	<u>\$ 2,612</u>	<u>\$ 3,055</u>	<u>\$ 2,849</u>	<u>\$ 2,818</u>

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

AGENCY FUNDS

AGENCY FUND--To account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

EXHIBIT J-1

SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES -- AGENCY FUNDS

Year Ended June 30, 2016

	Balance 6/30/2015	ADDITIONS	DEDUCTIONS	Balance 6/30/2016
Administration	\$ 53,837	\$ 26,597	\$ 34,110	\$ 46,324
Taos High School	229,519	421,210	405,865	244,864
Taos Middle School	53,963	65,414	66,653	52,724
Enos Elementary	40,096	62,061	68,328	33,829
Rancho Elementary	34,194	40,348	38,955	35,587
Arroyos Del Norte Elementary	12,603	2,993	8,664	6,932
Total	<u>\$ 424,212</u>	<u>\$ 618,623</u>	<u>\$ 622,575</u>	<u>\$ 420,260</u>

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

(This page is intentionally left blank)

OTHER SUPPLEMENTARY INFORMATION

(This page is intentionally left blank)

REQUIRED SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE 1

SCHEDULE OF THE PROPORTIONATE SHARE OF NET PENSION LIABILITY
EDUCATIONAL RETIREMENT BOARD (ERB) PENSION PLAN - LAST 10 FISCAL YEARS*

JUNE 30, 2016

Taos Municipal Schools:	<u>2016</u>
Proportion of the net pension liability	0.04681%
Proportionate share of the net pension liability	\$ 31,134,276
Covered-employee payroll	\$ 13,123,831
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	237.23%
Plan fiduciary net position as a percentage of total pension liability	66.54%

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE 1
CONTINUED

SCHEDULE OF THE PROPORTIONATE SHARE OF NET PENSION LIABILITY
EDUCATIONAL RETIREMENT BOARD (ERB) PENSION PLAN - LAST 10 FISCAL YEARS*

JUNE 30, 2016

Anansi Charter School:	<u>2016</u>
Proportion of the net pension liability	0.02555%
Proportionate share of the net pension liability	\$ 1,654,942
Covered-employee payroll	\$ 697,597
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	237.23%
Plan fiduciary net position as a percentage of total pension liability	66.54%

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE 1
CONTINUED

SCHEDULE OF THE PROPORTIONATE SHARE OF NET PENSION LIABILITY
EDUCATIONAL RETIREMENT BOARD (ERB) PENSION PLAN - LAST 10 FISCAL YEARS*

JUNE 30, 2016

Taos Charter School:	<u>2016</u>
Proportion of the net pension liability	0.03076%
Proportionate share of the net pension liability	\$ 1,992,407
Covered-employee payroll	\$ 839,847
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	237.23%
Plan fiduciary net position as a percentage of total pension liability	66.54%

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

SCHEDULE 1
 CONTINUED

SCHEDULE OF THE PROPORTIONATE SHARE OF NET PENSION LIABILITY
 EDUCATIONAL RETIREMENT BOARD (ERB) PENSION PLAN - LAST 10 FISCAL YEARS*

JUNE 30, 2016

Vista Grande High School:	2016
Proportion of the net pension liability	0.02113%
Proportionate share of the net pension liability	\$ 1,368,646
Covered-employee payroll	\$ 576,917
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	237.23%
Plan fiduciary net position as a percentage of total pension liability	66.54%

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

SCHEDULE 2

SCHEDULE OF CONTRIBUTIONS EDUCATIONAL RETIREMENT
 BOARD (ERB) PENSION PLAN - LAST 10 FISCAL YEARS*

JUNE 30, 2016

Taos Municipal Schools:	2016
Contractually required contribution	\$ 1,856,944
Contributions in relation to the contractually required contribuion	1,856,944
Contribution deficiency (excess)	\$ -
Covered-employee payroll	\$ 13,359,318
Contributions as a percentage of covered-employee payroll	13.90%

* The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement

Notes to Required Supplementary Information (Schedules 4 & 5)

Changes of benefit terms - The COLA and retirement eligibility benefits changes in recent years are described in
 Changes of assumptions - ERB conducts an actuarial experience study for the Plan on a biennial basis. Based on
 1. Fiscal year 2014 and 2013 valuation assumptions that changed based on this study:

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

SCHEDULE 2
 CONTINUED

SCHEDULE OF CONTRIBUTIONS EDUCATIONAL RETIREMENT
 BOARD (ERB) PENSION PLAN - LAST 10 FISCAL YEARS*

JUNE 30, 2016

Anansi Charter School:	<u>2016</u>
Contractually required contribution	\$ 117,031
Contributions in relation to the contractually required contribuion	117,031
Contribution deficiency (excess)	<u>\$ -</u>
Covered-employee payroll	\$ 841,949
Contributions as a percentage of covered-employee payroll	13.90%

* The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement

Notes to Required Supplementary Information (Schedules 4 & 5)

Changes of benefit terms - The COLA and retirement eligibility benefits changes in recent years are described in
 Changes of assumptions - ERB conducts an actuarial experience study for the Plan on a biennial basis. Based on
 1. Fiscal year 2014 and 2013 valuation assumptions that changed based on this study:

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

SCHEDULE 2
 CONTINUED

SCHEDULE OF CONTRIBUTIONS EDUCATIONAL RETIREMENT
 BOARD (ERB) PENSION PLAN - LAST 10 FISCAL YEARS*

JUNE 30, 2016

Taos Charter School:	2016
Contractually required contribution	\$ 124,347
Contributions in relation to the contractually required contribuion	124,347
Contribution deficiency (excess)	\$ -
Covered-employee payroll	\$ 894,581
Contributions as a percentage of covered-employee payroll	13.90%

* The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement

Notes to Required Supplementary Information (Schedules 4 & 5)

Changes of benefit terms - The COLA and retirement eligibility benefits changes in recent years are described in
 Changes of assumptions - ERB conducts an actuarial experience study for the Plan on a biennial basis. Based on
 1. Fiscal year 2014 and 2013 valuation assumptions that changed based on this study:

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE 2
CONTINUED

SCHEDULE OF CONTRIBUTIONS EDUCATIONAL RETIREMENT
BOARD (ERB) PENSION PLAN - LAST 10 FISCAL YEARS*

JUNE 30, 2016

Vista Grande High School:	<u>2016</u>
Contractually required contribution	\$ 75,804
Contributions in relation to the contractually required contribuion	75,804
Contribution deficiency (excess)	<u>\$ -</u>
Covered-employee payroll	\$ 545,352
Contributions as a percentage of covered-employee payroll	13.90%

* The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement

Notes to Required Supplementary Information (Schedules 4 & 5)

Changes of benefit terms - The COLA and retirement eligibility benefits changes in recent years are described in
Changes of assumptions - ERB conducts an actuarial experience study for the Plan on a biennial basis. Based on
1. Fiscal year 2014 and 2013 valuation assumptions that changed based on this study;

(This page is intentionally left blank)

OTHER SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

SCHEDULE 3

BANK SUMMARY

JUNE 30, 2016

Taos Municipal Schools:

Bank	ACCT TYPE	FUND	BANK BALANCE	OUTSTANDING (CHECKS) DEPOSITS	NET CASH BALANCE
Centinel Bank	Checking	Multi Fund *	\$ 8,351,514	\$ (434,047)	\$ 7,917,467
	Checking	Activities *	448,865	(28,605)	420,260
Total Centinel Bank			<u>8,800,379</u>	<u>(462,652)</u>	<u>8,337,727</u>
US Bank	Checking	Operational & Ed Tech			
		Equipment Act	2,533,830	(631,340)	1,902,490
Total US Bank			<u>2,533,830</u>	<u>(631,340)</u>	<u>1,902,490</u>
Total all Accounts			<u>\$ 11,334,209</u>	<u>\$ (1,093,992)</u>	<u>\$ 10,240,217</u>

* Interest Bearing

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

SCHEDULE 3
 CONTINUED

BANK SUMMARY

JUNE 30, 2016

Anansi Charter School:

Bank	ACCT TYPE	FUND	BANK BALANCE	OUTSTANDING (CHECKS) DEPOSITS	NET CASH BALANCE
US Bank	Checking	Multi Fund	\$ 128,714	\$ (14,606)	\$ 114,108
Total all Accounts			\$ 128,714	\$ (14,606)	\$ 114,108
			*	Interest Bearing	

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

SCHEDULE 3
 CONTINUED

BANK SUMMARY

JUNE 30, 2016

Taos Charter School:

Bank	ACCT TYPE	FUND	BANK BALANCE	OUTSTANDING (CHECKS) DEPOSITS	NET CASH BALANCE
US Bank	Checking	Multi Fund	\$ 319,868	\$ 10,140	\$ 330,008
Total all Accounts			<u>\$ 319,868</u>	<u>\$ 10,140</u>	<u>\$ 330,008</u>
			*	Interest Bearing	

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

SCHEDULE 3
 CONTINUED

BANK SUMMARY

JUNE 30, 2016

Vista Grande High School:

Bank	ACCT TYPE	FUND		BANK BALANCE	OUTSTANDING (CHECKS) DEPOSITS	NET CASH BALANCE
Centinel Bank	Checking	Multi Fund	*	\$ 130,200	\$ (47,000)	\$ 83,200
	Checking	Activities	*	2,818	-	2,818
Total all Accounts				<u>\$ 133,018</u>	<u>\$ (47,000)</u>	<u>\$ 86,018</u>
				*	Interest Bearing	

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE 4

SCHEDULE OF PLEDGED COLLATERAL

June 30, 2016

Taos Municipal Schools:

	Total Deposits	FDIC Insurance	Uninsured Deposits	Collateral Required	Collateral Pledged	Uninsured & Uncollateralized Deposits
Cintinel Bank	\$ 8,800,379	\$ 250,000	\$ 8,550,379	\$ 4,275,190	\$ 4,892,496	\$ 3,657,883
US Bank	2,533,830	250,000	2,283,830	1,141,915	2,500,000	(216,170)
Total	<u>\$11,334,209</u>	<u>\$ 500,000</u>	<u>\$10,834,209</u>	<u>\$ 5,417,105</u>	<u>\$ 7,392,496</u>	<u>\$ 3,441,713</u>

Collateral	CUSIP #.	Amount	Matures
FHLB	3133X8AS1	\$ 1,446,186	8/15/2019
Taos SCH ED Tech	87601UBE2	125,000	10/1/2020
FHLMC	3137EAAM1	2,056,310	2/16/2017
Alamogordo SD	011464GW8	250,000	8/1/2021
Lea County SCH	521513AW1	1,015,000	6/15/2020
Total Collateral at Cintinel Bank		<u>4,892,496</u>	
FHLB	LOC# 520014	2,500,000	12/1/2016
Total Collateral at US Bank		<u>2,500,000</u>	
Total Collateral all Accounts		<u>\$7,392,496.00</u>	

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

SCHEDULE 4
 CONTINUED

SCHEDULE OF PLEDGED COLLATERAL

June 30, 2016

Anansi Charter School:

	Total Deposits	FDIC Insurance	Uninsured Deposits	Collateral Required	Collateral Pledged	Uninsured & Uncollateralized Deposits
US Bank	\$ 128,714	\$ 250,000	\$ (121,286)	\$ -	\$ 126,866	\$ -
Total	\$ 128,714	\$ 250,000	\$ (121,286)	\$ -	\$ 126,866	\$ -

Collateral	CUSIP #.	Amount	Matures
FHLMC FHARM 1B4844	3128JQHW1	\$ 26,638	7/1/2040
FHLMC GOLD POOL E97552	3128H5L95	100,228	7/1/2018
Total Collateral at US Bank		\$ 126,866	

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

SCHEDULE 4
 CONTINUED

SCHEDULE OF PLEDGED COLLATERAL

June 30, 2016

Taos Charter School:

	<u>Total Deposits</u>	<u>FDIC Insurance</u>	<u>Uninsured Deposits</u>	<u>Collateral Required</u>	<u>Collateral Pledged</u>	<u>Uninsured & Uncollateralized Deposits</u>
US Bank	\$ 319,868	\$ 250,000	\$ 69,868	\$ 34,934	\$ 126,866	\$ -
Total	\$ 319,868	\$ 250,000	\$ 69,868	\$ 34,934	\$ 126,866	\$ -

<u>Collateral</u>	<u>CUSIP #.</u>	<u>Amount</u>	<u>Matures</u>
FHLMC FHARM 1B4844	3128JQHW1	\$ 26,638	7/1/2040
FHLMC GOLD POOL E97552	3128H5L95	100,228	7/1/2018
Total Collateral at US Bank		\$ 126,866	

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

SCHEDULE 4
 CONTINUED

SCHEDULE OF PLEDGED COLLATERAL

June 30, 2016

Vista Grande High School:

	<u>Total Deposits</u>	<u>FDIC Insurance</u>	<u>Uninsured Deposits</u>	<u>Collateral Required</u>	<u>Collateral Pledged</u>	<u>Uninsured & Uncollateralized Deposits</u>
Centinel Bank	\$ 130,200	\$ 250,000	\$ (119,800)	\$ -	\$ 205,000	\$ -
Total	<u>\$ 130,200</u>	<u>\$ 250,000</u>	<u>\$ (119,800)</u>	<u>\$ -</u>	<u>\$ 205,000</u>	<u>\$ -</u>

<u>Collateral</u>	<u>CUSIP #.</u>	<u>Amount</u>	<u>Matures</u>
Questa GO ED	74837KAD1	\$ 205,000	7/1/2016
Total Collateral at US Bank		<u>\$ 205,000</u>	

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

BANK RECONCILIATION

JUNE 30, 2016

Taos Municipal Schools:

	<u>OPERATIONAL</u>	<u>TRANSPORTATION</u>	<u>INSTRUCTIONAL MATERIALS</u>	<u>FOOD SERVICES</u>
Audited Net Cash June30, 2015	\$ 1,316,497	\$ 48,416	\$ 231,970	\$ -
Investments & cash on hand/Loans	-	-	-	-
TOTAL CASH BALANCE June30, 2015	1,316,497	48,416	231,970	-
Add: Prior year void checks	-	-	-	-
2015-2016 Revenue	19,223,263	917,321	169,850	1,637,445
Transfers In & Adjustments	2,755,609	-	-	201,250
TOTAL AVAILABLE CASH	23,295,369	965,737	401,820	1,838,695
Less: 2015-2016 Expenditures	18,385,310	927,583	260,268	1,599,300
Returned Checks	-	-	-	-
Transfers Out & Adjustments	2,332,627	38,152	-	239,395
	<u>20,717,937</u>	<u>965,735</u>	<u>260,268</u>	<u>1,838,695</u>
NET CASH, JUNE 30, 2016	2,577,432	2	141,552	-
Cash On hand	-	-	-	-
TOTAL CASH, JUNE 30, 2016	\$ 2,577,432	\$ 2	\$ 141,552	\$ -

SCHEDULE 5

<u>ATHLETICS</u>	<u>FEDERAL PROJECTS</u>	<u>LOCAL/STATE ACCOUNT</u>	<u>SB-9</u>	<u>BOND BUILDING</u>	<u>SCO LOCAL</u>
\$ 2,626	\$ 241,099	\$ 238,999	\$ 2,197,526	\$ 959,757	\$ 1
-	-	-	-	-	-
2,626	241,099	238,999	2,197,526	959,757	1
-	-	-	-	-	-
67,116	3,252,239	846,840	2,268,598	848	-
-	843,841	234,063	-	-	-
69,742	4,337,179	1,319,902	4,466,124	960,605	1
62,704	2,431,059	805,951	2,931,488	960,605	-
-	-	-	-	-	-
-	1,774,070	403,248	1	-	1
62,704	4,205,129	1,209,199	2,931,489	960,605	1
7,038	132,050	110,703	1,534,635	-	-
-	-	-	-	-	-
<u>\$ 7,038</u>	<u>\$ 132,050</u>	<u>\$ 110,703</u>	<u>\$ 1,534,635</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE 5
Continued

BANK RECONCILIATION

JUNE 30, 2016

Taos Municipal Schools (continued)

	ED TECH EQUIPMENT ACT	DEBT SERVICE	ED TECH DEBT SERVICE	ACTIVITY
Audited Net Cash				
June30, 2015	\$ 587,422	\$ 2,796,645	\$ 762,994	\$ 424,212
Investments & cash on hand/Loans	-	-	-	-
TOTAL CASH BALANCE				
June30, 2015	587,422	2,796,645	762,994	424,212
Add: Prior year void checks	-	-	-	-
2015-2016 Revenue	1,905,361	3,044,763	643,970	618,623
Transfers In & Adjustments	-	-	1	-
TOTAL AVAILABLE CASH	2,492,783	5,841,408	1,406,965	1,042,835
Less: 2015-2016 Expenditures	735,049	2,977,159	712,401	622,575
Returned Checks	-	-	-	-
Transfers Out & Adjustments	-	2	-	-
	735,049	2,977,161	712,401	622,575
	-	-	-	-
NET CASH, JUNE 30, 2016	1,757,734	2,864,247	694,564	420,260
Cash On hand	-	-	-	-
TOTAL CASH, JUNE 30, 2016	\$ 1,757,734	\$ 2,864,247	\$ 694,564	\$ 420,260

(This page is intentionally left blank)

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

BANK RECONCILIATION

JUNE 30, 2016

Anansi Charter School:

	<u>OPERATIONAL</u>	<u>INSTRUCTIONAL MATERIALS</u>	<u>FOOD SERVICES</u>	<u>FEDERAL FLOWTHROUGH</u>
Audited Net Cash				
June30, 2015	\$ 74,695	\$ 7,268	\$ -	\$ -
Investments & cash on hand/Loans	-	-	-	-
TOTAL CASH BALANCE				
June30, 2015	74,695	7,268	-	-
Add: Prior year void checks	4,912	-	-	-
2015-2016 Revenue	1,490,611	11,366	53,495	37,764
Transfers In & Adjustments	142,034	-	3,870	7,129
TOTAL AVAILABLE CASH	1,712,252	18,634	57,365	44,893
Less: 2015-2016 Expenditures	1,588,802	9,098	57,049	31,282
Returned Checks	-	-	-	-
Transfers Out & Adjustments	100,788	-	-	13,611
	1,689,590	9,098	57,049	44,893
NET CASH, JUNE 30, 2016	22,662	9,536	316	-
Cash On hand	-	-	-	-
TOTAL CASH, JUNE 30, 2016	\$ 22,662	\$ 9,536	\$ 316	\$ -

SCHEDULE 5
Continued

FEDERAL DIRECT	STATE FLOWTHROUGH	LOCAL/ STATE	SB-9	BOND BUILDING	PSCO
\$ 191	\$ -	\$ 5,000	\$ 6,397	\$ -	\$ -
-	-	-	-	-	-
191	-	5,000	6,397	-	-
-	-	-	-	-	-
-	14,908	-	87,768	265,349	98,765
-	43,304	-	-	-	47,227
191	58,212	5,000	94,165	265,349	145,992
-	51,971	4,496	68,448	136,999	103,075
-	-	-	-	-	-
-	6,241	-	-	73,168	42,917
-	58,212	4,496	68,448	210,167	145,992
191	-	504	25,717	55,182	-
-	-	-	-	-	-
\$ 191	\$ -	\$ 504	\$ 25,717	\$ 55,182	\$ -

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

BANK RECONCILIATION

JUNE 30, 2016

Taos Charter School:

	<u>OPERATIONAL</u>	<u>INSTRUCTIONAL MATERIALS</u>	<u>FOOD SERVICES</u>	<u>FEDERAL FLOWTHROUGH</u>
Audited Net Cash				
June30, 2015	\$ 123,662	\$ 25,817	\$ -	\$ -
Investments & cash on hand/Loans	-	-	-	-
TOTAL CASH BALANCE				
June30, 2015	123,662	25,817	-	-
Add: Prior year void checks	-	-	-	-
2015-2016 Revenue	1,581,358	15,226	47,502	80,777
Transfers In & Adjustments	193,328	-	-	6,500
TOTAL AVAILABLE CASH	1,898,348	41,043	47,502	87,277
Less: 2015-2016 Expenditures	1,672,115	9,968	34,501	62,565
Returned Checks	-	-	-	-
Transfers Out & Adjustments	76,235	-	-	24,712
	1,748,350	9,968	34,501	87,277
NET CASH, JUNE 30, 2016	149,998	31,075	13,001	-
Cash On hand	-	-	-	-
TOTAL CASH, JUNE 30, 2016	<u>\$ 149,998</u>	<u>\$ 31,075</u>	<u>\$ 13,001</u>	<u>\$ -</u>

SCHEDULE 5
Continued

FEDERAL DIRECT	STATE FLOWTHROUGH	LOCAL/ STATE	SB-9	BOND BUILDING	PSCO
\$ 56	\$ -	\$ 3,000	\$ -	\$ -	\$ -
-	-	-	-	-	-
56	-	3,000	-	-	-
-	-	-	-	-	-
-	50,000	-	153,507	162,836	106,575
-	2,008	-	-	-	35,525
56	52,008	3,000	153,507	162,836	142,100
-	51,155	3,000	-	75,336	142,100
-	-	-	-	-	-
-	853	-	105,129	-	-
-	52,008	3,000	105,129	75,336	142,100
56	-	-	48,378	87,500	-
-	-	-	-	-	-
\$ 56	\$ -	\$ -	\$ 48,378	\$ 87,500	\$ -

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

BANK RECONCILIATION

JUNE 30, 2016

Vista Grande High School:

	<u>OPERATIONAL</u>	<u>INSTRUCTIONAL MATERIALS</u>	<u>FOOD SERVICES</u>	<u>FEDERAL FLOWTHROUGH</u>
Audited Net Cash				
June30, 2015	\$ 312,912	\$ 8,132	\$ -	\$ -
Investments & cash on hand/Loans	-	-	-	-
TOTAL CASH BALANCE				
June30, 2015	312,912	8,132	-	-
Add: Prior year void checks	-	-	-	-
2015-2016 Revenue	1,017,258	6,791	34,133	-
Transfers In & Adjustments	30,026	-	1,237	62,323
TOTAL AVAILABLE CASH	1,360,196	14,923	35,370	62,323
Less: 2015-2016 Expenditures	1,145,459	2,969	35,370	62,323
Returned Checks	-	-	-	-
Transfers Out & Adjustments	197,253	-	-	-
	1,342,712	2,969	35,370	62,323
NET CASH, JUNE 30, 2016	17,484	11,954	-	-
Cash On hand	-	-	-	-
TOTAL CASH, JUNE 30, 2016	<u>\$ 17,484</u>	<u>\$ 11,954</u>	<u>\$ -</u>	<u>\$ -</u>

SCHEDULE 5
Continued

STATE FLOWTHROUGH	LOCAL/ STATE	SB-9	BOND BUILDING	PSCO	ED. TECH EQUIPMENT ACT	ACTIVITY
\$ 1,833	\$ 44	\$ -	\$ -	\$ -	\$ -	\$ 2,612
-	-	-	-	-	-	-
1,833	44	-	-	-	-	2,612
-	-	-	-	-	-	-
-	-	-	15,533	85,493	64,231	3,055
58,956	-	9,674	18,904	31,106	-	-
60,789	44	9,674	34,437	116,599	64,231	5,667
58,956	-	9,674	25,395	62,213	12,346	2,849
-	-	-	-	-	-	-
-	-	-	9,042	54,386	-	-
58,956	-	9,674	34,437	116,599	12,346	2,849
-	-	-	-	-	-	-
1,833	44	-	-	-	51,885	2,818
-	-	-	-	-	-	-
<u>\$ 1,833</u>	<u>\$ 44</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,885</u>	<u>\$ 2,818</u>

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

SCHEDULE OF VENDOR INFORMATION FOR PURCHASES
 EXCEEDING \$60,000 (EXCLUDING GRT)

FOR THE YEAR ENDED JUNE 30, 2016

PREPARED BY AGENCY STAFF NAME: MONICA MARTINEZ
 TITLE: BUSINESS MANAGER DATE: OCTOBER 20, 2016

<i>Agency Number</i>	<i>Agency Name</i>	<i>Agency Type</i>	<i>RFB#/RFP# (if applicable)</i>	<i>Type of Procurement</i>	<i>Vendor Name</i>
7081	Taos Municipal Schools	Schools	09.03.15-1	Competitive (RFP or RFB)	Diamond Finish
7081	Taos Municipal Schools	Schools	09.03.15-2	Competitive (RFP or RFB)	Blue Sky Builders
7081	Taos Municipal Schools	Schools	2016.1	Competitive (RFP or RFB)	Susan J. Consolloy
7081	Taos Municipal Schools	Schools	2016.1	Competitive (RFP or RFB)	Ador Health Solutions
7081	Taos Municipal Schools	Schools	2016.1	Competitive (RFP or RFB)	EASI
7081	Taos Municipal Schools	Schools	2016.1	Competitive (RFP or RFB)	My Therapy
7081	Taos Municipal Schools	Schools	2016.1	Competitive (RFP or RFB)	Kori Mannon
7081	Taos Municipal Schools	Schools	2016.2	Competitive (RFP or RFB)	Hurtado Speech Therapy
7081	Taos Municipal Schools	Schools	2016.2	Competitive (RFP or RFB)	My Therapy
7081	Taos Municipal Schools	Schools	2016.2	Competitive (RFP or RFB)	Ador Health Solutions
7081	Taos Municipal Schools	Schools	2016.2	Competitive (RFP or RFB)	EASI
7081	Taos Municipal Schools	Schools	2016.2	Competitive (RFP or RFB)	IT Connect
7081	Taos Municipal Schools	Schools	2016.6	Competitive (RFP or RFB)	Alyssa Martinez
7081	Taos Municipal Schools	Schools	2016.6	Competitive (RFP or RFB)	LSG
7081	Taos Municipal Schools	Schools	2016.6	Competitive (RFP or RFB)	Tony Froeschle
7081	Taos Municipal Schools	Schools	2016.6	Competitive (RFP or RFB)	EASI
7081	Taos Municipal Schools	Schools	2016.6	Competitive (RFP or RFB)	Kim Anderson
7081	Taos Municipal Schools	Schools	2016.6	Competitive (RFP or RFB)	IT Connect
7081	Taos Municipal Schools	Schools	2016.1	Competitive (RFP or RFB)	LSG
7081	Taos Municipal Schools	Schools	2016.1	Competitive (RFP or RFB)	Ador Health Solutions
7081	Taos Municipal Schools	Schools	2016.1	Competitive (RFP or RFB)	My Therapy

Schedule 6

<i>Did Vendor Win Contract?</i>	<i>\$ Amount of Awarded Contract</i>	<i>\$ Amount of Amended Contract</i>	<i>Physical address of vendor (City, State)</i>	<i>Did the Vendor provide documentation of eligibility for in-state preference?</i>	<i>Did the Vendor provide documentation of eligibility for veterans' preference?</i>	<i>Brief Description of the Scope of Work</i>	<i>If the procurement is attributable to a Component Unit, Name of Component Unit</i>
Winner	\$89,877.70		El Prado, NM	No	No	THS stucco repair & re-coat	
Loser			Espanola, NM			THS stucco repair & re-coat	
Winner	\$107,800.00		Hondo, NM	No	No	Physical Therapy for students	
Loser			Coral Springs, FL	No	No	Physical Therapy for students	
Loser			Albuquerque, NM	No	No	Physical Therapy for students	
Loser			Boulder, CO	No	No	Physical Therapy for students	
Loser			Taos Ski Valley, NM	No	No	Physical Therapy for students	
Winner	\$108,181.00		El Prado, NM	No	No	Speech Therapy for students	
Loser			Boulder, CO	No	No	Speech Therapy for students	
Loser			Coral Springs, FL	No	No	Speech Therapy for students	
Loser			Albuquerque, NM	No	No	Speech Therapy for students	
Loser			Santa Fe, NM	No	No	Speech Therapy for students	
Winner	\$84,420.00		Arroyo Seco, NM	No	No	Educational Diagnostician Evaluator	
Winner	\$61,124.00		Albuquerque, NM	No	No	Educational Diagnostician Evaluator	
Winner			El Prado, NM	No	No	Educational Diagnostician Evaluator	
Loser			Albuquerque, NM	No	No	Educational Diagnostician Evaluator	
Loser			Santa Fe, NM	No	No	Educational Diagnostician Evaluator	
Loser			Santa Fe, NM	No	No	Educational Diagnostician Evaluator	
Winner	\$117,548.00		Albuquerque, NM	No	No	Educational School Psychologist/Clinical Services	
Loser			Coral Springs, FL	No	No	Educational School Psychologist/Clinical Services	
Loser			Boulder, CO	No	No	Educational School Psychologist/Clinical Services	

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

SCHEDULE OF VENDOR INFORMATION FOR PURCHASES
 EXCEEDING \$60,000 (EXCLUDING GRT)

FOR THE YEAR ENDED JUNE 30, 2016

PREPARED BY AGENCY STAFF NAME: MONICA MARTINEZ
 TITLE: BUSINESS MANAGER DATE: OCTOBER 20, 2016

<i>Agency Number</i>	<i>Agency Name</i>	<i>Agency Type</i>	<i>RFB#/RFP# (if applicable)</i>	<i>Type of Procurement</i>	<i>Vendor Name</i>
7081	Taos Municipal Schools	Schools	2016.1	Competitive (RFP or RFB)	IT Connect
7081	Taos Municipal Schools	Schools	2016.1	Competitive (RFP or RFB)	EASI
7081	Taos Municipal Schools	Schools		Sole Source	Southern Regional Education Board
ANANSI CHARTER SCHOOL					
	Charter School		2014-001	Competitive	Anissa
TAOS CHARTER SCHOOL					
	None				
VISTA GRANDE HIGH SCHOOL					
	None				

Schedule 6
Continued

<i>Did Vendor Win Contract?</i>	<i>\$ Amount of Awarded Contract</i>	<i>\$ Amount of Amended Contract</i>	<i>Physical address of vendor (City, State)</i>	<i>Did the Vendor provide documentation of eligibility for in-state preference?</i>	<i>Did the Vendor provide documentation of eligibility for veterans' preference?</i>	<i>Brief Description of the Scope of Work</i>	<i>If the procurement is attributable to a Component Unit, Name of Component Unit</i>
Loser			Santa Fe, NM	No	No	Educational School Psychologist/clinical Services	
Loser			Albuquerque, NM	No	No	Educational School Psychologist/clinical Services	
	\$60,450.00		Atlanta, GA	No	No	Implementation of HSTW in NM/technical assistance/data analysis/development workshops	
Winner	\$80,000.00		Albuquerque, NM	No	No	construction	Anansi Charter

SCHEDULE OF JOINT POWERS AGREEMENTS

JUNE 30, 2016

Title: Joint use and development of 23.8+ acre Salazar property and sports facilities

Participants: Town of Taos and Taos Municipal Schools

Responsible Party: The Town of Taos agreed to construct athletic facilities on land owned by Taos Municipal Schools and to maintain the property. The facilities will be made available to the District at no cost other than maintaining insurance on the property. The facilities shall be made available for public use. Scheduling and charges for use of others will be agreed to by the Town and the District. The District shall own the land, and the Town shall own the improvements.

Dates of Operation: Agree ment entered into in September 2009 with a term of 40 years with the option for an additional 40 year renewal.

Projected Cost: Cost of liability insurance coverage in the amount of \$1,000,000.

Audit Responsibility: Town of Taos and Taos Municipal Schools.

Fiscal Agent: Town of Taos and Taos Municipal Schools.

COMPLIANCE SECTION

Woodard Cowen & Co.

Certified Public Accountants

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

Timothy Keller
New Mexico State Auditor
The Board of Education of
Taos Municipal School District
Taos, New Mexico

We have audited, 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, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund and major special revenue, capital projects and debt service funds, of the Taos Municipal School District as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Taos Municipal School District's basic financial statements, and the combining and individual funds and related budgetary comparisons of Taos Municipal School District, presented as supplemental information, and have issued our report thereon dated November 7, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Taos Municipal School 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 Taos Municipal School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Taos Municipal School 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 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

Portales: 305 S. Avenue B or PO Box 445, Portales NM 88130 – Phone 575-356-8564 Fax 575-356-2453
Clovis: 116 E. Grand Avenue or PO Box 1874, Clovis NM 88101 – Phone 575-762-3811 Fax 575-762-3866

in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses that we consider to be significant deficiencies identified as 2010-009, 2014-015, 2016-001 ACS, 2014-029 TCS, 2016-001 TCS, 2015-001 FTCS, 2014-045 VGHS and 2016-001 VGHS.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Taos Municipal School 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 *Government Auditing Standard* and which are described in the accompanying Schedule of 12-6-5 NMSA 1978 Findings as items 2014-001, 2014-006, 2014-008, 2016-002, 2016-003, 2016-004, 2015-002 ACS, 2016-002 ACS, 2016-001 FACS, 2014-032 TCS, 2015-001 TCS, 2016-002 TCS, 2016-003 TCS, 2016-001 FTCS, 2012-001 VGHS, 2013-005 VGHS and 2014-042 VGHS.

Taos Municipal School District's Responses to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the 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.

Woodard, Cowen & Co

Clovis, New Mexico
November 7, 2016

(This page is intentionally left blank)

FEDERAL FINANCIAL ASSISTANCE

Woodard Cowen & Co.

Certified Public Accountants

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

Timothy Keller
New Mexico State Auditor
The Board of Education of
Taos Municipal School District
Taos, New Mexico

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

Portales: 305 S. Avenue B or PO Box 445, Portales NM 88130 – Phone 575-356-8564 Fax 575-356-2453
Clovis: 116 E. Grand Avenue or PO Box 1874, Clovis NM 88101 – Phone 575-762-3811 Fax 575-762-3866

Opinion on Each Major Federal Program

In our opinion, Taos Municipal School 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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2016-001. Our opinion on each major federal program is not modified with respect to these matters.

Taos Municipal School District's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Taos Municipal School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

The management of Taos Municipal School 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 Taos Municipal School District's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Taos Municipal School District's internal control over compliance.

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

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

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

Woodard, Cowen & Co

Clovis, New Mexico
November 7, 2016

(This page is intentionally left blank)

SINGLE AUDIT SECTION

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

JUNE 30, 2016

I. SUMMARY OF AUDITORS RESULTS:

Report on Financial Statements		Unmodified
Significant Deficiencies on GAGAS	2010-009, 2014-015, 2016-001 ACS, 2014-029 TCS, 2016-001 TCS, 2015-001 FTCS, 2014-045 VGHS and 2016-001 VGHS	
Material Noncompliance		None
Questioned Cost		None
Type A & Type B dollar threshold		\$300,000
Entity Risk		High Risk
Major Federal Programs	TITLE I National School Lunch Program	CFDA #84.010 CFDA#10.555
Reportable Conditions on Internal Control over Major Programs		None
Material Weaknesses		None
Report on Compliance with Major Programs		Unmodified
Findings reportable under the Uniform Guidance 2 CFR 200.516(a)		2016-001

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)

JUNE 30, 2016

II. FINANCIAL STATEMENT FINDINGS (continued)

2010-009 Capital Assets (significant deficiency)

- Condition:** The District is not currently using a capital asset management system which enables it to provide capital asset detail or depreciation detail by asset. The District has been keeping an old listing on spreadsheets, but it has not been tied to what is reported in the audit report since the inception of GASB 34. The District did not take an annual inventory of its assets and submit this to the board for certification. The District has made some progress on the corrective action plan by trying to identify and put costs on all of the lands and buildings owned by the District, through contact with the county assessor and NMPSIA.
- Criteria:** Per 2.20.2.8 NMAC 1978 states that agencies should implement systematic and well documented methods for accounting for their fixed assets. A computerized system is recommended, with appropriate controls on access and authorization of transactions. Statutes also state that an annual inventory of capital assets should be made under the control of the governing authority.
- Cause:** The District has not made this a priority to be completed since the inception of GASB 34.
- Effect:** Violation of state statutes and accounting standards has occurred when the capital asset listing is not verified and updated at least annually by the District.
- Recommendation:** The District needs to make an actual commitment to spend the necessary time to get the capital assets listing on its Visions system so it can easily be updated throughout the year as assets are added or disposed of by the District. There should be specific staff involved in seeing this process is completed and maintained, then a review by management and the governing board should certify the annual inventory.
- Response:** The District plans on using insurance appraisals along with County Assessor's records to construct a fixed asset list for land, buildings and land improvements. An inventory of other fixed assets such as vehicles, buses, heavy equipment, etc will be taken and included with the list mentioned above to initiate a "General Fixed Asset Listing" for the District. Once this is accomplished the District will maintain a continuous listing and current depreciation schedule for fixed assets and submit current inventories to the Board of Education for annual approval. This process will be primarily the responsibility of the Director of Finance and the timeline to complete the work involved is estimated to be sometime in the late spring or early summer of 2017.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)

JUNE 30, 2016

II. FINANCIAL STATEMENT FINDINGS (continued)

2014-015 Background Checks (significant deficiency)

- Condition: During the testing of payroll files it was noted that 1 of 39 (3%) of the files did not have a background check of the employee located in the file. A background check was performed for that employee while the auditors were performing test work. The District has implemented its corrective action plan, however one instance still occurred.
- Criteria: 22-10A-5 NMSA 1978 states that local school boards and regional education cooperatives shall develop policies and procedure 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.
- Cause: This was an oversight by District staff, which was not caught in a review of the files.
- Effect: Besides being a violation of state statute, the lack of a background check can put the District at higher risk of liability should an incident occur regarding employees with no background checks on file.
- Recommendation: The District should re-evaluate their procedures regarding employee files and the review process to determine if additional procedures are needed to ensure the completeness of data required. Additional training may be necessary for those who are completing the personnel files.
- Response: The District is currently reviewing all personnel files to check for completeness of all records including I-9's and contracts. There are processes in place to insure that supporting documents are completed and placed in the personnel files. However, most of the I-9 exceptions noted above were a result of failure of the District to follow-up with employees that were missing a piece of supporting documentation required to accompany the I-9. The missing contract noted above was in possession at the time of audit, but just not placed in the personnel file at the time. The District will monitor the follow-up of missing documents more closely in the future in order to assure that files are not missing required documents. It is the responsibility of the Human Resources Director to maintain accurate and complete personnel files on all staff. Corrective action as described above is already taking place.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)

JUNE 30, 2016

II. FINANCIAL STATEMENT FINDINGS – Anansi Charter School

2016-001 ACS Cash Reconciliation and Review (significant deficiency)

- Condition: There was a voided check in the amount of \$4,912 that was being carried as an outstanding check on the year-end cash report and in the bank reconciliation. Therefore the cash report and reconciliation were showing less cash available to the Charter School.
- Criteria: 6.20.2.14 NMAC 1978 states that School districts shall establish and maintain a cash management program to safeguard cash and provide prompt and accurate reporting that adheres to cash management requirements of the office of management and budget. It also establishes that all bank accounts shall be reconciled on a monthly basis. Reconciled bank statements are to be reviewed by the business manager and/or management.
- Cause: The review process of reconciliations was either not being adhered to or is not thorough enough to include procedures that would ensure that voided checks are processed through the accounting system properly.
- Effect: The Charter School had more funds available to them than the Board and management were aware of. Without accurate cash reporting it makes good management decisions more difficult.
- Recommendation: The Charter School should look at control procedures and make changes to ensure that voided checks are properly recorded in the general ledger. Management should review the year end reports, including cash reports, reconciliations and outstanding check lists that are prepared by the contract business manager.
- Response: Management reviews and signs monthly reconciliation reports as they are received and will expand its review and signature process to include year-end reports, cash reports and the outstanding check lists as prepared by the school's business manager to ensure that stale dated checks are entered in the general ledger on an annual basis. This will be implemented by the Director during the current fiscal year.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)

JUNE 30, 2016

II. FINANCIAL STATEMENT FINDINGS – Taos Charter School

2014-029 TCS Purchase Orders (significant deficiency)

- Condition: The Charter School had purchase orders prepared after the date of the invoice. Of 69 invoices tested, 4 or 6% were dated prior to the purchase order. This amounted to \$12,128 of \$ 321,133 or 4% of the amounts tested. Management has failed to implement the corrective action plan as outlined in the prior year audit finding.
- Criteria: Per 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.
- Cause: The Charter School's policies and procedures were ignored, circumvented or erroneously missed with respect to the disbursements.
- Effect: Not properly using purchase orders creates a situation where expenditures could exceed budgets at the function level, thus violating budgetary control and state statute.
- Recommendation: The Charter School should consider additional training of employees regarding the procedures for purchasing and the purpose and need for purchase orders and implement the corrective action plan it outlined in the prior year audit.
- Response: The Charter School will implement additional training for all employees regarding the procedures for purchasing and to ensure that purchase orders are secured before any purchases are made. During the current year the Director will implement the training and the contract business manager will work with the school to ensure purchase orders are issued timely.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)

JUNE 30, 2016

II. FINANCIAL STATEMENT FINDINGS – Taos Charter School (continued)

2016-001 TCS Cash Reconciliation and Review (significant deficiency)

- Condition: Some of the fund general ledger reports had to be corrected while the auditor was performing fieldwork in order for the reports to match the cash reconciliations at year end.
- Criteria: 6.20.2.14 NMAC 1978 states that School districts shall establish and maintain a cash management program to safeguard cash and provide prompt and accurate reporting that adheres to cash management requirements of the office of management and budget. It also establishes that all bank accounts shall be reconciled on a monthly basis. Reconciled bank statements are to be reviewed by the business manager and/or management.
- Cause: The review process of reconciliations was either not being adhered to or is not thorough enough to include procedures that would ensure that cash reconciliations and general ledger reports and the state required cash reports all match with respect to cash balances.
- Effect: If all reports in the system do not match reconciliations then it increases the possibility for errors irregularities and fraud can occur. It will also make it more difficult for the governing body and management to make sound financial decisions based on those reports.
- Recommendation: The Charter School should look at control procedures and make changes to ensure that the reconciled cash ties to required reporting and the general ledger. Management should review the year end reports, including cash reports, reconciliations and outstanding check lists that are prepared by the contract business manager.
- Response: Management reviews and signs monthly reconciliation reports as they are received and will expand its review and signature process to include year-end reports, cash reports and the outstanding check lists as prepared by the school's business manager to ensure that stale dated checks are entered in the general ledger on an annual basis. The contract business manager will be responsible for implementing the corrective plan before the end of the current fiscal year.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)

JUNE 30, 2016

II. FINANCIAL STATEMENT FINDINGS – Friends of Taos Charter School

2015-001 FTCS Disbursements (significant deficiency)

- Condition: The Foundation had instances of cash disbursements without the backup documentation to support the approval of those purchases of goods or services. 4 of 42 or (10%) of the items selected for testing did not have backup documentation. This amounted to \$36,530 of \$58,886 or 62% of the dollars tested. The corrective action plan developed was put in place and has helped but has not been completely effective in preventing this condition.
- Criteria: Good accounting and internal control procedures dictate that sufficient supporting documentation should exist for all disbursements of monies for goods or services. Maintaining the original documentation regarding purchases is imperative to provide stronger internal control to prevent theft, fraud, or misuse of entity assets.
- Cause: The system in place has not been completely effective in providing the controls needed to ensure all of the disbursements have documented proof of their legitimacy.
- Effect: Without adequate controls in place the Foundations assets are left at higher risk of theft, fraud or misuse.
- Recommendation: The Foundation should determine where the control procedures failed and develop additional procedures to ensure that proper documentation is maintained for all transactions of the Foundation.
- Response: The President and Treasurer (both co-signers of all checks) will work together to ensure that all checks written have supporting documentation and detail. It is expected that it will be corrected before the end of the current year.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)

JUNE 30, 2016

II. FINANCIAL STATEMENT FINDINGS – Vista Grande High School

2014-045 VGHS Purchase Orders (significant deficiency)

- Condition: The Charter School had purchase orders prepared after the date of the invoice. Of 42 invoices tested, 2 or 5% were dated prior to the purchase order. This amounted to \$14,240 of \$ 278,999 or 5% of the amounts tested. Management has failed to implement the corrective action plan as outlined in the prior year audit finding.
- Criteria: Per 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.
- Cause: The Charter School's policies and procedures were ignored, circumvented or erroneously missed with respect to the disbursements.
- Effect: Not properly using purchase orders creates a situation where expenditures could exceed budgets at the function level, thus violating budgetary control and state statute.
- Recommendation: The Charter School should consider additional training of employees regarding the procedures for purchasing and the purpose and need for purchase orders and implement the corrective action plan it outlined in the prior year audit.
- Response: The charter school now has a new contracted business manager and we continue to train the staff responsible for purchase requisitions in the proper procedures for procurement. The Director will be responsible to ensure the staff receive the training needed and that it will occur before the end of the fiscal year.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)

JUNE 30, 2016

II. FINANCIAL STATEMENT FINDINGS – Vista Grande High School (continued)

2016-001 VGHS Capital Assets (significant deficiency)

- Condition: Capital asset records for the prior year could not be located. Therefore the capital asset listing was unavailable to the auditors at the time of fieldwork. The Charter School could provide current year additions in order to update the footnote and statements in the audit report.
- Criteria: Per 2.20.2.8 NMAC 1978 states that agencies should implement systematic and well documented methods for accounting for their fixed assets. A computerized system is recommended, with appropriate controls on access and authorization of transactions. Statutes also state that an annual inventory of capital assets should be made under the control of the governing authority.
- Cause: The Charter School lost their internal business manager during the fiscal year and has had trouble locating all of the Charter Schools financial information. They know the schedule existed at the end of the prior audit year, however, it was not located or updated as of June 30, 2016.
- Effect: Violation of state statutes and accounting standards has occurred when the capital asset listing is not verified and updated at least annually by the Charter School.
- Recommendation: The Charter School needs to locate or rebuild the capital asset listing and have someone placed in charge of keeping updated annually. Also, while doing the inventory of the small assets the Charter School should include an accounting of the assets on the capital asset listing.
- Response: The charter school has now located the prior year documentation for the capital assets and have added the additions. The contract business manager will help to ensure the capital asset listings are kept current for each fiscal year, beginning with the current year.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)

JUNE 30, 2016

III. FEDERAL AWARD FINDINGS

2016-001 Program verifications for National School Lunch program passed through the NM department of Education for 2015-16 CFDA 10.555 (other matter)

- Condition: There was no record of a completed 3% verification process made on free and reduced lunch applications for the high school students. The records indicated that the 3% sample was made and there were a number of no responses. However, there was nothing showing the follow up on those no responses and their ultimate disposition, nor was there any records indicating the rest of the 3% sample results and dispositions.
- Criteria: Per 7 CFR section 245.6a(b) (42 USC 1758(b)(3)(D)) - By November 15th of each school year, the local education agency (LEA) must verify the current free and reduced price eligibility of households selected from a sample of applications that it has approved for free and reduced price meals, unless the LEA is otherwise exempt from the verification requirement. The verification sample size is based on the total number of approved applications on file on October 1st .
- Cause: The prior year Director of the Food Services is no longer with the District and the only file found regarding the 3% verifications, was incomplete. The District was unable to follow up on any additional information as they had no response when trying contact the prior director.
- Effect: Failure to comply with grant requirements could result in the loss of future funding or possibly having to repay funding received during the period the District was out of compliance.
- Recommendation: The District should go back and complete the verification process for the period in question to ensure that there were no instances of ineligibility. The District should also put new controls in place to ensure that someone is responsible for making sure the verification is being made correctly and timely.
- Response: The Student Nutrition Program will attempt to collect supporting documents for verification of eligibility for free and reduced meals for the 2015-2016 school year to ensure no instances of ineligibility.
- The Student Nutrition Program Director is responsible for completing the verification process and report for the 2016-2017 school year to ensure no instances of ineligibility for free and reduced meals. Supporting documents showing district compliance with e 742 Verification Process including selection of 3% sample, communication with selected households, household response, status change, corrective measures and all requirements there-of will be kept on file.
- It is the responsibility of the Food Service Director to ensure that eligibility verification for free and reduced meals, has been completed and that supporting documentation for such verification is maintained by the District. Corrective action is currently taking place and should be finished before early spring of 2017.

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)

JUNE 30, 2016

IV. PRIOR YEAR FINDINGS

PRIMARY GOVERNMENT

FS 2010-009 Improper Recording and Maintenance of Fixed Assets	Revised and Repeated
FS 2010-021 Segregation of Duties	Resolved
FS 2014-001 Purchase Orders and Payment Authorization	Revised and Repeated
FS 2014-003 Improper Purchase of High Grade Fuel	Resolved
FS 2014-004 Incomplete Bidding Procedures and Purchases Requiring Quotations	Resolved
FS 2014-005 Improper Recording of Journal Entries	Resolved
FS 2014-006 Human Resource Documentation and Federal Forms	Revised and Repeated
FS 2014-007 Improper Withholding of Employee Contributions and Improper Payment of Wages	Revised and Repeated
FS 2014-008 Timeliness of Deposits	Revised and Repeated
FS 2014-009 Improper Procedures for Bid/RFP's and Assigning Statutory Preferences	Resolved
FS 2014-012 Improper Cash Controls and Cash Reconciliation	Resolved
FS 2014-014 Budgetary Controls	Resolved
FS 2014-015 Background Checks and Licensure	Revised and Repeated
FS 2015-001 Cash Appropriation in Excess of Available Cash Balances	Resolved
FS 2015-002 Athletic Concession Sales Not Reconciling to Cash Register Totals	Resolved

COMPONENT UNIT ANASI CHARTER SCHOOL

FS 2014-017 Payroll-Federal Forms	Resolved
FS 2014-018 Background Checks and Licensing	Resolved
FS 2014-020 Purchase Orders and Payment Authorization	Resolved
FS 2014-021 Payment of Goods and/or Services not Completed Within 30 Days	Resolved
FS 2014-022 Improper Payment of Travel and Per-Diem Expenses	Resolved
FS 2014-023 Timeliness of Deposits	Resolved
FS 2015-001 Payment for products not yet received	Resolved
FS 2015-002 Segregation of Duties	Resolved

COMPONENT UNIT TAOS CHARTER SCHOOL

FS 2014-029 Purchase Orders and Payment Authorization	Revised and Repeated
FS 2014-030 Payment for Goods and/or Services not Completed Within 30 Days	Resolved
FS 2014-031 Payroll-Federal Forms	Resolved
FS 2014-032 Background check and Licensing	Revised and Repeated
FS 2014-033 Incomplete Bidding Procedures and Purchases Requiring Quotations	Resolved
FS 2014-034 Improper Payment of Travel Reimbursement	Resolved
FS 2014-036 Annual Physical Inventory Certification	Resolved
FS 2015-001 TCS-Budgetary Controls	Revised and Repeated

COMPONENT UNIT FRIENDS OF TAOS CHARTER SCHOOL

FS 2015-001 Lack of Supporting Documentation for Disbursements and Receipts	Revised and Repeated
FS 2015-002 FTCS-Improper Cash Controls	Resolved
FS 2015-003 FTCS-Improper Filing of Federal Information Returns	Resolved

COMPONENT UNIT VISTA GRANDE HIGH SCHOOL

FS 2012-001 Inactive Funds	Revised and Repeated
FS 2013-005 Budgetary Controls	Revised and Repeated
FS 2014-042 Improper Recording of Journal Entries	Revised and Repeated
FS 2014-045 Purchase Orders and Payment Authorization	Revised and Repeated
FS 2014-046 Timeliness of Deposits and Receipt of Revenues	Resolved
FS 2015-050 Accrued Compensated Absences	Resolved
FS 2015-001 VGHS-Late Payment of Employer Contributions	Resolved

FEDERAL AWARDS FINDINGS

FA 2014-001 Indirect Costs Charged Exceeded Allowable Rate and Charged on Capital Asset	Resolved
FA 2014-002 Disallowed Expenses Not Moved to Operational Fund	Resolved
FA 2014-003 Improper Maintenance of Personnel Activity Reports and Licensing	Resolved
FA 2015-001 Purchase Orders and Payment Authorization	Resolved
FA 2015-002 Procurement and Suspension and Debarment	Resolved

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF 12-6-5 NMSA 1978 FINDINGS

JUNE 30, 2016

OTHER FINDINGS

2014-001 Purchase Orders (other matter)

- Condition: The District had a number purchase orders prepared after the date of the invoice or goods/services were received. Of 196 items tested, 15 or 8% the purchase order was prepared after the invoice or the good/services were received. This amounted to \$ 38,721 of \$ 4,501,419 or 1% of the amounts tested. The District has implemented the corrective action plan from the prior years, however, it does need to be evaluated to see if additional procedures would help eliminate this issue from future audits.
- Criteria: Per 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.
- Cause: District policies and procedures are not ensuring that all purchases have a valid purchase order in place as required by statute.
- Effect: Not properly using purchase orders creates a situation where expenditures could exceed budgets at the function level, thus violating budgetary control and state statute.
- Recommendation: The District should reevaluate the control systems in place to develop alternate controls. Any occurrences of purchase orders after the purchase are an override of those controls by staff and the District should consider additional training of employees regarding the procedures for purchasing and the purpose and need of purchase orders.
- Response: The District has implemented policies and procedures to prevent after the fact purchase orders. Occasionally we do have renewals that we receive invoices for which someone has forgotten to submit a purchase requisition ahead of time. We continue to reinforce and make staff aware of the requirement to obtain prior approval through the purchase requisition process before making a purchase of goods or services. Such ongoing awareness is communicated via staff trainings, e-mail communications, and direct one on one conversations. Staff is usually asked to provide a written justification of why the procurement process was not followed for instances in which the procurement process has not been followed according to policy. As mentioned above, corrective action is already taking place to remedy this finding in the future. Monitoring and constant communication with staff about procurement procedures is the responsibility of the Director of Finance. Site monitoring and controls over purchasing at the requisition level in order to prevent future findings of this nature are the responsibility of all Directors, Principals and staff.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF 12-6-5 NMSA 1978 FINDINGS (continued)

JUNE 30, 2016

OTHER FINDINGS (continued)

2014-006 HR Documentation (other matter)

- Condition: During the tests of payroll files we noted that 1 of 39 (3%) of the files had incomplete I-9 information and 1 of 39 (3%) did not have FY16 contracts in the files. Management has failed to implement the corrective action plan as outlined in the prior year audit finding.
- Criteria: NMAC 6.20.2.18 1978 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 (including increments), 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 notices, Educational Retirement Act plan application, and direct deposit authorizations.
- Cause: The District employees have disregarded the board policies and procedures and the state and federal statutes regarding employee file documentation. The contract was located before the exit conference.
- Effect: Violation of Federal and State statutes and District policies and procedures.
- Recommendation: The District needs to fully implement the corrective action plan it outlined in the prior year audit.
- Response: The District is currently reviewing all personnel files to check for completeness of all records including I-9's and contracts. There is processes in place to insure that supporting documents are completed and placed in the personnel files. However, most of the I-9 exceptions noted above were a result of failure of the District to follow-up with employees that were missing a piece of supporting documentation required to accompany the I-9. The missing contract noted above was in possession at the time of audit, but just not placed in the personnel file at the time. The District will monitor the follow-up of missing documents more closely in the future in order to assure that files are not missing required documents. It is the responsibility of the Human Resources Director to maintain accurate and complete personnel files on all staff. Corrective action has already been taken to avoid this finding in the future.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF 12-6-5 NMSA 1978 FINDINGS (continued)

JUNE 30, 2016

OTHER FINDINGS (continued)

2014-008 Timeliness of Activity Deposits (other matter)

- Condition: 7 of 25 (28%) activity receipts totaling \$7,659 were not deposited within 24 of being received by the District. Of those 7 items 6 were due to sponsors not getting the funds turned into the school secretaries timely. The corrective action plan is in place, however, it has not been effective, so should be reevaluated.
- Criteria: All school district deposits shall be made in accordance with Chapter 22 -8-40 NMSA 1978, which requires monies to be deposited to the bank accounts within 24 hours of receipt by the District. Funds are considered received by the District when the sponsors receive them.
- Cause: Disregard by staff of District policies and state statutes applying to cash receipts and deposit requirements.
- Effect: The District violated the deposit requirements under the statute and District's policies, therefore assets of the district were not secured properly.
- Recommendation: The District should retrain all staff regarding procedures for receipt of funds and importance of depositing the funds timely to the bank. Training with respect to fund raising receipts should be provided annually at the beginning of the school year.
- Response: As mentioned above, the District does require that money turned into the school be deposited within 24 hours of initial receipt taking into consideration weekends, holidays and any non-banking days. All sites have been very conscientious about this rule and we have minimal violation of the rule. However, most of the exceptions have occurred with activity fundraising. The District intends to make all staff aware that the 24 hour rule applies to all funds received by the District including initial receipting of activity funds by sponsors. The communication will be delivered through staff training at the beginning of the school year and an all-staff e-mail at the current time. It is the responsibility of all activity sponsors to deposit funds within 24 hours of collection. It is the responsibility of the Site Administrators (Principals) and the Director of Finance to make sure deposits are made timely. Action described above has taken place to hopefully eliminate violation of the deposit rule in the future.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF 12-6-5 NMSA 1978 FINDINGS (continued)

JUNE 30, 2016

OTHER FINDINGS (continued)

2016-002 Food Inventory (other matter)

- Condition: The District had food inventory documents at yearend for the warehouse and all of the schools with cafeterias. Of the 6 locations with food inventory 5 had complete and accurate yearend inventory counts with extensions except one. The inventory for Arroyos Del Norte Elementary school had only the count of food shown. No items had costs or extensions. The amount for the school was calculated by the auditors and approved by management to be \$3,407 this was 21% of the total school food inventory of \$15,918.
- Criteria: District policies require that food inventory is to be maintained on a regular basis also, inventory is to be maintained pursuant to USDA Regulations and Policies – Food Distribution under 7 CFR part 250.
- Cause: The cafeteria staff in charge of inventory at the particular school has not been trained on using the electronic inventory system that the District has in place.
- Effect: Noncompliance with policies allows for weakened internal control and allows for the potential loss of food, without the District's knowledge.
- Recommendation: The District needs to ensure that all District staff have the training needed to complete the expectations of their respective jobs. Also, someone in the food service office should review and sign off on inventory count sheets each month as they are delivered to the office. This would ensure that all the counts are accurately reported by dollar amount.
- Response: The Nutrition Program is in the process of implementing a Production Planning Software tool to help with cost control and inventory control among each school site. All managers will be trained to use the tool. All cafeteria staff will be trained on the proper procedures for receiving, storing and rotating inventory. A record of attendance and training will be kept on file.
- The school site manager is responsible for completing all monthly inventory counts to include produce, food, non-food and commodities. The Manager and the Student Nutrition Program Director will sign off on every monthly inventory count to ensure accurate reporting. The Student Nutrition Program Director will keep a record of every monthly inventory count. The corrective action should be complete during the spring of 2017.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF 12-6-5 NMSA 1978 FINDINGS (continued)

JUNE 30, 2016

OTHER FINDINGS (continued)

2016-003 Administrative Support of Charter Schools 2% (other matter)

Condition: The District did not comply with state law with respect to accounting for the 2% administrative funds in a manner as to prove the funds were used as required.

Criteria: Chapter 22-8B-9 NMSA 1978 states that the chartering authority will use the funds for ongoing oversight of operational, financial and academic performance of the Charter School. Under these statutes the District is required to maintain records, not only of performance of these functions but the allocations of the 2% funding to that performance. Those allocations should be accounted for in the general ledger of the District as specific to those functions.

Cause: The District was unaware of the need to allocate funding to prove the use of the 2% funds within the accounting for those funds.

Effect: Violation of the statute regarding proper proof of allocation of the monies spent.

Recommendation: Since the District has many staff involved in helping with the required oversight of the Charter Schools, and it is probable that more than the amount received under the 2% allocation was spent by the District, we recommend that the District make a reasonable allocation of time spent by each employee on behalf of the oversight of the Charter Schools and apply that percentage of their salary costs against the 2% funding received.

Response: Upon knowledge of this finding and notification for the first time that a record needed to be maintained by the District on performance and allocation of the 2% Charter School Revenue, the District has begun a process of collecting performance reports from multiple staff that perform tasks which involve the Charter Schools. The information gathered will be used to determine reasonable allocations of time for each staff member on behalf of Charter Schools. Those allocations of time will then be used to calculate an allocated cost of salaries and benefits expended on behalf of the Charter Schools and kept as a record to meet the requirements under Chapter 22-8B-9 NMSA 1978. Both the Superintendent and the Finance Director will be responsible for corrective action regarding this finding. As described above, action is already underway to gather information that will enable the District to calculate a fair and reasonable allocation of costs associated with Administrative oversight of District Charter Schools. We anticipate the completion of this corrective action to be sometime in the late spring of 2017.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF 12-6-5 NMSA 1978 FINDINGS (continued)

JUNE 30, 2016

OTHER FINDINGS (continued)

2016-004 Late Audit Report (other matter)

- Condition: The Districts audit report was hand delivered to the Office of the New Mexico State Auditor on November 21, 2016, however the report was due on November 15, 2016.
- Criteria: NMAC 2.2.2.9 Subsection A of the Audit Rule 2016 states that school district audits must be delivered to the Office of the State Auditor or post marked by November 15, 2016.
- Cause: The Office of the State Auditor failed to ensure that the contract auditor for the District received a referral for additional work requested within a timely manner. There were two referral letters during the year. The first was mailed to the partner in charge of the Districts office in June 2016 and was followed up and work completed during the fieldwork of the audit as was requested. The second referral was never received by the partner in charge of the audit and the audit firm was unaware of additional work with respect to that referral letter until the day of the exit conference with the District. This was due to the fact that the referral letter was never mailed to the independent accountant's office, it was only emailed to the primary office listed with the State Auditors' Office and the email was not received or forwarded to the auditor in charge. The referral letter was dated in August 2016, at which time the Office of the State Auditor was aware of who was in charge of the Districts Audit, however did not make any effort to follow up on the referral letter to ensure it was received, until the day of the exit conference. This work then had to be completed before the audit could be submitted to the Office of the State Auditor. This work caused a delay to the report submission which was unavoidable by the audit firm and was no fault of the District.
- Effect: Late audits can cause loss of funding from state sources.
- Recommendation: It would be recommended that the State Auditor's Office implement procedures to ensure that hard copies of all referrals are mailed to the independent auditors offices and made to the attention of the auditor in charge of the audit as listed in the audit contract. Also, a follow up procedure should be in place to ensure the referral was received, especially if the auditor has not contacted the Office of the State Auditor to discuss the referral.
- Response: As explained above, the late audit report was a result of failed communication between the Office of the State Auditor and the contracted IPA. The District had fulfilled all responsibility and met all timelines regarding contracting with an approved accounting firm and providing requested documentation from the contracted IPA for the audit. Therefore the District has no plan of action.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF 12-6-5 NMSA 1978 FINDINGS (continued)

JUNE 30, 2016

OTHER FINDINGS – Anansi Charter School

2015-002 ACS Segregation of Duties (other matter)

- Condition: Although, not considered a significant deficiency in internal control, The Director has the ability to approve her own travel reimbursement rather than having the Council President approve those reimbursements. Management has failed to implement the corrective action plan as outlined in the prior year audit finding.
- Criteria: As stated in 6.20.2.11 NMAC 1978, every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe guarded against loss from unauthorized use or disposition.
- Cause: The size of the Charter School creates problems with segregation of duties due to limited numbers of qualified personnel.
- Effect: When duties are not segregated then controls over cash management are weakened.
- Recommendation: The Charter School should implement the corrective action plan outlined in the prior year audit.
- Response: Anansi Charter School will implement a process that requires Council President or Treasurer approval for any travel reimbursements for the Director. This will be implemented during the current fiscal year.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF 12-6-5 NMSA 1978 FINDINGS (continued)

JUNE 30, 2016

OTHER FINDINGS – Anansi Charter School (continued)

2016-002 ACS Overspent Budgets (other matter)

Condition: The following budgets were over spent for the year ended June 30, 2016:

<u>FUND</u>	<u>FUNCTION</u>	<u>AMOUNT</u>
11000	2000's	\$ 873
11000	3100	25
14000	1000	1,354
21000	3100	3,554

Criteria: 22-8-11(B) NMSA 1978, states "No school board officer or employees of a school district shall make any expenditure or incur any obligation is made in accordance with an operating budget approved by the department. This prohibition does not prohibit the transfer of funds pursuant to the department's rules and procedures".

Cause: The Charter School is not monitoring the budgetary process on a regular basis. Reports are available in the accounting software to monitor this on a monthly basis; however, those reports are not being used to make the necessary BAR requests to prevent overspent budgets.

Effect: Violation of statutes regarding budgets and expenditures could affect future funding from the state.

Recommendation: It is imperative that the Charter School start a monitoring process on a monthly basis to ensure that the budgets are not in violation of the law.

Response: Anansi Charter School will more closely monitor its monthly budget status reports to ensure that expenditures do not exceed budgeted line item amounts as authorized by PED. The contract Business Manager will implement this monitoring during the current fiscal year.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF 12-6-5 NMSA 1978 FINDINGS (continued)

JUNE 30, 2016

OTHER FINDINGS – Friends of Anansi Charter School

2016-001 FACS Amortization of Long Term Debt (other matter)

- Condition: Schedules of amortization of principal and interest for the two notes on the buildings and improvements were not kept throughout the year and therefore accurate allocations of interest and principal during the year could not be posted to the general ledger. The schedules were created by the business manager when requested by the auditors.
- Criteria: Good accounting and internal control procedures dictate that sufficient supporting documentation should exist for all disbursements. These documents and procedures provide for good controls to prevent theft, fraud, or misuse of entity assets.
- Cause: The Foundation is making an excellent effort to pay the debt down at a faster rate than required in the USDA loan documents; however, this creates a situation that a normal amortization schedule is not readily available. The additional principal payments will affect the interest calculations every month. Because of this a spreadsheet to keep up with the allocation of payments to interest and principal must be maintained. That spreadsheet was not kept current for the year.
- Effect: The Foundation board did not have accurate financial statements to manage by throughout the year.
- Recommendation: Each monthly payment, including additional principle amounts, should be allocated and posted to the general ledger for the correct amounts of principle and interest paid. The business manager should then compare the balance of the notes on the books to the USDA records of balances due. This should be done as often as the information is available to the Foundation, but at a minimum annually at fiscal yearend.
- Response: A monthly principal and interest payment template has been prepared by our business manager for tracking USDA loan payments and additional principle contributions in order to allocate and post more accurately loan balances on the general ledger. The business manager will be responsible for updating the spreadsheet as necessary and ensuring the books are posted for the correct information on a timely basis going forward.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF 12-6-5 NMSA 1978 FINDINGS (continued)

JUNE 30, 2016

OTHER FINDINGS – Taos Charter School

2014-032 TCS Background Checks and Licensing (other matter)

- Condition: No background checks were shown to have been performed on 3 of 10 or 30% of the employee files that were tested. Management has failed to implement the corrective action plan as outlined in the prior year audit finding.
- Criteria: 22-10A-5 NMSA 1978 states that local school boards and regional education cooperatives shall develop policies and procedure 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.
- Cause: The Charter School's personnel who manage human resources have not followed state laws or the policies and procedures established.
- Effect: The Charter School has violated state law and put students in public schools at risk.
- Recommendation: The Charter School should implement the corrective action plan that it outlined in the prior year audit.
- Response: The Charter School will implement training for all employees involved in the hiring of school personnel to ensure that background checks and supporting documentation are in each employee personnel file. The Director will be responsible for ensuring the training is implemented in the current fiscal year.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF 12-6-5 NMSA 1978 FINDINGS (continued)

JUNE 30, 2016

OTHER FINDINGS – Taos Charter School (continued)

2015-001 TCS Overspent Budgets (other matter)

Condition: The following budgets were over spent for the year ended June 30, 2016:

<u>FUND</u>	<u>FUNCTION</u>	<u>AMOUNT</u>
24106	2000's	\$ 315

Management has failed to implement the corrective action plan as outlined in the prior year audit finding.

Criteria: 22-8-11(B) NMSA 1978, states "No school board officer or employees of a school district shall make any expenditure or incur any obligation is made in accordance with an operating budget approved by the department. This prohibition does not prohibit the transfer of funds pursuant to the department's rules and procedures".

Cause: The Charter School is not monitoring the budgetary process on a regular basis. Reports are available in the accounting software to monitor this on a monthly basis; however, those reports are not being used to make the necessary BAR requests to prevent overspent budgets.

Effect: Violation of statutes regarding budgets and expenditures could affect future funding from the state.

Recommendation: It is imperative that the Charter School start a monitoring process on a monthly basis to ensure that the budgets are not in violation of the law. Management should implement the corrective that it outlined in the prior year audit.

Response: Taos Charter School will more closely monitor its monthly budget status reports to ensure that expenditures do not exceed budgeted line item amounts as authorized by PED. The contract business manager will be helping the School to monitor the budgets each month, beginning the first of December 2016.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF 12-6-5 NMSA 1978 FINDINGS (continued)

JUNE 30, 2016

OTHER FINDINGS – Taos Charter School (continued)

2016-002 TCS Approval of Board Minutes (other matter)

- Condition: The Charter School Board did not approve the minutes from a meeting held on June 8, 2016 and the minutes from five other meetings during the fiscal year were not signed and dated.
- Criteria: Draft minutes shall be prepared within ten working days after the meeting and shall be approved, amended or disapproved at the next meeting where a quorum is present. Minutes shall not become official until approved by the policymaking body per Chapter 10, Article 15 (1)(G) NMSA 1978.
- Cause: The Charter School board has disregarded the state statutes regarding minutes of meetings of governing bodies.
- Effect: Violation of the open meetings act, as the information in the minutes is supposed to be available for public inspection, but cannot be made available until they are official.
- Recommendation: The Board should implement procedures to ensure that approval of all minutes is included in the agenda of the next meeting and that the approval is acted upon and the approved minutes are then signed and dated at that meeting.
- Response: The Board will implement procedures to ensure that the review and approval of all minutes is included in the agenda for each meeting and that approved minutes are signed and dated at the regular board meetings. These procedures will be developed and implemented during the current fiscal year.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF 12-6-5 NMSA 1978 FINDINGS (continued)

JUNE 30, 2016

OTHER FINDINGS – Taos Charter School (continued)

2016-003 TCS Timeliness of Deposits (other matter)

- Condition: The Charter School failed to get cash receipts deposited within the 24 hour requirement of state statutes. 25 receipts were tested of which 20 were for school lunches. Of the 20 that were for school lunches 10 or 50% were not deposited to the bank within 24 hours.
- Criteria: Chapter 22 Article 8 NMSA 1978, requires that any funds received by the District are required to be deposited to a financial institution within 24 hours of receipt of those funds.
- Cause: The Charter School employees did not follow the guidelines required by state statutes to ensure that all funds are deposited within the required time period.
- Effect: The Charter School violated the deposit requirements under the statute and Charter School's policies, therefore assets of the Charter School were not secured properly.
- Recommendation: The Charter School should retrain all staff regarding procedures for receipt of funds and importance of depositing the funds timely to the bank. It is also recommended that the person in charge of the cafeteria be given a copy of the receipt from the office receipt book at the time she delivers lunch monies to the office for depositing.
- Response: Taos Charter School will train all staff with the responsibility for handling money on the procedures for receipt and proof of funds submitted to the business office so that deposits are delivered to the bank within 24 hours. The Director will be responsible for ensuring the training is implemented in the current fiscal year.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF 12-6-5 NMSA 1978 FINDINGS (continued)

JUNE 30, 2016

OTHER FINDINGS – Friends of Taos Charter School (continued)

2016-001 FTCS Board Minutes (other matter)

- Condition: The Foundation Board did not provide a copy of the minutes from a meeting held on April 4, 2016 to the auditors.
- Criteria: Good internal control policy dictates that draft minutes should be prepared before the next board meeting and shall be approved, amended or disapproved at that next meeting where a quorum is present. Minutes should not become official until approved by the policymaking body.
- Cause: The Foundation board has not had a strict policy to adhere to the guidelines for board minutes and as a result these minutes were either never finalized or were lost.
- Effect: The New Mexico Secretary of State has the ability to revoke a not for profit corporations corporate status if board minutes are not maintained adequately and signed and available for their inspection when requested.
- Recommendation: The Board should implement procedures to ensure that approval of all minutes is included in the agenda of the next meeting and that the approval is acted upon and the approved minutes are then signed and dated at that meeting. This would ensure that the minutes are always kept up to date, in compliance with state requirements and are available for review at any time.
- Response: As soon as the Minutes are generated by the Secretary, President will copy them and place them chronologically in Minutes binder. Minutes will be more clearly organized, including a signature/date line at the bottom for President to approve at next Board meeting. These procedures will be implemented starting with the next Board meeting.

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOLS

SCHEDULE OF 12-6-5 NMSA 1978 FINDINGS (continued)

JUNE 30, 2016

OTHER FINDINGS – Vista Grande High School

2012-001 VGHS Inactive Funds (other matter)

Condition: During our review of the Vista Grande's trial balance, we noted several funds which are carrying balances forward from year-to-year, but are no longer active funds of the School:

<u>Fund</u>	<u>Amount</u>
2010 GO Bonds Student Library Funds (SB1) (27106)	\$ (2,021)
Technology for Education (27145)	1,529
School Library Material Fund FY08 (27549)	304
Private Direct Grants (29102)	44
Total	<u>\$ 144</u>

Management has failed to implement the corrective action plan as outlined in the prior year audit finding.

Criteria: Good accounting policy dictates that funds that are no longer being used should be adjusted to a zero balance, closed out, and no longer reported or recorded in the general ledger or financial reports.

Cause: The Charter School has funds on its books which are no longer active funds, but these inactive funds have never been closed out. The Charter School has not taken the time to request from the Public Education Department the authority to transfer cash from three of the funds to close them out and transfer cash from the Operational fund to close out the fund with the negative cash balance.

Effect: The Charter Schools have cash held in funds that it cannot use for the benefit of the students until it is moved to the operational fund.

Recommendation: The Charter School should implement the corrective action plan that it outlined in the prior year audit.

Response: Vista Grande High School did ask for a permanent cash transfer before year end, however, had not received PED approval prior to year-end reporting. The school will follow through with making the adjustments as approved. This action will be handled by the contract business manager during the current fiscal year.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF 12-6-5 NMSA 1978 FINDINGS (continued)

JUNE 30, 2016

OTHER FINDINGS – Vista Grande High School (continued)

2013-005 VGHS Overspent Budgets (other matter)

Condition: The following budgets were over spent for the year ended June 30, 2016:

<u>FUND</u>	<u>FUNCTION</u>	<u>AMOUNT</u>
21000	3100	\$ 35,370
31100	4000	25,395

Management has failed to implement the corrective action plan as outlined in the prior year audit finding.

Criteria: 22-8-11(B) NMSA 1978, states "No school board officer or employees of a school district shall make any expenditure or incur any obligation is made in accordance with an operating budget approved by the department. This prohibition does not prohibit the transfer of funds pursuant to the department's rules and procedures".

Cause: The Charter School is not monitoring the budgetary process on a regular basis. Reports are available in the accounting software to monitor this on a monthly basis; however, those reports are not being used to make the necessary BAR requests to prevent overspent budgets. No budget was set up for the national school lunch program funds at the time the Charter School joined the program.

Effect: Violation of statutes regarding budgets and expenditures could affect future funding from the state.

Recommendation: It is imperative that the Charter School start a monitoring process on a monthly basis to ensure that the budgets are not in violation of the law. Management should implement the corrective that it outlined in the prior year audit.

Response: The school will add a monitoring check on budget to actuals to their regular finance committee meeting to ensure that all funds are within approved budget authority for the school. The contract business manager will help provide the information for the finance committee starting in December 2016.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF 12-6-5 NMSA 1978 FINDINGS (continued)

JUNE 30, 2016

OTHER FINDINGS – Vista Grande High School (continued)

2014-042 VGHS Verification of Journal Entries (other matter)

- Condition: Journal entries that were scanned for the period prior to the new contract business manager being hired were lacking documentation verifying why the entries had been made. This deficiency was not noticed for the period after the new contract business manager was in charge of the accounting.
- Criteria: According to 6-5-2C NMSA 1978, "state agencies shall implement accounting controls designed to prevent accounting errors and violations of state and federal law and rules related to financial matters." Good accounting procedures require that all manual journal entries should have proper supporting documentation and be reviewed by at least two individuals who should sign and date the journal entry. This should be performed in order to detect errors and to prevent improper movement of funds. This provides an internal deterrent to errors, fraud, and misappropriation of assets.
- Cause: The corrective action plan was not initially in place due to the internal business manager having to go on extended leave that eventually led to the end of employment. The Charter School went through a period without a business manager and the records were maintained without the normal controls expected.
- Effect: Good accounting procedures were not followed during the period in question.
- Recommendation: Management review the journal entry documentation on a regular basis to ensure that there is supporting documentation for making the journal entry.
- Response: Management has effectively implemented a corrective action plan through the hiring of a contract business manager. The School is currently in compliance with journal entries having proper review and backup for the journal entries as required.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2016

Federal Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Grantor and Number	Federal Expenditures(\$)
U.S. Department of Education			
Passthrough NM Public Education Department			
Special Education Cluster (IDEA-B)			
Entitlement	84.027	NM PED,24106	\$ 528,945
Competitive	84.027	NM PED,24108	6,713
Risk Pool	84.027	NM PED,24120	442
Results Plan	84.027	NM PED,24132	38,634
Preschool	84.173	NM PED,24109	3,622
Total Special Education Cluster (IDEA-B)			578,356
Other Programs			
<1>Title I Grants to Local Educational Agencies	84.010	NM PED,24101	1,041,590
Carl Perkins Secondary Current	84.048	NM PED,24174	38,160
Carl Perkins Secondary Redistribution	84.048	NM PED,24176	5,296
Carl Perkins Secondary HSTW	84.048	NM PED,24180	96,347
Rural Education	84.358	NM PED,24160	38,954
English Language Acquisition State Grants	84.365	NM PED,24153	30,822
Improving Teacher Quality State Grants	84.367	NM PED,24154	144,920
Total Other Programs			1,396,089
Total Passthrough NM Public Education Department			1,974,445
Direct Grants			
Impact Aid	84.041		53,683
Indian Education_Grants to Local Educational Agencies	84.060		38,530
Total Direct Grants			92,213
Total Department of Education			
			2,066,658
United States Department of Agriculture			
<1>National School Lunch Program	10.555		1,258,191
Commodity Supplemental Food Program	10.565		92,000
Fresh Fruit and Vegetable Program	10.582		56,715
Schools and Roads - Grants to States	10.665		181,450
Total United States Department of Agriculture			1,588,356
Total Expenditures of Federal Awards			\$ 3,655,014

<1> Major Program

Note 1 The accompanying schedule of expenditures of Federal awards include the Federal awards activity, under programs of the federal government for the year ended June 30, 2016 in accordance with the requirements of Title 2 U.S. code of Federal Regulation Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements of Federal awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the district, it is not intended to and does not present the financial position, changes in net assets or cash flows of the District.

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

Note 3 Non-Monetary assistance of \$92,000 is reported in the schedule at the fair market value of the commodities received from the Department of Agriculture.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT

OTHER DISCLOSURES

Year Ended June 30, 2016

PREPARATION OF FINANCIAL STATEMENTS

We prepared the draft financial statements based on management's chart of accounts and trial balances and any adjusting, correcting, and closing entries have been approved by management. We also have prepared the draft footnotes based on the information determined, provided by and approved by management. These services are allowable under SAS 115.

EXIT CONFERENCE

An Exit Conference was held on November 7, 2016. Present were:

Taos Municipal School District

Dr. Lillian Torrez
James Sanborn
Whitney Goler
Bobby Spinelli
Evangeline S. Romero
Monica Martinez
Brandon Swim

Superintendent
Board, President
Secretary, School Board
Director of Finance-Taos Municipal School
Taos School Community Member
Financial Specialist
Governing Council

Anansi Charter School

Domingo Sanchez
Michele Hunt
Roxanne Rane

Business Manger
Director
Governing Council, Treasurer

Friends of Anansi Charter School

Amanda Allalonis

Treasurer

Taos Charter School

Domingo Sanchez
Jeremy Jones
Sanya Struck

Business Manger
Director
Governing Council President

Friends of Taos Charter School

Roberta Lerman
Brandon Swim

Friends of Taos Charter
Governing Council

Vista Grande High School

Elizabeth Roth
Isabelle St. Onge

Secretary-Vista Grande High School Board
Director of Vista Grande High School

Office of the New Mexico State Auditor

Kelly Mercer (via teleconference)

Investigations Supervisor

Woodard Cowen & Co.

D. Brent Woodard

CPA