

NOTICE

RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94

\$28,000,000¹ - General Obligation School Bonds, Series 2025

Preliminary Official Statement
September 2, 2025

The Preliminary Official Statement, dated September 2, 2025 (the "Preliminary Official Statement") relating to the above-described bonds (the "Bonds") of the RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94 (the "Issuer"), has been posted on the internet as a matter of convenience. Paper copies of the Preliminary Official Statement are available from the Issuer by contacting the municipal advisor, RBC Capital Markets, LLC, Erik Harrigan at (505) 872-5999. The posted version of the Preliminary Official Statement has been formatted in Adobe Portable Document Format (Adobe Acrobat XI). Although this format should replicate the Preliminary Official Statement available from the Issuer, its appearance may vary for a number of reasons, including electronic communication difficulties or particular user software or hardware. Using software other than Adobe Acrobat XI may cause the Preliminary Official Statement that you view or print to differ in format from the Preliminary Official Statement.

The Preliminary Official Statement and the information contained therein are subject to completion or amendment or other change without notice. Under no circumstances shall the Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

For purposes of Rule 15c2-12 promulgated by the United States Securities and Exchange Commission, the Preliminary Official Statement alone, and no other document or information on the internet, constitutes the "Official Statement" that the Issuer has deemed "final" as of its date in respect to the Bonds, except for certain pertinent information permitted to be omitted therefrom.

No person has been authorized to give any information or to make any representations other than those contained in the Preliminary Official Statement in connection with the offer and sale of the Bonds, and, if given or made, such information or representations must not be relied upon as having been authorized. The information and expressions of opinion in the Preliminary Official Statement are subject to change without notice and neither the delivery of the Official Statement nor any sale made thereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date of the Preliminary Official Statement.

THE BONDS ARE EXEMPT FROM REGISTRATION WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION AND CONSEQUENTLY HAVE NOT BEEN REGISTERED THEREWITH. THE REGISTRATION, QUALIFICATION, OR EXEMPTION OF THE BONDS IN ACCORDANCE WITH APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTIONS IN WHICH THESE BONDS HAVE BEEN REGISTERED, QUALIFIED, OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION FOR THE PURCHASE THEREOF.

None of the Issuer, the Financial Advisor, or Bond Counsel make any representation or warranty with respect to the information contained in this Official Statement regarding The Depository Trust Company, New York, New York

¹ Preliminary, subject to change.

("DTC") or its book-entry-only system described in APPENDIX C - "BOOK-ENTRY-ONLY SYSTEM" hereto as such information has been provided by DTC.

INVESTORS SHOULD READ THE ENTIRE PRELIMINARY OFFICIAL STATEMENT, INCLUDING ALL APPENDICES ATTACHED HERETO, TO OBTAIN INFORMATION ESSENTIAL TO MAKING AN INFORMED INVESTMENT DECISION WITH RESPECT TO THE BONDS.

NEITHER THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THE BONDS OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

By choosing to proceed and view the electronic version of the Preliminary Official Statement, you acknowledge that you have read and understood this Notice.

Preliminary Official Statement dated September 2, 2025

PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 2, 2025

RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94

Sandoval County, New Mexico

\$28,000,000¹ - General Obligation School Bonds, Series 2025

	NEW ISSUE Book-Entry Only	Moody's Rating: A1 UND / Aa3 ENH
PURPOSES AND AUTHORITY	Proceeds of the Rio Rancho Public School District No. 94, Sandoval County, New Mexico, General Obligation School Bonds, Series 2025 (the "Bonds") will be used for the purposes of (i) erecting, remodeling, equipping, and furnishing school buildings within the District, purchasing or improving school grounds, purchasing computer software and hardware for student use in public schools, and providing matching funds for capital outlay projects funded pursuant to the Public School Capital Outlay Act or any combination of these purposes and (ii) paying the cost of issuance of the Bonds. On July 14, 2025, the District's Board of Education (the "Board") delegated, pursuant to a Notice of Sale and Delegation of Authority Resolution, as permitted by Section 6-14-10.2, NMSA 1978, pricing of the Bonds and certain other matters to the District's Superintendent or Executive Director of Finance. The pricing certificate for the Bonds will contain the final terms of the sale of the Bonds. Issuance of the Bonds was authorized by the voters pursuant to an election held on November 7, 2023.	
THE BONDS	The Bonds are issuable as fully registered bonds and when initially issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Purchases of the Bonds will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through, a DTC Participant. Beneficial owners of the Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Bonds. Interest on the Bonds is payable on each February 1 and August 1, commencing February 1, 2026. As long as DTC or its nominee is the registered owner of the Bonds, reference in this Official Statement to the registered owner will mean Cede & Co., and payments of principal of and interest on the Bonds will be made directly to DTC by the Paying Agent. Disbursement of such payments to DTC Participants is the responsibility of DTC. See APPENDIX C- "BOOK-ENTRY-ONLY SYSTEM" hereto. BOKF, NA, Albuquerque, New Mexico, (or successor) is the Registrar and Paying Agent for the Bonds.	
OPTIONAL REDEMPTION	The Bonds are subject to optional redemption prior to maturity as provided herein. See "THE BONDS – Optional Redemption."	
SECURITY	The Bonds are general obligations of the Rio Rancho Public School District No. 94 (the "District" or "Issuer"), Sandoval County, New Mexico, payable solely out of general (ad valorem) property taxes that are required to be levied against all taxable property in the District without limitation as to rate or amount.	
BOND AND TAX OPINION	The delivery of the Bonds is subject to the opinion of Modrall Sperling Roehl Harris & Sisk P.A., Bond Counsel, as to the validity of the Bonds and to the effect that interest on the Bonds is excludable from gross income for purposes of federal income tax purposes under existing laws, regulations, published rulings, and court decisions and assuming compliance with certain covenants described herein. See "Legal Matters" and "Tax Matters" herein for a discussion of Bond Counsel's opinions, including a description of certain collateral federal tax consequences. Bond Counsel is also of the opinion that interest on the Bonds is exempt from taxation by the State of New Mexico or any political subdivision thereof. Delivery of the Bonds is also subject to the delivery of an approving opinion of the Attorney General of the State of New Mexico.	
DELIVERY	When, as and if issued, through the facilities of DTC on or about October 1, 2025.	
DATED DATE	Date of initial delivery of the Bonds.	
DUE	August 1, as shown on the following page:	

Electronic bids will be opened at 8:30 AM, prevailing Mountain Time on September 9, 2025.

¹ Preliminary, subject to change.

General Obligation School Bonds, Series 2025 ⁽¹⁾									
				Cusip #					CUSIP®
Year (8/1)	Principal ⁽¹⁾	Coupon	Yield	767171	Year (8/1)	Principal ⁽¹⁾	Coupon	Yield	767171
2026	\$20,500,000				2031	\$1,000,000			
2027	1,000,000				2032	1,000,000			
2028	1,000,000				2033	1,000,000			
2029	1,000,000				2034	500,000			
2030	1,000,000								

1) Preliminary and subject to change.

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ISSUER

RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
500 Laser Road NE
Rio Rancho, New Mexico 87124
505-896-0667

BOARD OF EDUCATION

Amanda Galbraith, President
Jeffrey Morgan, Vice-President
Jessica Tyler, Secretary
Gary Tripp, Member
Beth Miller, Member

MUNICIPAL ADVISOR

RBC Capital Markets, LLC
6301 Uptown Blvd. NE, Suite 110
Albuquerque, New Mexico 87110
(505) 872-5999

PAYING/REGISTRAR

BOKF, NA
100 Sun Avenue NE. Suite 500
Albuquerque, New Mexico 87109
(505) 222-8447

DISTRICT ADMINISTRATION

V. Sue Cleveland, Ed.D., Superintendent
Michael Baker, Chief Operations Officer
David Vigil, Executive Director of Finance

DISSEMINATION AGENT

Accu-Disclose, LLC.
6255 San Antonio Dr NE #93155
Albuquerque, New Mexico 87199
(505) 280-8132

BOND COUNSEL

Modrall, Sperling, Roehl, Harris & Sisk, P.A.
500 4th St. NW, Suite 1000
Albuquerque, New Mexico 87102
(505) 848-1800

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- A. ECONOMIC AND DEMOGRAPHIC INFORMATION RELATING TO THE DISTRICT
- B. AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE YEAR ENDED JUNE 30, 2024
- C. BOOK-ENTRY-ONLY SYSTEM
- D. FORM OF CONTINUING DISCLOSURE UNDERTAKING
- E. FORM OF BOND COUNSEL OPINION
- F. OFFICIAL NOTICE OF BOND SALE WITH FORM OF ISSUE PRICE CERTIFICATE

A Few Words Concerning Official Statements

Official statements for municipal securities issues – like this one – contain the only “official” information about a particular issue of municipal securities. This Official Statement is not an offer to sell or solicitation of an offer to buy the Bonds in any jurisdiction where it is unlawful to make such offer, solicitation or sale and no unlawful offer, solicitation or sale of the Bonds may occur through this Official Statement or otherwise. This Official Statement is not a contract and provides no investment advice. Investors should consult their advisors and legal counsel with their questions about this Official Statement, the Bonds or anything else related to this issue.

MARKET STABILIZATION

In connection with this Official Statement, the respective initial purchaser of a particular series of the Bonds may over-allot or effect transactions, which stabilize and maintain the market price of the relevant series of the Bonds at a level above that which might otherwise prevail in the open market. Such initial purchaser is not obligated to do this and is free to discontinue it at any time.

The estimates, forecasts, projections and opinions in this Official Statement are not hard facts, and no one, including the District, guarantees them.

The information set forth or included in this Official Statement has been provided by the District and from other sources believed by the District to be reliable. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale hereunder shall create any implication that there has been no change in the financial condition or operations of the District described herein since the date hereof. This Official statement contains, in part, estimates and matters of opinion that are not intended as statements of fact, and no representation or warranty is made as to the correctness of such estimates and opinions or that they will be realized.

Bond Counsel, Modrall, Sperling, Roehl, Harris & Sisk, P.A., Albuquerque, New Mexico was not requested to and did not take part in the preparation of the Official Statement nor has that firm undertaken to independently verify any of the information contained herein. Such firm has no responsibility for the accuracy or completeness of any information furnished in connection with any offer or sale of the Bonds in the Official Statement or otherwise. The legal fees to be paid to Bond Counsel for services rendered in connection with the issuance of the Bonds are contingent, in part, upon the sale and delivery of such Bonds and all legal fees will be paid from bond proceeds.

Any part of this Official Statement may change at any time, without prior notice. Also, important information about the District and other relevant matters may change after the date of this Official Statement.

All document summaries are just that – they are not complete or definitive, and they may omit relevant information. Such documents are qualified in their entirety to the complete documents. Any investor who wishes to review the full text of documents may request them at no cost from the District or the municipal advisor as follows:

District

Rio Rancho Public School District No. 94
500 Laser Rd NE
Rio Rancho, New Mexico 87124
Attn: David Vigil

Municipal Advisor

RBC Capital Markets, LLC
6301 Uptown Blvd. NE, Suite 110
Albuquerque, NM 87110
Attn: Erik Harrigan

RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94

Sandoval County, New Mexico

\$28,000,000¹ – General Obligation School Bonds, Series 2025

INTRODUCTION

Thank you for your interest in learning more about the Rancho Public School District No. 94, Sandoval County, New Mexico (the "District" or "Issuer"), General Obligation School Bonds, Series 2025 (the "Bonds"). This Official Statement will tell you about the Bonds, their security, the District and the risks involved in an investment in the Bonds. The Bonds are being issued pursuant to a resolution authorizing the Bonds adopted by the Board of Education (the "Board") of the District on July 14, 2025, and a pricing certificate establishing the final terms of the Bonds (the resolution and pricing certificate for the Bonds are collectively referred to herein as the "Bond Resolution").

Although the District has approved this Official Statement, the District does not intend it to substitute for competent investment advice, tailored for your situation.

The Issuer

The District is a political subdivision of the State of New Mexico (the "State") organized for the purpose of operating and maintaining an educational program for the school-age children residing within its boundaries. The District's preliminary taxable assessed valuation for tax year 2025 is \$4,315,654,113, and its enrollment for school year 2024-25 is 16,086. See "THE DISTRICT."

Limited Role of Auditor

The District's auditor has not been engaged to perform and has not performed any procedures relating to this Official Statement.

Except for a portion of the District's audited financial statements for the year ended June 30, 2024 attached hereto as APPENDIX B, this Official Statement presents unaudited financial and statistical information from District records and other sources. The complete audit report for the fiscal year ending June 30, 2024 and the last four years can be downloaded from the State Auditor's website using the following link <https://www.saonm.org/auditing/audit-report-search/>.

THE BONDS

Authority

The Bonds are issued pursuant to the laws of the State of New Mexico, including NMSA 1978, Section 6-14-10.2, Sections 6-15-1 through 6-15-22, as amended, and Sections 22-18-1 through 22-18-13, as amended. The Bonds are subject to the written approval of the New Mexico Attorney General as to form and legality.

General Terms

The Bonds will bear interest at the rates and mature in the amounts and on the dates shown on the inside front cover of this Official Statement. All Bonds are fully registered in denominations of \$5,000 or multiples of \$5,000. Bond payments will be made by the Paying Agent/Registrar to The Depository Trust Company, New York, New York ("DTC"), and DTC will then remit the payments to its participants for disbursement to the beneficial owners of the Bonds. See APPENDIX C - "BOOK-ENTRY-ONLY SYSTEM" hereto.

¹ Preliminary, subject to change.

Plan of Finance

Proceeds of the Bonds will be used for the purpose of (i) erecting, remodeling, equipping and furnishing school buildings, purchasing or improving school grounds, purchasing computer software and hardware for student use in public schools, providing matching funds for capital outlay projects funded pursuant to the Public School Capital Outlay Act, or any combination of those purposes within the District and (ii) paying costs of issuance of the Bonds.

The Bonds represent the second series of a total of \$80,000,000 in bonds authorized by voters at an election held on November 7, 2023 (the "2023 Bond Election"). After the issuance of the Bonds, there will be approximately \$32,000,000 of remaining authorization under the 2023 Bond Election.

Security for the Bonds

The Bonds are general obligation bonds of the District and are payable from ad valorem taxes which shall be levied against all taxable property within the boundaries of the District without limitation as to rate or amount. The Bonds are additionally secured by the New Mexico Credit Enhancement Program as discussed in more detail under "NEW MEXICO CREDIT ENHANCEMENT PROGRAM," herein. The District has covenanted in the Bond Resolution to levy, in addition to all other taxes, direct annual ad valorem taxes sufficient to pay the principal of and interest on the Bonds. The District may pay the principal of and interest on the Bonds from any funds belonging to the District, which funds may be reimbursed from the ad valorem taxes when the same are collected.

Bond Registrar and Paying Agent

BOKF, NA (or its successor) will serve as the Registrar (the "Registrar") and Paying Agent (the "Paying Agent") for the Bonds. In the Bond Resolution, the District covenants to provide a Paying Agent/Registrar at all times until the Bonds are paid, and any Paying Agent/Registrar selected by the District shall be a commercial bank, a trust company, a financial institution or any other entity, as provided by State law, duly qualified and legally authorized to serve and perform the duties of the Paying Agent/Registrar. The Registration Books for the Bonds will be maintained by the Paying Agent/Registrar containing the names and addresses of the registered owners of the Bonds. In the Bond Resolution, the District retains the right to replace the Paying Agent/Registrar. If the Paying Agent/Registrar is replaced by the District, such Paying Agent/Registrar, promptly upon the appointment of a successor, is required to deliver the Registration Books to the successor Paying Agent/Registrar. In the event there is a change in the Paying Agent/Registrar for the Bonds the District has agreed to notify each registered owner of the Bonds affected by the change by United States mail at the address in the Registration Books, stating the effective date of the change and the mailing address of the successor Paying Agent/Registrar.

Payment of Principal and Interest; Record Date

The principal of and interest on the Bonds due at maturity shall be payable to the registered owner thereof as shown on the registration books kept by the Registrar/Paying Agent for the Bonds, upon maturity and upon presentation and surrender thereof at the principal corporate trust offices of the Registrar/Paying Agent. If any Bond shall not be paid upon such presentation and surrender at or after maturity, it shall continue to draw interest at the rate borne by the Bond until the principal thereof is paid in full. Payment of interest on the Bonds (other than at maturity) shall be made by check or draft mailed by the Registrar/Paying Agent (or by such other arrangement as may be mutually agreed to by the Registrar/Paying Agent and such registered owner), on or before each interest payment date (or, if such interest payment date is not a business day, on or before the next succeeding business day), to the registered owner thereof on the Record Date (defined below) at his address as it appears on the registration books kept by the Registrar/Paying Agent. All such payments shall be made in lawful money of the United States of America. The term "Record Date" as used herein with respect to any interest payment date shall mean the fifteenth day of the month immediately preceding the interest payment date. The person in whose name any Bond is registered on any Record Date with respect to any interest payment date shall be entitled to receive the interest payable thereon on such interest payment date notwithstanding any transfer or exchange thereof subsequent to such Record Date and prior to such interest payment date; but interest on any Bond which is not timely paid or duly provided for shall cease to be payable as provided above.

and shall be payable to the person in whose name such Bond is registered at the close of business on a special record date (the "Special Record Date") fixed by the Registrar/Paying Agent for the payment of any such overdue interest. The Special Record Date shall be fixed by the Registrar/Paying Agent whenever moneys become available for payment of overdue interest, and notice of any such Special Record Date shall be given not less than ten days prior thereto, by first-class mail, to the registered owners of the Bonds as of the fifth day preceding the mailing of such notice by the Registrar/Paying Agent, stating the Special Record Date and the date fixed for the payment of overdue interest.

Optional Redemption

The Bonds maturing on and after August 1, 2033 are subject to optional redemption on August 1, 2032¹, or on any date thereafter, in one or more units of principal of \$5,000 in such order of maturities as the District may determine (and by lot if less than all of the Bonds of such maturity is called, such selection by lot to be made by the Registrar/Paying Agent in such manner as it shall consider appropriate and fair). The purchase price for Bonds selected for redemption will be equal to the principal amount of each Bond (or portion thereof) so redeemed, plus accrued interest thereon to the redemption date.

Notice of redemption of the Bonds will be given by the Registrar/Paying Agent by sending a copy of such notice by electronic means or posting or by first-class, postage prepaid mail not less than 30 days prior to the redemption date to the address shown as of the fifth day prior to the mailing of notice on the registration books by the Registrar/Paying Agent. The District shall give the Registrar/Paying Agent notice of the Bonds to be called for redemption at least 15 days prior to the date that the Registrar/Paying Agent is required to give owners notice of redemption specifying the Bonds and the principal amount to be called for redemption and the applicable redemption dates. The Registrar/Paying Agent's failure to give such notice to the registered owner of any Bond, or any defect therein, shall not affect the validity of the proceedings for the redemption of any Bonds for which proper notice was given. The notice will specify the number or numbers and maturity date or dates of the Bonds to be redeemed (if less than all are to be redeemed) the principal amount of any Bond to be redeemed in part, the date fixed for redemption, and that on such redemption date there will become due and payable upon each Bond or part thereof to be redeemed at the office of the Registrar/Paying Agent the principal amount thereof to be redeemed plus accrued interest, if any, to the redemption date and that from and after such date interest will cease to accrue on the principal amount redeemed. Such notice may be a conditional notice of redemption insofar as the money or securities necessary to pay the redemption price of the Bonds are not required to be on deposit with the Registrar/Paying Agent prior to the giving of notice of optional redemption of the Bonds. If notice is given in the manner provided above, the Bond or Bonds or part thereof called for redemption will become due and payable on the redemption date designated and if an amount of money sufficient to redeem all Bonds called for redemption is on deposit with the Registrar/Paying Agent on the redemption date, the Bonds or part thereof to be redeemed shall be deemed to be not outstanding and will cease to bear or accrue interest from and after such redemption date. Upon presentation of a Bond to be redeemed at the office of the Registrar/Paying Agent on or after the redemption date, the Registrar/Paying Agent will pay such Bond, or portion thereof called for redemption.

Transfers and Exchanges

Books for the registration and transfer of the Bonds shall be kept by the Registrar/Paying Agent. In the event the Book Entry Only System shall be discontinued, upon the surrender for transfer of any bond at the principal corporate trust office of the Registrar/Paying Agent, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Registrar/Paying Agent shall authenticate and deliver not more than three business days after receipt of the bond to be transferred in the name of the transferee or transferees a new bond or bonds in fully registered form of the same aggregate principal amount of authorized denominations, and of the same maturity, interest rate and series, bearing a number or numbers not contemporaneously outstanding. Bonds may be exchanged at the principal corporate trust office of the Registrar/Paying Agent for an equal aggregate principal amount of bonds of other authorized denominations, and of the same maturity, series and interest rate. The Registrar/Paying Agent shall authenticate and deliver not more than three business days after receipt of the bond to be exchanged a bond or bonds which the registered owner making the exchange is entitled to receive, bearing a number or numbers not contemporaneously outstanding. Exchanges and transfers of bonds as herein provided shall be without

¹ Preliminary, subject to change.

charge to the owner or any transferee, but the Registrar/Paying Agent may require the payment by the owner of any bond requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer.

See also "Book-Entry-Only System" herein.

Limited Book-Entry Responsibilities

While a book-entry-only system is used for the Bonds, the Paying Agent/Registrar will send redemption and other notices only to DTC. Any failure of DTC to advise any DTC Participant, or of any DTC Participant to notify any Beneficial Owner, of any notice and its content or effect will not affect the validity or sufficiency of the proceedings relating to the Bond redemption or any other action based on the notice.

The District and the municipal advisor have no responsibility or liability for any aspects of the records relating to or payments made on account of beneficial ownership, or for maintaining, supervising or reviewing any records relating to beneficial ownership of interests in the Bonds.

The District and the municipal advisor cannot and do not give any assurances that DTC will distribute payments to DTC Participants or that DTC Participants or others will distribute payments with respect to the Bonds received by DTC or its nominees as the holder or any redemption notices or other notices to the beneficial holders, or that they will do so on a timely basis, or that DTC will serve and act in the manner described in this Official Statement.

Defeasance

General. The Bond Resolution provides for the defeasance of the Bonds and the termination of the pledge of taxes and revenues and all other general defeasance covenants in the Bond Resolution under certain circumstances. When all principal and interest in connection with the Bonds have been duly paid, the pledge thereof and all obligations of the District under the Bond Resolution shall thereby be discharged and the Bonds shall no longer be deemed to be outstanding. There shall be deemed to be such payment when the District has caused to be placed in escrow and in trust with a bank doing business in the State which is a member of the Federal Deposit Insurance Corporation and exercising trust powers, an amount sufficient (including the known minimum yield from direct obligations of the United States or securities that are unconditionally guaranteed by the United States ("Government Obligations"), in which such amounts are or may be initially invested) to meet all requirements of principal and interest on the Bonds as the same become due to their final maturities. The Government Obligations shall become due prior to the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the District and such bank at the time of the creation of the escrow, or the Government Obligations shall be subject to redemption at the option of the holders or owners thereof to assure such availability as needed to meet such schedule. Any Bond and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "Defeased Bond").

RISK FACTORS

Climate Change and Natural Disasters

The State could experience, and is susceptible to additional, weather events and natural disasters that could be deemed extreme including, without limitation, periods of heat, droughts, floods, mud slides, tornadoes and other wind conditions and wildfires, which could result in negative economic impacts on the State and the District. Such effects may be exacerbated by a longer term shift in the climate over several decades, commonly referred to as climate change. Numerous scientific studies on climate change show that, among other effects on the global ecosystem, extreme temperatures may become more common, and extreme weather events may become more frequent as a result of increasing global temperatures attributable to atmospheric pollution. As a result, the District could lose tax revenues and many residents, businesses, and governmental operations could be displaced. Additionally, climate change concerns have led, and may continue to lead, to new laws and regulations at the federal and state levels (including but not limited to air, water, hazardous substances and waste regulations) that could have a material adverse effect on the operations and/or financial condition of the District. The State cannot predict the occurrence or extent of any future extreme weather events or natural disasters or the economic impacts that the occurrence of any such events may have on the State or the District.

Cybersecurity

The District, like other public and private entities, relies on computer and other digital networks and systems to conduct its operations. As a recipient and provider of personal, private or other electronic sensitive information, the District may be the subject of cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized remote access to the District's systems for the purposes of misappropriating assets or information or causing operational disruption or damage, or demanding ransom for restored access to files or information. No assurance can be given that the District's current efforts to manage cyber threats and security will, in all cases, be successful. The District cannot predict what future cybersecurity events may occur and what impact said events could have on its operations or finances.

The District relies on other entities and service providers in the course of operating the District, including the County with respect to the levy and collection of ad valorem property taxes, as well as other trustees, fiscal agents and dissemination agents. No assurance can be given that future cyber threats and attacks against other third party entities or service providers will not impact the District and the owners of the Bonds, including the possibility of impacting the timely payments of debt service of the Bonds or timely filings pursuant to the Continuing Disclosure Certificate.

Public Health Emergencies

Regional, national or global public health emergencies could have materially adverse regional, national or global economic and social impacts causing, among other things, the promulgation of local or state orders limiting certain activities, extreme fluctuations in financial markets and contraction in available liquidity, prohibitions of gatherings and public meetings in such places as entertainment venues, extensive job losses and declines in business activity across important sectors of the economy, impacts on supply chain and availability of resources, declines in business and consumer confidence that negatively impact economic conditions or cause an economic recession. The District cannot predict the extent to which its operations or financial condition may decline nor the amount of increased costs, if any, that may be incurred by the District associated with operating during any public health emergencies, including, but not limited to, the amount of (1) costs to clean, sanitize and maintain its facilities, (2) costs to hire substitute employees, (3) costs to acquire supporting goods and services, or (4) costs to operate remotely and support the employees of the District. Accordingly, the District cannot predict the effect any public health emergencies will have on the finances or operations of the District or whether any such effects will have a material adverse effect on its ability to pay debt service on the Bonds.

Constitutional Amendments Impacting Property Exemptions

Voters approved two Constitutional Amendments in November 2024 expanding existing property exemptions related to veterans which could have an impact of the assessed value within the District. The economic impact of the two Constitutional Amendments on the District cannot be predicted at this time.

SOURCES AND USES OF FUNDS

It is anticipated that the proceeds of the Bonds will be applied approximately as follows:

Table 1

Sources:	Series 2025 Bonds
Par Amount	
Premium	
Uses:	
Project Fund Deposit	
Cost of Issuance ⁽¹⁾	
Underwriter's Discount	
Deposit to Debt Service Fund	

NEW MEXICO SCHOOL DISTRICT ENHANCEMENT PROGRAM

The New Mexico legislature amended NMSA 1978, Sections 22-18-1 et. seq. in the first session of 2003 by adding Section 22-18-13 which became effective July 1, 2003. Section 22-18-13 was further amended in 2007 and provides that, if a school district indicates that it will not make the payment by the date on which it is due, the New Mexico Department of Finance and Administration ("DFA") shall forward the amount in immediately available funds necessary to make the payment due on the bonds to the paying agent from the current fiscal year's undistributed State Equalization Guarantee ("SEG") distribution to that school district and, if not otherwise repaid by the school district from other legally available funds, withhold the distributions from the school district until the amount has been recouped by the DFA, provided that, if the amount of the undistributed SEG distribution in the current fiscal year is less than the payment due on the bond, the DFA shall:

- (1) forward in immediately available funds to the paying agent an amount equal to the total amount of the school district's undistributed SEG distribution and, if not otherwise repaid by the school district from other legally available funds, withhold all distributions to the school district for the remainder of the fiscal year; and
- (2) on July 1 of the following fiscal year, forward in immediately available funds an amount equal to the remaining amount due to the paying agent from that year's SEG distribution and, if not otherwise repaid by the school district from other legally available funds, withhold an equal amount from the distribution to the school district until the amount paid has been recouped in full.

This provision applies to all New Mexico school districts.

Withholding of the SEG distribution may affect the District's ability to continue to operate. Whenever the DFA is required to make a payment of principal and interest on the bonds on behalf of a school district, the DFA shall initiate an audit of the school district to determine the reason for the nonpayment and to assist the school district, if necessary, in developing and implementing measures to ensure that future payments will be made when due.

To qualify for the New Mexico School District Enhancement Program, Section 22-18-13 NMSA 1978 requires filing the authorizing bond resolution, bond offering documents, the agreement with the paying agent for the bonds, and contact information for the paying agent for the bonds with DFA. Failure to file such information will not invalidate the obligation of the DFA to pay the bond payment and withhold the SEG distribution.

The New Mexico School District Enhancement Program was initially put on watch list for possible downgrade on May 15, 2007 after the State adopted new legislation that altered the mechanics of the program. After a review of the law and policies regarding the implementation of the law, program ratings were bifurcated, with one rating applying to bonds issued prior to the March 30, 2007 effective date of the legislation and a second rating applying to bonds issued on or after the March 30, 2007 effective date. Under the new law, the State cannot immediately advance more than the remaining undistributed SEG payments for the fiscal year of default. As a result, those school districts with principal and interest payments that fall in the latter part of the fiscal year or that are significant in amount relative to the district's

total annual SEG distribution may not have sufficient undistributed SEG payments to cover debt service payments in the event of a default.

Moody's downgraded the New Mexico School District Enhancement Program (Pre and Post-Default) to Aa2 from Aa1, and assigned a negative outlook on November 1, 2016, which reflected the State of New Mexico's recent rating downgrade and outlook. On June 18, 2018, Moody's further downgraded the enhancement rating from "Aa2" to "Aa3" and assigned a stable outlook. There can be no assurance that Moody's will not take additional rating action on the New Mexico School District Enhancement Program after the issuance of the Bonds.

By request, Moody's will assign a rating to school district bonds upon verification of a requirement in the authorizing Bond Resolution that an independent, third-party paying agent will be appointed and maintained. The District has qualified the Bonds under the New Mexico School District Enhancement Program and received a rating of "Aa3" on the Bonds.

DEBT AND OTHER FINANCIAL OBLIGATIONS

Article IX, Section 11 of the New Mexico Constitution limits the powers of a district to incur general obligation debt extending beyond the fiscal year. The District can incur such debt for the purpose of erecting, remodeling, making additions to and furnishing school buildings, purchasing or improving school grounds, purchasing computer software and hardware for student use in public schools, providing matching funds for capital outlay projects funded pursuant to the Public School Capital Outlay Act, or any combination of these purposes but only after the proposition to create any such debt has been submitted to a vote of the qualified electors of the District, and a majority of those voting on the question vote in favor of creating the debt. The total indebtedness of the District may not exceed 6% of the assessed valuation of the taxable property within the District as shown by the last preceding general assessment. The District also may create a debt by entering into a lease-purchase arrangement to acquire education technology equipment without submitting the proposition to a vote of the qualified electors of the District, but any such debt is subject to the 6% debt limitation.

The preliminary assessed valuation of taxable property within the District is \$4,315,654,113 for tax year 2025. Therefore, the maximum general obligation debt may not exceed \$258,939,247.

After the Bonds are issued, the ratio of total outstanding net general obligation debt of the District to the 2025 preliminary assessed valuation will be approximately 1.48%.

Selected Debt Ratios

Table 2

2025 Preliminary Assessed Valuation ⁽¹⁾	\$4,315,654,113
2025 Estimated Actual Valuation ⁽²⁾	16,825,119,966
District Net General Obligation Debt	63,760,124 ⁽³⁾
District Net Debt as a Percentage of	
Assessed Valuation	1.48%
Estimated Actual Valuation	0.38%
Estimated Direct & Overlapping G/O Debt	195,331,843 ⁽³⁾
Direct & Overlapping Debt as a Percentage of	
Assessed Valuation	4.53%
Estimated Actual Valuation	1.16%
Estimated Population	113,230
District Net Debt Per Capita	\$563.10
Direct & Overlapping Debt Per Capita	\$1,725.09

⁽¹⁾ Preliminary, subject to change. Does not include protested property.

⁽²⁾ Estimated Actual valuation was computed by adding the 2024 exemptions to the 2025 assessed valuation and multiplying the result by three.

⁽³⁾ Calculations include the Bonds. Preliminary, subject to change.

Net Debt

Table 3

2025 Preliminary Assessed Valuation ⁽¹⁾	\$4,315,654,113
2025 Estimated Actual Valuation ⁽²⁾	16,825,119,966
Current Total Outstanding (Including the Bonds)	102,795,000 ⁽³⁾
Less Debt Service Fund Balance ⁽⁴⁾	<u>39,034,876</u>
NET DEBT	63,760,124

⁽¹⁾ Preliminary, subject to change. Does not include protested property.

⁽²⁾ Estimated Actual valuation was computed by adding the 2024 exemptions to the 2025 assessed valuation and multiplying the result by three.

⁽³⁾ Preliminary, subject to change. Includes the Bonds.

⁽⁴⁾ The debt service fund cash balance as of 7/1/2025 was \$43,623,144
The amount properly attributable to principal reduction is 89.48%.

Outstanding Debt

The District has never defaulted in the payment of any of its debt or other obligations.

Table 4

Series	Original Amount Issued	Final Maturity	Principal Outstanding
2014	\$21,255,000	01-Aug-26	\$1,000,000
2015	19,960,000	01-Aug-27	5,360,000
2016A	14,160,000	01-Aug-28	4,545,000
2017A	14,010,000	01-Aug-29	7,260,000
2018	15,000,000	01-Aug-30	7,950,000
2019	15,000,000	01-Aug-31	8,760,000
2020	15,000,000	01-Aug-32	9,825,000
2021A	15,000,000	01-Aug-33	8,000,000
2021B	9,940,000	01-Aug-26	2,050,000
2022	20,000,000	01-Aug-34	11,400,000
2023	10,000,000	01-Aug-35	3,645,000
2024	20,000,000	01-Aug-26	5,000,000
2025 ⁽¹⁾	28,000,000	01-Aug-37	28,000,000
	\$217,325,000		\$102,795,000

(1) Preliminary, subject to change.

Debt Service Requirements to Maturity

Below is a summary of the currently scheduled principal and interest on the District's outstanding debt as well as the projected principal and interest payments on the Bonds.

Table 5

Year	Current Requirements			Series 2025 Bonds ⁽¹⁾			Total Requirements		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2026	\$21,035,000	\$2,472,513	\$23,507,513	\$20,500,000	\$1,166,667	\$21,666,667	\$41,535,000	\$3,639,179	\$45,174,179
2027	13,055,000	1,688,238	14,743,238	1,000,000	375,000	1,375,000	14,055,000	2,063,238	16,118,238
2028	10,510,000	1,217,388	11,727,388	1,000,000	325,000	1,325,000	11,510,000	1,542,388	13,052,388
2029	8,995,000	913,150	9,908,150	1,000,000	275,000	1,275,000	9,995,000	1,188,150	11,183,150
2030	7,120,000	658,100	7,778,100	1,000,000	225,000	1,225,000	8,120,000	883,100	9,003,100
2031	5,540,000	454,388	5,994,388	1,000,000	175,000	1,175,000	6,540,000	629,388	7,169,388
2032	4,080,000	297,850	4,377,850	1,000,000	125,000	1,125,000	5,080,000	422,850	5,502,850
2033	2,655,000	176,400	2,831,400	1,000,000	75,000	1,075,000	3,655,000	251,400	3,906,400
2034	1,355,000	82,200	1,437,200	500,000	25,000	525,000	1,855,000	107,200	1,962,200
2035	450,000	18,000	468,000				450,000	18,000	468,000
	\$74,795,000	\$7,978,225	\$82,773,225	\$28,000,000	\$2,766,667	\$30,766,667	\$102,795,000	\$10,744,892	\$113,539,892

⁽¹⁾ Preliminary and subject to change. Interest calculations shown are for the purpose of this illustration only.

Statement of Estimated Direct and Overlapping Debt

The following is a calculation, which is useful to investors in assessing the debt load and per capita debt of the District payable from property taxes. In addition to the outstanding debt of the District, the calculation takes into account debt attributable to other taxing entities that are the responsibility of taxpayers within the boundaries of the District. Revenue bonds are not payable from property taxes.

Table 6

	2024 Assessed Valuation	G/O Debt Outstanding	Percent Applicable	Amount
State of New Mexico	\$108,183,361,964	\$558,775,000	3.99%	\$22,290,670
Sandoval County	5,909,718,948	6,940,000	73.03%	5,068,031
City of Rio Rancho	3,573,850,408	26,185,000	100.00%	26,185,000
S.S.C.A.F.C.A.	4,661,558,070	18,755,000	84.88%	15,919,244
Central N.M. Community College	25,961,559,392	138,805,000	16.62%	23,073,898
Rio Rancho Public Schools	4,315,654,113 ⁽¹⁾	102,795,000 ⁽²⁾	100.00%	102,795,000 ⁽²⁾
Total Direct & Overlapping				\$195,331,843
Ratio of Estimated Direct & Overlapping Debt to 2025 Preliminary Assessed Valuation				4.53%
Ratio of Estimated Direct & Overlapping Debt to 2025 Estimated Actual Valuation				1.16%
Per Capita Direct & Overlapping Debt:				\$1,725.09
Population:				113,230

Source: Sandoval County Assessor's Office, State Assessed Property Tax Division and individual entities.

⁽¹⁾ TY2025 preliminary assessed valuation. Subject to change. Does not include protested property.

⁽²⁾ Includes the Bonds. Preliminary, subject to change.

Analysis of Assessed Valuation

The actual value of certain corporate property within the District (see "Central Assessments" below) is determined by the State of New Mexico, Taxation and Revenue Department, Property Tax Division. The analysis of assessed valuation for 2024 and the assessed valuation for the previous three years follows.

[illegible]

(1) Preliminary values. Does not include protested property.

Major Taxpayers

The following is a list of the largest taxpayers in the District, along with the 2024 assessed valuation for each. Property taxes are current for these taxpayers. This table is useful in assessing the concentration risk of the tax base. The ten largest taxpayers' assessed valuation represents 13.7% of the District's total 2024 assessed value.

Table 8

Taxpayer	Business	2024 Assessed Valuation	% of District A.V.
Intel Corporation	Manufacturing	\$419,483,168	10.30%
Public Service Co. of New Mexico	Electric Utility	57,203,588	1.40%
Presbyterian Healthcare	Healthcare	36,650,722	0.90%
Amrep Southwest Inc.	Real Estate	8,611,450	0.21%
New Mexico Gas Company	Gas Utility	6,838,682	0.17%
Wal-Mart Stores	Retail	6,545,634	0.16%
Cable One	Cable Provider	6,321,474	0.16%
Northland Links LLC	Apartment Complex	5,520,271	0.14%
EP Country Club Drive LLC	Apartment Complex	5,505,049	0.14%
HD Development of Maryland	Real Estate	5,370,492	0.13%
Total		\$558,050,530	13.70%

Source: Sandoval County Assessor's Office

TAX RATES

School Tax Rates

The following table shows the historical school tax levies on property within the District from the 2020-2024 tax years. The Two Mill Levy, a capital improvements tax imposition, is renewed every six years. In 2023, voters re-authorized the Public Schools Capital Improvements Act levy ("SB9") for residential property for property tax years 2024 through 2029. This table breaks down the District's total tax rate shown in the next table.

Table 9

Tax Year	Operational		Two Mill Levy		Debt Service			Total	
	Resid.	Non-Resid.	Resid.	Non-Resid.	G/O Bonds	Ed Tech	Total	Resid.	Non-Resid.
2020	\$ 0.264	\$ 0.428	\$ 1.982	\$ 1.712	\$ 8.549	\$ 0.000	\$ 8.549	\$ 10.795	\$ 10.689
2021	0.257	0.471	1.928	1.884	8.546	0.000	8.546	10.731	10.901
2022	0.259	0.463	1.938	1.852	8.546	0.000	8.546	10.743	10.861
2023	0.254	0.477	1.908	1.908	8.543	0.000	8.543	10.705	10.928
2024	0.246	0.287	1.850	1.149	8.543	0.000	8.543	10.639	9.979

Source: New Mexico Department of Finance & Administration.

Article VIII, Section 2 of the New Mexico Constitution limits the total ad valorem taxes for operational purposes levied by all overlapping governmental units within the District to \$20.00 per \$1,000 of assessed value. This limitation does not apply to levies for public debt and levies for additional taxes if authorized at an election by a majority of the qualified voters of the jurisdiction voting on the question. The following table summarizes the tax situation on residential property for the 2024 tax year and the previous four years. The District expects no change in the level of its taxes in the foreseeable future but is unable to predict what overlapping entities might do. A high level of taxation may impact the District's ability to repay bonds.

Table 10

Within 20 Mill Limit for General Purposes					
	2024	2023	2022	2021	2020
State of New Mexico	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Sandoval County	5.901	6.089	6.170	6.284	6.444
City of Rio Rancho	6.791	7.004	7.116	7.278	7.482
Rio Rancho Public Schools	0.246	0.254	0.259	0.257	0.264
Total	\$12.938	\$13.347	\$13.545	\$13.819	\$14.190
Over 20 Mill Limit - Interest, Principal, Judgement, etc.					
State of New Mexico	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360
Sandoval County	1.084	0.606	0.740	0.852	0.737
City of Rio Rancho	2.771	2.772	2.770	2.770	2.770
Rio Rancho Public Schools	10.393	10.451	10.484	10.474	10.531
SSCAFCA - Debt Service	1.246	1.246	1.246	1.246	1.247
SSCAFCA - Operating	0.755	0.779	0.791	0.798	0.820
CNM - Debt Service	1.000	1.000	1.000	1.000	1.000
CNM - Operating	2.733	2.790	2.775	2.763	2.822
Contracting Hospitals	1.760	1.816	1.840	1.839	1.886
Total	\$23.102	\$22.820	\$23.006	\$23.102	\$23.173
Total Levy					
State of New Mexico	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360
Sandoval County	6.985	6.695	6.910	7.136	7.181
City of Rio Rancho	9.562	9.776	9.886	10.048	10.252
Rio Rancho Public Schools	10.639	10.705	10.743	10.731	10.795
SSCAFCA	2.001	2.025	2.037	2.044	2.067
CNM	3.733	3.790	3.775	3.763	3.822
Contracting Hospitals	1.760	1.816	1.840	1.839	1.886
Total Residential in Rio Rancho	\$36.040	\$36.167	\$36.551	\$36.921	\$37.363
Total Non-Residential - City of Rio Rancho⁽¹⁾	\$36.945	\$41.640	\$41.705	\$41.282	\$39.157
Total Residential in Unincorporated Sandoval County	\$26.478	\$24.366	\$24.628	\$24.829	\$27.005
Total Non-Residential in Unincorporated Sandoval County	\$26.631	\$29.144	\$29.211	\$29.316	\$30.029

Source: State of New Mexico, Department of Finance & Administration.

(1) Includes SSCAFCA's non-residential and debt service tax rates.

Yield Control Limitations

State law limits property tax increases from the prior property tax year. Specifically, no taxing entity may set a rate or impose a tax (excluding oil and gas production ad valorem and oil and gas production equipment ad valorem taxes) or assessment that will produce revenues that exceed the prior year's tax revenues from residential and non-residential property multiplied by a "growth control factor." The growth control factor is the percentage equal to the sum of (a) "percent change I" plus (b) the prior property tax year's total taxable property value plus "net new value," as defined by statute, divided by such prior property tax year's total taxable property value. However, if that percentage is less than

100%, the growth control fact is (a) "percent change I" plus (b) 100%. "Percent change I" is based upon the annual implicit price deflator index for state and local government purchases of goods and services (as published in the United States Department of Commerce monthly publication, "Survey of Current Business," or any successor publication) and is a percent (not to exceed 5%) that is derived by dividing the increase in the prior calendar year (unless there was a decrease, in which case zero is used) by the index for such calendar year next preceding the prior calendar year. *The growth control factor applies to authorized operating levies and to any capital improvements levies but does not apply to levies for paying principal and interest on public general obligation debt.*

Developments Limiting Residential Property Tax Increases

In an effort to limit large annual increases in residential property taxes in some areas of the State, an amendment to the uniformity clause (Article VIII, Section 1) of the New Mexico Constitution was proposed during the 1997 Legislative Session. The amendment was submitted to voters of the State at the general election held on November 3, 1998 and was approved by a wide margin.

The amendment directs the Legislature to provide for valuation of residential property in a manner that limits annual increases in valuation. The limitation may be applied to classes of residential property taxpayers based on occupancy, age or income. Further, the limitations may be authorized statewide or at the option of a local jurisdiction and may include conditions for applying the limitations. Bills implementing the constitutional amendment were enacted in 2001 and were codified as NMSA 1978, Sections 7-36-21.2 and 7-36-21.3.

NMSA 1978, Section 7-36-21.2, establishes a statewide limitation on residential property valuation increases (the "Statutory Valuation Cap on Residential Increases"). Annual valuation increases are limited to 3% over the prior year's valuation or 6.1% over the valuation from two years prior. Subject to certain exceptions, these limitations do not apply:

1. To property that is being valued for the first time;
2. To physical improvements made to the property in the preceding year;
3. When the property is transferred to a person other than a spouse, or a child who occupies the property as his principal residence and who qualifies for the head of household exemption on the property under the Property Tax Code;
4. When a change occurs in the zoning or use of the property; and
5. To property that is subject to the valuation limitations under NMSA 1978, Section 7-36-21.3; and

NMSA 1978, Section 7-36-21.3 places a limitation on the increase in value for property taxation purposes for single-family dwellings occupied by low-income owners who are 65 years of age or older or who are disabled. The statute fixes the valuation of the property to the valuation in the year that the owner turned 65 or became disabled. The NMSA 1978, Section 7-36-21.3 limitation does not apply to:

1. Property that is being valued for the first time;
2. A change in valuation resulting from physical improvements made to the property in the preceding year; and
3. A change in valuation resulting from a change in the zoning or permitted use of the property in the preceding year.

The constitutionality of the property tax limitation has been challenged in a number of venues. On March 28, 2012, the New Mexico Court of Appeals upheld the statutory valuation cap and its application under Section 7-36-21.2 NMSA 1978, which ruling was affirmed by the New Mexico Supreme Court in June, 2014.

TAX COLLECTIONS

The level of tax collections is an important component in the analysis of the ability to pay principal and interest on a timely basis. General property taxes, with the exception of those taxes on oil and gas production and equipment for all units of government, are collected by the County Treasurer and distributed monthly to the various political subdivisions to which they are due. Property taxes are due in two installments. The first half is due on November 10 and becomes delinquent on December 10. The second half installment is due on April 10 and becomes delinquent on May 10. Collection statistics for all political subdivisions for which the County Treasurer collects taxes are as follows:

Table 11

Tax Year	Fiscal Year	Net Taxes Charged to Treasurer	Current Tax Collections ⁽¹⁾	Current Collections as a % of Net Levied	Current/Delinquent Tax Collections ⁽²⁾	Current/Delinquent Collections as a % of Net Levied
2024	2025	\$194,103,954	\$188,804,037	97.27%	\$188,804,037	97.27%
2023	2024	171,378,306	166,620,898	97.22%	169,420,854	98.86%
2022	2023	157,656,735	153,229,924	97.19%	156,822,531	99.47%
2021	2022	144,260,147	139,859,626	96.95%	143,744,519	99.64%
2020	2021	134,814,372	129,969,551	96.41%	134,400,908	99.69%

(1) Current collections are through June 30 of each year.

(2) As of June 30, 2025.

Source: Sandoval County Treasurer's Office.

Interest on Delinquent Taxes

Pursuant to NMSA 1978, Section 7-38-49, if property taxes are not paid for any reason within 30 days after the date they are due, interest on the unpaid taxes shall accrue from the 30th day after they are due until the date they are paid. Interest accrues at the rate of 1% per month or any fraction of a month. Interest accrues whether or not protests have been resolved. However, in the case of a timely protest, interest payable shall be computed on a principal amount equal to the unpaid taxes finally determined to be due upon resolution of the protest. Interest shall not be imposed on interest or on any penalty.

Penalty for Delinquent Taxes

Pursuant to NMSA 1978, Section 7-38-50, if property taxes become delinquent, a penalty of 1% of the delinquent tax for each month, or any portion of a month, they remain unpaid must be imposed, but the total penalty shall not exceed 5% of the delinquent taxes. The minimum penalty imposed is \$5.00. A county can suspend application of the minimum penalty requirement for any tax year.

If property taxes become delinquent because of intent to defraud by the property owner, 50% of the property tax due or \$50.00, whichever is greater, shall be added as a penalty.

Remedies Available for Non-Payment of Taxes

Pursuant to NMSA 1978, Section 7-38-47, property taxes are the personal obligation of the person owning the property on the date upon which the property was subject to valuation for property taxation purposes. A personal judgment may be rendered against the taxpayer for payment of taxes that are delinquent, together with any penalty and interest on the delinquent taxes.

Taxes on real property are a lien against the real property. Pursuant to NMSA 1978, Section 7-38-65, delinquent taxes on real property may be collected by selling the real property on which taxes are delinquent.

Pursuant to NMSA 1978, Section 7-38-53, delinquent property taxes on personal property may be collected by asserting a claim against the owner(s) of the personal property upon which taxes are delinquent.

Protest

Pursuant to Section 7-38-39 NMSA 1978, after receiving his or her property tax bill and after making payment prior to the delinquency date of all property taxes due in accordance with the bill, a property owner may protest the value or classification determined for his or her property for property taxation purposes, the allocation of value of his or her property to a particular governmental unit, the application to his or her property of an administrative fee adopted pursuant to Section 7-38-36.1 NMSA 1978 or a denial of a claim for an exemption by filing a claim for refund in the district court. Pursuant to Section 7-38-41 NMSA 1978, the portion of any property taxes paid to the County Treasurer that is not admitted to be due and is the subject of a claim for refund will be deposited in a "property tax suspense fund." Moneys in the property tax suspense fund may not be used for the payment of debt service on the Bonds.

THE DISTRICT

The District is a political subdivision of the State organized for the purpose of operating and maintaining an educational program for school-age children residing within its boundaries.

The District encompasses most of the City of Rio Rancho, is located in central New Mexico, and has an estimated population of 113,230 as of July 2025. The District operates one early childhood center, twelve elementary schools, four middle schools, one virtual education center, one student support center, two comprehensive high schools, one alternative high school, and is opening a career technical High School in August 2025.

School District Powers

The District's powers are subject to regulations adopted by the New Mexico Public Education Department ("PED"). Pursuant to an amendment to Article XII, Section 6 of the New Mexico Constitution, adopted at a special election held September 23, 2003, the Secretary of Education (the "Secretary") is the governing authority and has control, management, and direction of all public schools pursuant to power provided by law. The Secretary further exercises supervision and authority over the PED. Generally, the powers of the Secretary and the PED include determining policy regarding operations of all public schools, designating courses of instruction, adopting regulations, determining qualifications for teachers, counselors and their assistants, and prescribing minimum educational standards. The Secretary may order the creation or consolidation of school districts.

Management

The District's Board of Education (the "Board"), subject to regulations of the Secretary of the PED, develops educational policies for the District. The Board employs a superintendent of schools, delegates administrative and supervisory functions to the superintendent, including fixing the salaries of all employees, reviews and approves the annual District budget, has the capacity to sue and be sued, contracts, leases, purchases and sells for the District, acquires and disposes of all property, develops educational policies subject to rules of the PED and adopts regulations pertaining to the administration of all powers or duties of the Board. Members are elected to serve without compensation for four-year terms of office in non-partisan elections held every two years on the first Tuesday in November. The Board Members are:

Amanda Galbraith, President;
Term expires December 31, 2027

Gary Tripp, Member;
Term expires December 31, 2025

Jeffrey Morgan, Vice-President;
Term expires December 31, 2025

Beth Miller, Member;
Term expires December 31, 2027

Jessica Tyler, Secretary;
Term expires December 31, 2025

The Superintendent of Schools is selected by and serves at the discretion of the Board. All other staff members are selected by the Superintendent of Schools. The current administrative staff are:

V. Sue Cleveland, Ed.D., Superintendent of Schools

Dr. Cleveland was appointed to the position of Superintendent of Schools of the District in February 1994, and is currently the longest-serving school superintendent in the State of New Mexico. At the time of her appointment, Dr. Cleveland was the Superintendent of Schools for the Cherokee County School District in South Carolina. She previously served as the Assistant Superintendent for Administration and Instruction in that district. The district received recognition for academic achievement, the integration of technology and school-community involvement. Prior to her work in South Carolina, she was employed by the Deer Park Independent School District in the Houston area. She was a teacher, building administrator, and central-office administrator. As a district administrator, she supervised three program areas: technology and media, federal programs and staff development.

Dr. Cleveland began her teaching career in the Las Cruces Public Schools in Las Cruces, New Mexico where she taught at Mayfield High School for five years. She earned her B.A. from the University of New Mexico. She has an M.A. from New Mexico State University, and an Ed. D. from the University of Houston.

Michael Baker, Chief Operations Officer

Mr. Baker was first hired by the District in 2012 as the Executive Director of Safety & Security and was promoted to Chief Operations Officer. He holds a master's degree in public administration with extensive experience in law enforcement management with strengths in safety, investigations, finance and project management. In his current position, Mr. Baker oversees the daily operations of the following departments: Finance, Facilities, Information Technology, Safety & Security, Student Nutrition, Human Resources, and Transportation.

David Vigil, Executive Director of Finance

David Vigil has extensive experience in public school finance with over 20 years of experience in public school accounting and budgeting. Mr. Vigil previously worked at Santa Fe Public Schools as the District's Director of Budget and Finance for almost two years. Prior to his service with Santa Fe Public Schools, Mr. Vigil worked in public school accounting, budgeting, finance, human resources, operations, and food services for Albuquerque Charter Schools and has served on several charter school Finance and Audit Committees including serving four years as the Board Treasurer for the NM Alliance for School Based Health Care. He also worked for the NMPED in finance for five years. Mr. Vigil earned his MBA from the University of New Mexico in K-12 Education Leadership and serves on the NMASBO Training Committee. Additionally, he has a Level II School Business Official License.

Insurance

The District is a member of the New Mexico State Public School Insurance Authority (the "Insurance Authority"), which was established to provide a comprehensive insurance program for school districts, board members and retirees and public school employees and retirees within the State. The Insurance Authority provides risk related insurance to the District such as worker's compensation, property and casualty insurance, general automobile and fire insurance and general liability insurance for the District, its property, its board members and employees. The Insurance Authority also provides group health insurance to the District.

Enrollment

Set forth below is the District's enrollment for the school years 2020-21 through 2024-25.

Table 12

Grade	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
Elementary & Pre-K	7,222	7,629	7,493	7,563	7,264
Middle School	3,828	3,932	3,805	3,664	3,539
High School	5,269	5,355	5,436	5,440	5,284
Total:	16,319	16,916	16,734	16,667	16,086

Source: The District and NM Public Education Department.

For a discussion of the relationship between student enrollment and amounts of financial support provided by the State for public schools, see "FINANCES OF THE EDUCATIONAL PROGRAM - SOURCES OF REVENUES".

FINANCES OF THE EDUCATIONAL PROGRAM

The basic format for the financial operation of the District is provided by the PED through the School Budget Planning Division, which is directed by State law to supervise and control the preparation of all budgets of all school districts. The District receives revenue from a variety of local, state and federal sources, the most important of which are described below. New Mexico's public school finance laws are subject to review and examination through both the judicial and legislative processes. As a result, the District cannot anticipate with certainty all of the factors that may influence the financing of its future activities. There is no assurance that there will not be any change in, interpretation of or additions to the applicable laws, provisions and regulations that would have a material effect, directly or indirectly, on the affairs of the District.

Sources of Revenues for General Fund

The General Fund is used to account for resources of the operational fund, student activity funds and other resources not accounted for in another fund. The sources of revenue for the District's General Fund are:

Local Revenues - Local revenues are a minor source of revenue to the District made up, in part, by a property tax annually levied on and against all of the taxable property within the District for operational purposes. The levy is limited by State law to a rate of 50 cents for each \$1,000 of net taxable value of taxable property. Other sources of local revenues include interest income earned on the District's investments, rentals and sale of property. In the fiscal year 2024, the District received \$3,684,337 from local sources.

Federal Revenues - Another minor source of annual revenue for the District's General Fund is derived from indirect costs of direct federal grant funds related to vocational, special education, and various other programs and P.L. 874 federal impact moneys paid to the District in lieu of taxes on federal land located in the District. In fiscal year 2024, the District received \$1,361,941 in federal sources for its General Fund.

State Revenues - The District's largest source of annual revenue is derived from the State Equalization Guarantee distribution described below. During fiscal year 2024, the District received \$229,025,323 from state sources including State flow-through and Transportation. Such payments represented approximately 97.8% of actual fiscal year 2024 General Fund Revenues.

State Equalization Guarantee Program

The State Legislature enacted New Mexico's current public school funding formula in 1974. Designed to distribute operational funds to local school districts in an objective manner, the funding formula is based upon the educational needs of individual students and costs of the programs designed to meet those needs. Program cost differentials are based upon nationwide data regarding the relative costs of various school programs, as well as data specific to New Mexico. The objectives of the formula are (1) to equalize educational opportunity statewide (by crediting certain local and federal support and then distributing state support in an objective manner) and (2) to retain local autonomy in actual use of funds by allowing funds to be used in local school districts at the discretion of local policy making bodies. The formula is divided into three basic parts:

1. Educational program units that reflect the different costs of identified programs;
2. Training and experience units that attempt to provide additional funds so that districts may hire and retain better educated and more experienced instructional staff; and
3. Size adjustment units that recognize local school and community needs, economies of scale, types of students, marginal cost increases for growth in enrollment from one year to the next, and adjustments for the creation of new districts.

SEG payments are made monthly and prior to June 30 each fiscal year. The calculation of the distribution is also based on the local and federal revenues received from July 1 of the previous fiscal year through May 31 of the fiscal year for which the State distribution is being computed. In the event that a school district receives more SEG funds than its entitlement, the district must make a refund to the State's general fund.

Even though the current public school funding formula has been in place for more than two decades, some districts have indicated a concern about the fact that some school districts receive less revenue per pupil compared to others. In response to these concerns, the Legislature, the Governor, and the State Board of Education authorized an independent, comprehensive study of the formula that was conducted in 1996. In its principal finding, the independent consultant concluded, "...When evaluated on the basis of generally accepted standards of equity, the New Mexico public school funding formula is a highly equitable formula. . . .[S]pending disparities are less than in other states and statistically insignificant."

Despite the acknowledged equity of the formula, the independent consultant pointed out a strong perception of unfairness in the so-called "density" factor and in the training and experience computations of some school districts. As a result, the Legislature enacted the following changes to the funding formula:

- Required that special education students be counted with regular students with "add-on" weights assigned depending upon the severity of the disability;
- Changed weights for special education ancillary services and included diagnosticians in ancillary services computations; and
- Repealed the so-called "density" factor and replaced it with an at-risk factor that is available to all school districts.

In addition, the equalization funding for a school district is based on previous year's enrollment rather than current year enrollment.

SEG payments to the District are as follows:

Table 13

Year	Unit Factor	Amount
2020-2021	4,537	\$153,790,809
2021-2022	4,863	161,917,420
2022-2023	5,523	190,395,753
2023-2024	6,242	215,445,697
2024-2025	6,801	230,344,782

Source: *New Mexico Public Education Department.*

The District is also reimbursed by the State for the costs of transporting pupils to and from school. These payments are based upon a formula consisting of the number of students per square mile that are transported. In fiscal year 2024, the District received \$4,809,469 for transportation purposes.

Statement of Revenues, Expenditures, and Changes in Fund Balances

The following is a history of the District's General Fund Statement of Revenues, Expenditures & Changes in Fund Balances. The General Fund includes Operational, Teacherage, Transportation and Instructional Materials. See the District's audited financial statements for the fiscal year ending June 30, 2024 attached hereto as APPENDIX B. The complete audit report for the fiscal year ending June 30, 2024 and the last four years can be downloaded from the State Auditor's website using the following link <https://www.saonm.org/auditing/audit-report-search/>.

Table 14

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GENERAL FUND ⁽¹⁾

<i>Year Ending June 30</i>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues:					
Local Sources:					
Property taxes	\$755,738	\$738,095	\$800,689	\$884,305	\$973,214
Fees and charges	516,058	15,400	272,997	524,646	1,086,052
Interest	209,824	25,860	35,817	234,928	944,210
Private Grants	389,105	410,610	130,623	565,797	388,087
Miscellaneous	64,293	258,854	651,863	340,114	292,774
State Sources:					
State flow-through	145,714,559	153,739,418	163,967,162	190,395,754	224,215,854
Transportation	3,478,716	3,064,489	3,142,427	3,237,359	4,809,469
Federal Sources:	<u>560,101</u>	<u>590,226</u>	<u>956,844</u>	<u>1,824,533</u>	<u>1,361,941</u>
Total Revenues	<u>\$151,688,394</u>	<u>\$158,842,952</u>	<u>\$169,958,422</u>	<u>\$198,007,436</u>	<u>\$234,071,601</u>
Expenditures:					
Instruction	\$87,734,558	\$99,468,505	\$102,279,335	\$113,252,650	\$132,517,114
Support services	29,744,633	31,415,078	33,618,576	38,444,065	45,363,686
Central Services	7,980,912	8,665,696	10,053,959	11,084,952	12,337,607
Operation & Maintenance of Plant	19,060,911	17,934,815	18,322,719	21,128,783	26,148,547
Student Transportation	4,346,475	4,107,874	4,946,410	5,916,021	7,480,555
Community Services	324,381	127,495	-	81,471	77,980
Capital Outlay	2,675,845	1,800,000	-	222,901	6,780,377
Other support Services	-	-	554,310	25,916	-
Total	<u>\$151,867,715</u>	<u>\$163,519,463</u>	<u>\$169,775,309</u>	<u>\$190,156,759</u>	<u>\$230,705,866</u>
Excess revenues over expenditures	(179,321)	(4,676,511)	183,113	7,850,677	3,365,735
Fund Balance Beginning of Year	18,903,599	18,724,281	14,047,770	14,230,883	22,081,558
Transfers/Refunds/Adjustments	<u>3</u>	<u>-</u>	<u>-</u>	<u>(2)</u>	<u>-</u>
Fund Balance at End of Year	<u>\$18,724,281</u>	<u>\$14,047,770</u>	<u>\$14,230,883</u>	<u>\$22,081,558</u>	<u>\$25,447,293</u>

1) General Fund includes Operational, Transportation and Instructional Materials.

Source: The figures above have been extracted from the District's audited financial statements.

Such figures are excerpts only and do not purport to be complete.

A portion of the independent audit report for the year ended June 30, 2024 is attached as Appendix B.

Balance Sheet

The following is a history of the District's General Fund Balance Sheet. The General Fund includes Operational, Transportation and Instructional Materials. See the District's audited financial statements for the fiscal year ending June 30, 2024, attached hereto as APPENDIX B. The complete audit report for the fiscal year ending June 30, 2024 and the last four years can be downloaded from the State Auditor's website using the following link <https://www.saonm.org/auditing/audit-report-search/>.

Table 15

BALANCE SHEET - GENERAL FUND					
Year Ending June 30	2020	2021	2022	2023	2024
ASSETS:					
Cash & Cash equivalents	\$10,102,114	\$16,667,547	\$17,025,269	\$11,856,691	\$13,174,152
Investments	10,246,662	10,265,742	10,271,990	10,473,547	20,508,952
Receivables:					
Property Taxes	\$55,499	\$62,426	\$59,851	\$54,650	\$60,515
Interest	1,473	-	-	294,309	6,726
Due from other governments	7,242	273,669	2,133,203	10,331,240	4,220,772
Other	512,032	-	-	-	-
Inventory	136,351	183,116	90,337	58,978	-
Due from other funds	<u>1,888,004</u>	<u>20,000</u>	<u>20,000</u>	<u>2,000</u>	-
Total Assets	<u>\$22,949,377</u>	<u>\$27,472,500</u>	<u>\$29,600,650</u>	<u>\$33,071,415</u>	<u>\$37,971,117</u>
LIABILITIES AND EQUITY:					
Accounts payable	\$590,358	\$554,230	\$1,492,120	\$608,370	\$2,206,913
Accrued payroll	3,583,421	12,817,668	13,824,967	10,020,785	10,262,622
Due to other funds	-	-	-	309,375	-
Due to special revenue funds	-	-	-	-	-
Total Liabilities	<u>\$4,173,779</u>	<u>\$13,371,898</u>	<u>\$15,317,087</u>	<u>\$10,938,530</u>	<u>\$12,469,535</u>
<i>Deferred inflows of resources</i>	<u>\$51,317</u>	<u>\$52,832</u>	<u>\$52,680</u>	<u>\$51,327</u>	<u>\$54,289</u>
<i>Total deferred inflows of resources</i>	<u>\$51,317</u>	<u>\$52,832</u>	<u>\$52,680</u>	<u>\$51,327</u>	<u>\$54,289</u>
Fund balances:					
Nonspendable:					
Inventory	\$136,351	\$183,116	\$110,337	\$58,978	-
Restricted for:					
Instructional Materials	\$5,437	-	-	-	-
Emergency reserves	-	-	-	-	-
Committed for:					
Emergency reserves	-	-	-	-	-
Subsequent year's expenditures	16,819,158	13,854,607	12,010,637	17,004,368	-
Unassigned	<u>1,763,335</u>	<u>10,047</u>	<u>2,109,909</u>	<u>5,018,212</u>	<u>25,447,293</u>
Total Fund balances	<u>\$18,724,281</u>	<u>\$14,047,770</u>	<u>\$14,230,883</u>	<u>\$22,081,558</u>	<u>\$25,447,293</u>
Total Liabilities and deferred inflows of resources and fund balances	<u>\$22,949,377</u>	<u>\$27,472,500</u>	<u>\$29,600,650</u>	<u>\$33,071,415</u>	<u>\$37,971,117</u>

Source: The figures above have been extracted from the District's audited financial statements. Such figures are excerpts only and do not purport to be complete. A portion of the independent audit report for year ended June 30, 2024 is attached as Appendix B.

Title I Special Revenue Funds

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

Debt Service

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

Bond Building Capital Projects

The Bond Building Capital Projects Fund is used to account for bond proceeds plus 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.

Agency Funds

The Agency Funds 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.

District Budget Process

Each year, the school district budget process begins with the educational appropriations passed by the Legislature and signed into law by the Governor. The actual budget process follows specific steps set forth in the Public School Finance Act:

- Before April 15 of each year, the District must submit an estimated budget for the next school year to the PED. If the District fails to submit a budget, the PED must prepare a District budget for the ensuing year.
- Before June 20 of each year, the Board must hold a public hearing to fix the estimated budget for the next school year.
- On or before July 1 of each year, the PED must approve and certify an approved operating budget for use by the Board.

No school board, officer or employee of a school district may make an expenditure or incur any obligation for the expenditure of public funds unless that expenditure is made in accordance with an operating budget approved by the PED. This requirement, however, does not prohibit the transfer of funds between line items within a series of a budget. Final budgets may not be altered or amended after approval by the PED except upon the District's request to the PED. Instances in which such requests will be approved include a change within the budget that does not increase the total amount of the budget. Additional budget items may also be approved if the District is to receive unanticipated revenues. Finally, if it becomes necessary to increase the District's budget by more than \$1,000 for any reason other than those listed above, the PED may order a special public hearing to consider the requested increase.

Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, and Debt Service Fund with appropriations lapsing at year-end. Total expenditures of any function category may not exceed categorical appropriations.

To conform to the PED's requirements, budgets for all funds of the District are adopted on the cash basis of accounting except for state instructional material credit. State instructional material funds provide for free textbooks from the PED.

As a result, budgets are not prepared in conformity with generally accepted accounting principles (GAAP), and budgetary comparisons are presented on the (Non-GAAP) basis of accounting.

Retirement Plan

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

Benefits provided. A member's retirement benefit is determined by a formula which includes three component parts: the member's final average salary (FAS), the number of years of service credit, and a 0.0235 multiplier. The FAS is the average of the member's salaries for the last five years of service or 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.

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. Senate Bill 36 was signed into law on March 1, 2022 and will increase ERB's employer contributions set by Senate Bill 42 (16.15% beginning July 1, 2022) to 17.15% beginning July 1, 2022 and increase to 18.15% for the year beginning July 1, 2023. The District's contributions to ERB for the fiscal year ending June 30, 2024 was \$26,624,147, which equal the amount of the required contributions.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2024, the District reported a liability of \$295,721,615 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and regional education cooperatives, actuarially determined. At June 30, 2023 (pension measurement date), the District's proportion was 3.405300 percent compared to 3.345440 percent measured as of June 30, 2022.

For the year ended June 30, 2024, the District recognized pension expense of \$26,624,147.

Recent Legislative Changes

Recent legislative changes enacted during the 2012, 2013, 2019, 2020 and 2022 legislative sessions also amended various provisions of the ERA. Senate Bill 36 and House Bill 73 described below are the most recent legislative action amending the ERA.

House Bill 360 ("HB 360"), adopted in the 2019 legislative session, amended the ERA to increase employer contributions to the educational retirement fund; increase the salary level employees would be required to reach before paying a higher contribution rate; increase the age or years of service requirements for new members to be eligible for retirement and reduce retirement benefits for new employees who work for less than 30 years; make changes to the return-to-work program; require most retirees from the Public Employees Retirement Association (PERA) to make contributions to the educational retirement fund if they become employed by an ERA-covered employer; change the salary calculation for determining retirement benefits for employees that receive a salary increase of more than 30 percent, and require substitute teachers to become members of the Educational Retirement Board (ERB) if they are employed at least one quarter time (0.25 FTE).increase employer contributions .

HB 360 also amended the ERA to provide for employer contributions of 14.15 percent of annual salary, rather than 14.4 percent of annual salary, eliminate contribution increases in FY21 and FY22, require that a retired employee working 0.25 FTE or less make nonrefundable contributions to the educational retirement fund, and delayed the date for which substitute teachers with a FTE of more than 0.25 FTE would be required to become a member of the Educational Retirement Board (ERB) to July 1, 2020. House Bill 2, also approved by the legislature in 2019, included an increases to the state equalization guarantee for FY 2020 to increase employer contributions to ERB to offset the impact of HB 360.

Senate Bill 36, adopted during the 2022 legislative session, amended the ERA to provide for employer contributions of 17.15 percent of annual salary for FY 23 and 18.15 percent for FY24. Senate Bill 133, also adopted during the 2025 legislative session, adds a new section to the ERA to allow a retired ERB member to return to work with an ERB-affiliated employer without suspending their pension benefit. The returning employee could work for up to 60 consecutive or nonconsecutive months so long as the returning employee has not worked for an ERB-affiliated employer for 90 days prior to re-employment.

Pension Plan Statistics

Following is a five-year history of employer and employee contributions statewide, and average asset balance of the fund:

Table 16

Fiscal Year Ending June 30	Employer Contributions	Employee Contributions	Net Assets Held in Trust
2020	\$451,556,144	\$329,724,869	\$13,019,196,862
2021	452,872,287	330,066,887	16,361,524,358
2022	511,943,988	347,917,165	15,550,701,708
2023	662,750,272	394,165,107	16,261,793,470
2024	770,384,190	435,808,030	17,498,210,024

Source: New Mexico Educational Retirement Board, Financial Report.

Post-Employment Benefits

The Retiree Health Care Act created the Retiree Healthcare Fund ("Fund"), administered by the New Mexico Retiree Health Care Authority ("NMRHCA"), for the purpose of providing eligible retirees, their spouses and dependents, and surviving spouses and dependents with healthcare insurance. Payments are made to the Fund on a pay-as-you-go basis by eligible employers and eligible retirees.

Each participating employer, including the District, makes contributions to the Fund in the amount of 2.00% of each participating employee's annual salary for fiscal year ending June 30, 2013, and subsequent periods. Similarly, contributions for participating employees who are not members of the enhanced retirement plan will be 1.0% for fiscal year ending June 30, 2013, and subsequent periods. Contributions for participating employees who are members of the enhanced retirement plan will be 1.25% for fiscal year ending June 30, 2013, and subsequent periods. The NMRHCA issues a separate, publicly available audited financial report, and it may be requested by writing to the NMRHCA, 4308 Carlisle NE, Albuquerque, NM 87107.

The District's contribution to the RHCA for the years ended June 30, 2024, 2023, and 2022 were \$2,904,090, \$2,627,214, and \$2,266,326 respectively, which equal the required contributions for each year.

Based on the Governmental Accounting Standards Board ("GASB") Statement 43 valuation for the fiscal year ended June 30, 2006, and assuming that the Fund is an equivalent arrangement to an irrevocable trust and then using a discount rate of 5.0%, the unfunded actuarial accrued liability ("UAAL") has been calculated to be approximately \$4.1 billion. As required by GASB Statement 43, this calculation takes into consideration only current assets of the Fund. The Legislative Council, the Legislative Finance Committee, the Governor and the NMRHCA, as required by statute, established a working group that, among other things, examined the options to improve the actuarial soundness of the Fund and reported its findings to the Governor, the New Mexico Legislative Council, the Legislative Finance Committee and the NMRHCA.

Recent actions by the NMRHCA improved its financial outlook. As recently as January 2008, the Fund was projected to be insolvent by June 2014. The NMRHCA recently increased premiums paid by retirees in response to recommendations from the Legislature in 2008. These actions increased the projected solvency period to approximately June 2020. The NMRHCA also established as policy that premium increases going forward should track medical trend increases. In the past, premium increases were substantially lower than medical inflation, which was a leading contributor to declining solvency. Under current law, the District is not responsible for any future deficiencies in the Fund.

TAX MATTERS

Federal Income Tax Opinion

In the opinion of Modrall, Sperling, Roehl, Harris & Sisk, P.A., Bond Counsel, to be delivered at the time of original issuance of the Bonds, under existing laws, regulations rulings and judicial decisions, and assuming compliance with covenants described herein, interest on the Bonds (a) is excludable from the gross income of the recipients thereof for federal income tax purposes, under Section 103 of the Internal Revenue Code of 1986 (the “Code”), as amended, and (b) is not a specific item of tax preference for purposes of the federal alternative minimum tax under the Code; however, interest on the Bonds is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code.

The Internal Revenue Code of 1986, as amended (the “Code”), imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal tax purposes of interest on obligations, such as the Bonds. The District has made various representations and warranties with respect to, and has covenanted in the Bond Resolution and other documents, instruments and certificates to comply with certain guidelines designed to assure that interest on the Bonds will not become includible in gross income. Failure to comply with these covenants or the inaccuracy of these representations and warranties may result in interest on the Bonds being included in gross income from the date of the issue of the Bonds. The opinion of Bond Counsel assumes compliance with the covenants and the accuracy of such representations and warranties.

Although Bond Counsel will render an opinion that interest on the Bonds are excludable from gross income for federal income tax purposes, the accrual or receipt of interest on the Bonds may otherwise affect the federal income tax liability of the recipient. The extent of these other tax consequences will depend upon the recipient’s particular tax status or other items of income or deduction. Bond Counsel expresses no opinion regarding any such consequences. Before purchasing any of the Bonds, potential purchasers should consult their tax advisors as to the tax consequences of purchasing or owning the Bonds.

The opinions to be rendered by Bond Counsel will be based upon existing legislation as of the date of issuance and delivery of the Bonds, and Bond Counsel will express no opinion as of any date subsequent thereto or with respect to any pending legislation. From time to time, there are legislative proposals in Congress that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Each purchaser of the Bonds should consult his or her own tax advisor regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

New Mexico Income Tax Opinion

On the date of initial delivery of the Bonds, Bond Counsel will render its opinion concerning the Bonds that, based on existing laws of the State of New Mexico as enacted and construed, the Bonds and income from the Bonds are exempt from all taxation by the State of New Mexico or any political subdivision thereof. Bond Counsel expresses no opinion as to any other federal, state or local tax consequences, except as described herein.

Original Issue Discount

Certain maturities of the Bonds may be offered at a discount (“original issue discount”) equal generally to the difference between public offering price and principal amount. For federal income tax purposes, original issue discount on a Bond accrues periodically over the term of the Bonds as interest with the same tax exemption and alternative minimum tax status as regular interest. The accrual of original issue discount increases the holders’ tax basis in the Bonds for determining taxable gain or loss from sale or from redemption prior to maturity. Holders of the Bonds offered at original issue discount should consult their tax advisor for an explanation of the accrual rules.

Original Issue Premium

Certain maturities of the Bonds may be offered at a premium (“original issue premium”) over their principal amount. For federal income tax purposes, original issue premium is amortizable periodically over the term of a bond through reductions in the holders’ tax basis in the bond for determining taxable gain or loss from sale or from redemption prior

to maturity. Amortizable premium is accounted for as reducing the tax-exempt interest on the bond rather than creating a deductible expense or loss. Holders of the Bonds offered at an original issue premium should consult their tax advisors for an explanation of the amortization rules.

Internal Revenue Service Audit Program

The Internal Revenue Service (the “Service”) has an ongoing program auditing tax-exempt obligations to determine whether, in view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. No assurances can be given as to whether the Service will commence an audit of the Bonds. If an audit is commenced, under current procedures, the Service will treat the District as the taxpayer and the Bond owners may have no right to participate in such procedure. None of the initial purchasers of the Bonds, the Municipal Advisor or Bond Counsel is obligated to defend the tax-exempt status of the Bonds. The District has covenanted in the Bond Resolution not to take action that would cause the interest on the Bonds to lose their exclusion from gross income except to the extent described above for the owners thereof for federal income tax purposes. None of the District, the Municipal Advisor or Bond Counsel is responsible to pay or reimburse the costs of a Bond owner with respect to any audit or litigation relating to the Bonds.

Future and Proposed Legislation

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the Federal or state level, may adversely affect the tax-exempt status of interest on the Bonds under Federal or state law and could affect the market price or marketability of the Bonds. Any such proposal could limit the value of certain deductions and exclusions, including the exclusion for tax-exempt interest. The likelihood of any such proposal being enacted cannot be predicted. Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

CONTINUING DISCLOSURE UNDERTAKING

The District will enter into an undertaking (the “Undertaking”), in the form attached as APPENDIX D hereto, for the benefit of the holders of the Bonds to provide (i) certain financial information by no later than March 31st of each year, beginning March 31, 2026 until the Bonds are no longer outstanding, and (ii) operating data, and to provide notice of certain events, pursuant to the requirements of section (b)(5)(i) of Rule 15c2-12 of the United States Securities and Exchange Commission (“Rule 15c2-12” or the “Rule”). A failure by the District to provide any information required thereunder shall not constitute an Event of Default under the Bond Resolution.

Annual Reports

The District will provide annually certain updated financial information and operating data to the Securities Rulemaking Board (“MSRB”) using its Electronic Municipal Market Access System (“EMMA”) in conformity with Rule 15c2-12. The information to be updated includes all quantitative financial information and operating data with respect to the District of the general type included in this Official Statement under the headings “DEBT AND OTHER FINANCIAL OBLIGATIONS,” “TAX BASE,” “TAX RATES,” “TAX COLLECTIONS,” “THE DISTRICT-Enrollment,” and “FINANCES OF THE EDUCATIONAL PROGRAM - State Equalization Guarantee Program; Statement of Revenues, Expenditures and Changes in Fund Balances; and Balance Sheet” (Tables 2 – 15) and audited financial statements of the District. The District will update and provide this information no later than March 31 of each year, commencing in 2026, for the fiscal year ending on the preceding June 30.

The District may provide updated information in full text or may incorporate by reference certain other publicly available documents, as permitted by Rule 15c2-12. The updated information will include audited financial statements, if the District commissions an audit and it is completed by the required time. If audited financial statements are not available by the required time, the District will provide unaudited financial statements by the required time and will provide audited financial statements when and if the audit report becomes available. Any such financial statements will be prepared in accordance with accounting principles as in the District’s annual financial statements attached hereto or such other accounting principles as the District may be required to employ from time to time pursuant to state law or regulation.

The District's current fiscal year end is June 30. Accordingly, it must provide updated information by March 31 in each year, unless the District changes its fiscal year. If the District changes its fiscal year, it will notify the MSRB of the change.

Event Notices

The District shall notify the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten business days after the occurrence of any of the following events with respect to the Bonds: 1) principal and interest payment delinquency; 2) non-payment related default, if material; 3) unscheduled draw on debt service reserves reflecting financial difficulties; 4) unscheduled draw on credit enhancements reflecting financial difficulties; 5) substitution of credit or liquidity provider, or their failure to perform; 6) adverse tax opinion, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notice or determination with respect to the tax status of the security, or other material events affecting the tax-exempt status of the security; 7) modifications to rights of security holders, if material; 8) bond calls, if material, or tender offers; 9) defeasances; 10) release, substitution or sale of property securing repayment of the securities, if material; 11) rating changes; 12) bankruptcy, insolvency, receivership or similar event with respect to the District or an obligated person; 13) the consummation of a merger, consolidation or acquisition and sale of all or substantially all assets; 14) appointment of a successor or additional trustee, or the change of name of a trustee, if material; 15) Incurrence of a financial obligation* of the District or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation* of the issuer or obligated person, any of which affect security holders, if material; and 16) a default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation* of the District, any of which reflect financial difficulties.

In addition, the District will provide timely notice of any failure by the District to provide information, data, or financial statements in accordance with its agreement described above under "Annual Reports."

* The term "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final Official Statement has been provided to the MSRB consistent with Rule 15c2-12.

Availability of Information from the MSRB

The District has agreed to provide the foregoing information only to the MSRB. All documents provided by the District to the MSRB described under "Annual Reports" and "Event Notices" will be in an electronic format and accompanied by identifying information as prescribed by the MSRB.

The address of the MSRB is 1300 I Street NW #1000, Washington, D.C. 20005, phone (202) 838-1500, fax (202) 898-1500.

Limitations and Amendments

The District has agreed to update information and to provide notices of certain events only as described above. The District has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition or prospects or agreed to update any information that is provided, except as described above. The District makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell bonds at any future date. The District disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although holders of Bonds may seek a writ of mandamus to compel the District to comply with its agreement.

The continuing disclosure agreement may be amended by the District from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law or a change in the identity, nature, status or type of operations of the District, but only if (1) the provisions, as so amended, would have permitted an underwriter to purchase or sell bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a)

the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of the Bond Resolution that authorizes such an amendment) of the outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the District (such as nationally recognized bond counsel) determined that such amendment will not materially impair the interest of the Holders and beneficial owners of the Bonds. The District may also amend or repeal the provisions of this continuing disclosure agreement if the United States Securities and Exchange Commission amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling bonds in the primary offering of the Bonds.

Compliance with Prior Undertakings

The District has previously entered into continuing disclosure undertakings (each a “Prior Undertaking” and collectively, the “Prior Undertakings”) with respect to certain other obligations of the District in accordance with Rule 15c2-12. On April 9, 2017, Moody’s Investors Service downgraded the District’s general obligation bond rating to ‘A2’ from ‘A1’. The downgrade was not disclosed within 10 business days of the occurrence and subsequently posted to EMMA on April 25, 2017. This oversight was discovered February 20, 2023, and consequently not disclosed in prior official statements. With the exception of the aforementioned, during the last five years, the District has complied in all material respects with those Prior Undertakings. The District has implemented procedures to ensure that the continuing disclosure requirements are met on a timely basis and is in material compliance with such requirements.

LEGAL MATTERS

The Bonds are subject to the written approval of the New Mexico Attorney General as to form and legality. In addition, the opinion of Modrall, Sperling, Roehl, Harris & Sisk, P.A., Albuquerque, New Mexico, Bond Counsel, approving the legality of the Bonds and relating to the tax-exempt status of the 2025 Bonds will be furnished to the successful bidder at no cost to the successful bidder. A form of the opinion of Bond Counsel is attached hereto as Appendix E.

In connection with the transactions described in this Official Statement, Bond Counsel has represented the District. The fee to be paid to Bond Counsel is contingent upon the sale and delivery of the Bonds. Bond Counsel was not requested and did not take part in the preparation of the Official Statement, nor has Bond Counsel undertaken to verify any of the information contained herein. Bond Counsel has no responsibility for the accuracy or completeness of any information furnished in connection with the offer or sale of the Bonds in the Official Statement or otherwise.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinion as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon or of the future performance of the parties to the transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

LITIGATION

In the opinion of various officials of the District, except as disclosed in this Official Statement, there is no litigation or other proceeding pending against or, to their knowledge, threatened against the District in any court, agency, or administrative body contesting the validity of the Bonds or the use of Bond proceeds, the corporate existence of the District or the titles of its officers or contesting or affecting the District’s ability to receive taxes that could be used for Bond payments.

At the time of the original delivery of the Bonds, the District will deliver a no-litigation certificate to the effect that no litigation or administrative action or proceedings are pending or, to the knowledge of the appropriate officials, threatened, restraining or enjoining, or seeking to restrain or enjoin, the issuance and delivery of the Bonds, the effectiveness of the Resolution, the levying or collecting of taxes to pay the principal of and interest on the Bonds, except as described below, or contesting or questioning the proceedings and authority under which the Bonds have been authorized and are to be issued, sold, executed, or delivered, or the validity of the Bonds.

RATINGS

Moody's Investors Service, Inc. ("Moody's") has assigned a rating of "A1" without regard to any enhancement program. Moody's also assigned an enhanced rating of "Aa3" on the Bonds based on the New Mexico School District Enhancement Program. See "NEW MEXICO SCHOOL DISTRICT ENHANCEMENT PROGRAM". Such ratings reflect only the views Moody's, and an explanation of the significance of the ratings may be obtained only from Moody's. There is no assurance that the ratings will continue for any given period of time or that the ratings will not be revised downward, upward or withdrawn entirely by the rating agency, if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of any such rating may have an effect on the market price or marketability of the Bonds.

THE MUNICIPAL ADVISOR

RBC Capital Markets, LLC is employed as Municipal Advisor to the District in connection with the issuance of the Bonds. The Municipal Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. The municipal advisor is not obligated to undertake, and has not undertaken to make, an independent verification of or to assume responsibility for the accuracy, completeness, or fairness of the information in this Official Statement.

LEGAL MATTERS RELATING TO STATE EDUCATION SYSTEM

There have been various legal challenges to the State's funding process for primary and secondary public education. In 2014, two plaintiff groups filed lawsuits, each of which challenged the sufficiency of school funding and the school funding formula as applied to the needs of at-risk students. The lawsuits were consolidated (Martinez, et al. v. the State of New Mexico consolidated with Yazzie, et al. v. the State of New Mexico, No. D-101-CV-2014-00793) and proceeded to a bench trial in 2017. On February 14, 2019, the Court entered a Final Judgment and Order that the State violated the Education Clause, the Equal Protection Clause, and the Due Process Clause of the New Mexico Constitution. The Court required the State to ensure schools have resources, including funding and accountability measures, to give at-risk students an opportunity to obtain a sufficient education. In response, during the 2019 Regular Session, the Legislature increased public school funding by approximately \$400 million. In October of 2019, the Plaintiffs filed motions claiming that the State had not complied with the order. In March of 2020, the State filed a motion to dismiss the lawsuit. In June 2020, the court denied the State's motion, maintained oversight of reforms and approved a motion for discovery by the plaintiffs. In September 2024, the Plaintiffs filed a joint motion of noncompliance and requested a comprehensive remedial action plan by the Legislative Education Study Committee staff. In April 2025, the court ruled that PED and the State are still not in compliance and granted the Plaintiff's motion, in part. The order assigned PED responsibility for the development of a comprehensive remedial action plan due to the court by November 3, 2025 with various deadlines prior to November deadline.

In a lawsuit filed in the New Mexico Eleventh Judicial District Court in 1998, (Zuni Public School District, et al., v. the State of New Mexico, et al., No. D-1113-CV-9800014), two school districts sought a declaratory judgment that the State's method of funding of capital improvements for public schools violated the State Constitutional requirement to provide a "uniform" and "adequate" system of funding capital improvements. On December 29, 2020, the trial court filed a Decision and Order ruling in favor of the Plaintiffs. On June 18, 2021, the State appealed, and on August 7, 2023, the New Mexico Court of Appeals certified the case to the New Mexico Supreme Court. In December 2024, the New Mexico Supreme Court declined to issue an opinion in the case indicating that because the legislature has enacted changes to the capital outlay provisions following the filing of the lawsuit in 1998, the case is considered moot, and the court cannot consider the constitutionality of the statute.

While the various court cases related to educational funding proceed through the appeals, post-trial procedures, and remedial legislative measures, the outcomes of such litigation and associated legislative changes may impact the State's education funding and, consequently, the District; however, the extent of the impact to the District cannot be assessed at this time.

DISCLOSURE CERTIFICATE

The final certificates included in the transcript of legal proceedings will include the following: At closing, the Superintendent or the Executive Director of Finance will sign a certificate stating, after reasonable investigation, that to the best of his knowledge (a) no action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court, public board, or body, is pending, or, to the best of her knowledge, threatened in any way contesting the completeness or accuracy of the Official Statement, (b) the Official Statement, as it pertains to the District and the Bonds, does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading, and (c) no event affecting the District has occurred since the date of the Official Statement, which should be disclosed therein for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any respect; provided, however, that the District does not make any representation concerning the pricing information contained in the Official Statement.

ADDITIONAL MATTERS

All summaries of the Bond Resolution, statutes, resolutions, opinions, contracts, agreements, financial and statistical data and other related reports described in this Official Statement are subject to the actual provisions of such documents. The summaries do not purport to be complete statements of such provisions and reference is made to such documents, copies of which are either publicly available or available for inspection during normal business hours at the offices of the District located at the School Administration Office, or at the offices of RBC Capital Markets, LLC, 6301 Uptown Boulevard NE, Suite 110, Albuquerque, New Mexico 87110.

FORWARD LOOKING STATEMENTS

The statements contained in this Official Statement, and in any other information provided by the District, that are not purely historical, are forward-looking statements, including statements regarding the District's expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward looking statements included in this Official Statement are based on information available to the District on the date hereof, and the District assumes no obligation to update any such forward-looking statements. It is important to note that the District's actual results could differ materially from those in such forward-looking statements.

The forward-looking statements herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the District. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement would prove to be accurate.

A LAST WORD

Anything in this Official Statement involving matters of opinion or estimates – whether labeled as such or not – are just that. They are not representations of fact. They might not prove true. Neither this Official Statement nor any other written or oral information is to be construed as a contract with the registered owners of the Bonds.

The preparation of this Official Statement and its distribution have been authorized by the Board of Education of the District as of the date of the cover page hereof.

The District has duly authorized the execution and delivery of this Official Statement.

President, Board of Education

Secretary, Board of Education

APPENDIX A

ECONOMIC AND DEMOGRAPHIC INFORMATION RELATING TO THE DISTRICT

THE ECONOMY

The Rio Rancho Public School District No. 94 includes almost all of the City of Rio Rancho (the "City") and part of the unincorporated area of Sandoval County. The District is geographically situated in the center of the State of New Mexico (the "State"), adjacent to the City of Albuquerque. The area within the District is part of the Albuquerque Metropolitan Statistical Area ("MSA"). The Albuquerque MSA was redefined as of January 1993 to include the counties of Bernalillo, Sandoval and Valencia. The Albuquerque MSA represents the largest commercial and industrial center in the state of New Mexico. The area is economically dynamic as evidenced by strong population growth, continued residential and non-residential construction, and unemployment rates typically lower than both the State and the nation.

The City of Rio Rancho has experienced enormous growth in the past thirty years. The City started as a private development by AMREP Southwest, Inc., and many of the early residents migrated from eastern and north-central United States. Today, many of the homes in Rio Rancho are sold to buyers moving from Albuquerque and from rural New Mexico.

The City's economy and surrounding area have been based primarily on the Intel manufacturing plant, government and related activities, retail trade, tourism, arts and entertainment, and recreation. In 2011 and 2012, Presbyterian Rust Medical Center and University of New Mexico Sandoval Regional Medical Center hospitals opened in the City, adding approximately 960 new jobs and over \$61,000,000 in annual payroll. These hospitals have attracted additional medical offices in the surrounding areas, most notably along the Unser corridor in the Petroglyphs Medical Plaza and Unser Pavilion sites. Additionally, Rust Medical Center has built an additional tower to allow for another 120 beds and more office space.

The City has been able to attract industry to provide employment for its residential growth. Intel Corporation is one of the largest employers with approximately 2,100 employees. Intel has upgraded or completely overhauled its Rio Rancho site five times since the 1980s, most recently in 2009 to go from 45-nanometer transistors on chips to 32 nanometers. Lectrosonics, a manufacturer of wireless microphone systems and audio processing products for the film, broadcast media, and theatre industries, operates its world headquarters in Rio Rancho and employs over 150 people. Overall, industrial development in Rio Rancho has helped the community grow and has diversified the greater Albuquerque area economy.

Since 2013, developers have added approximately 227,000 square feet of retail and medical office space along Unser Boulevard, one of three main roads leading into Rio Rancho from Albuquerque.

Because of its accessibility and tourist facilities, the greater Albuquerque area is the gateway for tourism in New Mexico as well as an attraction in its own right. Attractions include the historic "Old Town" of Albuquerque, the Sandia Peak ski area, the Sandia Tramway, a number of nationally recognized museums and the Sandia National Forest. Other attractions include the Albuquerque International Balloon Fiesta and the New Mexico State Fair. There are also several Indian pueblos within easy driving distance which draw many tourists because of their historical significance, cultural beauty and Indian arts.

Population

Based on information gained from the Bureau of Business & Economic Research, the following table shows the historical population data for the City of Rio Rancho, the Albuquerque Metropolitan Statistical Area, and the State.

Table 17

Census Year	City of Rio Rancho	Albuquerque MSA	State of New Mexico
1970	-	373,812	1,017,055
1980	9,985	515,776	1,303,143
1990	32,505	589,131	1,515,069
2000	51,765	729,648	1,826,280
2010	85,642	887,077	2,059,174
2020	104,046	916,528	2,117,522
2025 ⁽¹⁾	113,230	926,784	2,117,805
2030 ⁽²⁾	121,765	843,098	2,136,623
Projected Growth 2025-2030⁽²⁾	7.54%	-9.03%	0.89%

1) Estimates. Source: Spotlight, July 2025.

2) Projected. Source: Spotlight, July 2025.

The following table sets forth the 2025 estimate of comparative age distribution profile for the City of Rio Rancho, the State and the United States.

Table 18

Age Group	Percent of Population		
	City of Rio Rancho	New Mexico	United States
0 - 24	30.87%	31.33%	30.65%
25 - 34	11.91%	12.51%	12.98%
35 - 44	14.43%	12.49%	12.94%
45 - 54	12.81%	11.04%	11.98%
55 and Older	29.98%	32.63%	31.45%

Source: Spotlight, July 2025.

Effective Buying Income

Table 19

Effective Buying Income Group	Albuquerque MSA	New Mexico	United States
Under \$25,000	17.45%	20.17%	14.69%
\$25,000 - \$34,999	7.46%	8.55%	6.95%
\$35,000 - \$49,999	11.88%	11.81%	10.40%
\$50,000 - \$74,999	16.18%	16.44%	15.65%
\$75,000 & Over	47.03%	43.03%	52.31%
2021 Est. Median Household Income	\$54,431	\$49,658	\$67,086
2022 Est. Median Household Income	62,501	55,028	72,191
2023 Est. Median Household Income	64,973	57,526	73,336
2024 Est. Median Household Income	66,495	60,814	75,781
2025 Est. Median Household Income	69,931	63,588	78,426

Source: Spotlight, July 2025.

Employment

The following table provides a ten-year history of labor force and unemployment rates for the Albuquerque MSA, the State and the United States.

Table 20

Year ⁽¹⁾	Albuquerque MSA		State of New Mexico		United States
	Labor Force	%Unemployed	Labor Force	%Unemployed	%Unemployed
2025 ⁽²⁾	466,640	3.80%	986,413	4.10%	4.10%
2024	464,045	3.90%	983,093	4.10%	4.11%
2023	435,449	3.50%	965,244	3.80%	3.70%
2022	441,364	3.70%	947,025	4.00%	3.70%
2021	410,618	6.30%	943,356	6.80%	5.40%
2020	421,656	8.90%	927,685	9.00%	8.90%
2019	436,747	4.60%	954,596	4.90%	3.70%
2018	433,450	4.90%	933,947	4.40%	3.70%
2017	425,588	5.70%	929,567	6.20%	4.40%
2016	422,320	6.20%	927,355	6.70%	4.90%

1) - Numbers are annual averages.

2) - Data for the month of May 2025. Numbers are Preliminary.

Source: U.S. Bureau of Labor Statistics, July 2025.

Major Employers

The following table provides a list of major employers in Sandoval County.

Table 21

Employer	Business	# of Employees
Intel Corporation	Semiconductor Manufacturer	2,900
Rio Rancho Public Schools	School District	2,377
Presbyterian Rust Medical Ctr	Hospital/Medical Services	1,200
HP	Professional Services	680
Sandoval Regional Medical Center - UNM	Hospital/Medical Services	670
City of Rio Rancho	Government	668
Sandoval County	Government	580
Santa Ana Pueblo	Tribal	509
Bank of America	Banking	330
Walmart	Retail	300

Source: Sandoval Economic Alliance

Covered Wage and Salary Employment

New Mexico Workforce Solutions publishes quarterly reports of covered employment and wages classified according to the [North American Industry Classification System \(NAICS\)](#).

Table 22

Sandoval County	2020	2021	2022	2023	2024
Total Private	22,280	22,642	23,720	25,407	26,737
Accommodation and Food Services	3,002	3,253	3,745	4,080	4,320
Administrative and Waste Services	3,443	3,135	2,422	2,347	2,654
Agriculture, Forestry, Fishing & Hunting	70	76	81	86	78
Arts, Entertainment, and Recreation	185	229	297	338	308
Construction	1,599	1,550	2,093	2,589	2,671
Educational Services	214	231	298	358	373
Finance and Insurance	507	453	513	554	516
Health Care and Social Assistance	3,669	3,963	4,056	4,400	3,916
Information	112	125	160	149	169
Management of Companies and Enterprises	57	78	99	111	125
Manufacturing	3,179	3,162	3,328	3,608	4,528
Mining	99	106	109	109	121
Other Services, Ex. Public Admin	582	656	721	786	797
Professional and Technical Services	1,043	1,036	1,120	1,192	1,236
Real Estate and Rental and Leasing	426	426	434	427	436
Retail Trade	3,331	3,452	3,514	3,492	3,667
Transportation and Warehousing	294	250	278	305	329
Utilities	63	56	58	63	64
Wholesale Trade	405	405	394	413	429
Government	6,606	6,623	6,896	7,229	7,462
Total	28,886	29,265	30,616	32,636	34,199

Note: Figures shown here are annual averages of quarterly data.

Source: New Mexico Department of Workforce Solutions, Quarterly Census of Employment and Wages program.

APPENDIX B

AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE YEAR ENDED JUNE 30, 2024

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
BASIC FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2024
INDEPENDENT AUDITORS' REPORT

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
FOR THE YEAR ENDED JUNE 30, 2024
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STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
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STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
FOR THE YEAR ENDED JUNE 30, 2024

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STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
OFFICIAL ROSTER

BOARD OF EDUCATION

Amanda Galbraith	President
Jeffrey Morgan	Vice President
Jessica Tyler	Secretary
Gary Tripp	Member
Beth Miller	Member

SCHOOL OFFICIALS

Dr. V. Sue Cleveland	Superintendent
Carl Leppelman	Assoc. Superintendent C&J
Mike Baker	Chief Operating Officer
David Vigil	Exec. Dir. Of Finance
Janna Chenault	Elementary School Improvement Officer
Renee Saucedo	Secondary School Improvement Officer

AUDIT COMMITTEE

Beth Miller	Chairperson
Gary Tripp	Vice-Chairperson
Dr. V. Sue Cleveland	Member
Seth Muller	Member
David Vigil	Member
Kelly Wainwright	Member

FINANCE COMMITTEE

Jessica Tyler	Chairperson
Amanda Galbraith	Board President
Jeffrey Morgan	Vice-Chairperson
Noreen Scott	Member
Gary Tripp	Member



Beasley, Mitchell & Co.

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

To the Board of Education and Audit Committee of
Rio Rancho Public School District No. 94
Rio Rancho, New Mexico and
Dr. V. Sue Cleveland, Superintendent
Rio Rancho Public School District No. 94
Rio Rancho, New Mexico and
Joseph M. Maestas, P.E., CFE
State Auditor of the State of New Mexico
Santa Fe, New Mexico

Opinion

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of Rio Rancho Public School District No. 94 (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Rio Rancho Public School District No. 94's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information, and the respective budgetary comparisons for the general fund and major special revenue funds of the District, as of June 30, 2024, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error in preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Rio Rancho Public School District No. 94's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the 10 year schedules for Pension and OPEB on pages 90 - 93 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying combining and individual non-major fund financial statements, the statements of revenues, expenditures and changes in fund balance - budget for general fund and non-major special revenue funds, the schedule of expenditure of federal awards, the schedule of pledged collateral, the schedule of deposits and investments and the cash reconciliation, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the combining and individual nonmajor fund financial statements, the statements of revenues, expenditures and changes in fund balance - budget for general fund and non-major special revenue funds, the schedule of expenditure of federal awards, the schedule of pledged collateral, the schedule of deposits and investments and the cash reconciliation are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 12, 2024 on our consideration of Rio Rancho Public School District No. 94's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of Rio Rancho Public School District No. 94's 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 Rio Rancho Public School District No. 94's internal control over financial reporting and compliance.


Beasley, Mitchell & Co., LLP
Las Cruces, New Mexico
November 12, 2024

BASIC FINANCIAL STATEMENTS

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
STATEMENT OF NET POSITION
JUNE 30, 2024

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS AND DEFERRED OUTFLOWS			
Assets			
Cash and cash equivalents	\$ 44,186,426	\$ 284,191	\$ 44,470,617
Investments	50,508,952	-	50,508,952
Receivables:			
Taxes	1,752,374	-	1,752,374
Intergovernmental	5,548,045	-	5,548,045
Other receivables	-	5,811	5,811
Prepaid expenditures	2,672	-	2,672
Supply inventory	530,476	-	530,476
Food inventory	18,773	-	18,773
Non-current assets			
Restricted cash	21,212,107	-	21,212,107
Non-depreciable capital assets	26,327,176	-	26,327,176
Depreciable capital assets, net	358,097,134	-	358,097,134
Right of use assets - leased property, net	597,628	-	597,628
Right of use assets - subscription-based IT arrangements, net	<u>8,592,115</u>	<u>-</u>	<u>8,592,115</u>
Total assets	517,373,878	290,002	517,663,880
Deferred outflows of resources:			
Deferred outflows related to pensions	42,172,944	-	42,172,944
Related to OPEB	<u>23,211,894</u>	<u>-</u>	<u>23,211,894</u>
Total deferred outflows of resources	<u>65,384,838</u>	<u>-</u>	<u>65,384,838</u>
Total assets and deferred outflows	<u>\$ 582,758,716</u>	<u>\$ 290,002</u>	<u>\$ 583,048,718</u>

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities	Business-type Activities	Total
LIABILITIES			
Current liabilities			
Accounts payable	\$ 4,101,036	\$ 612	\$ 4,101,648
Payroll Liabilities	11,243,052	64	11,243,116
Accrued Interest	1,301,891	-	1,301,891
Current portion of compensated absences	996,755	-	996,755
Current portion of lease obligations	236,987	-	236,987
Current portion of subscription obligations	3,645,232	-	3,645,232
Current portion of bonds payable	26,239,136	-	26,239,136
Noncurrent liabilities			
Compensated absences	337,075	-	337,075
Lease obligation	380,988	-	380,988
Subscription obligations	4,686,624	-	4,686,624
Bond payable	88,411,178	-	88,411,178
Net pension liability	295,721,615	-	295,721,615
OPEB liability	40,054,794	-	40,054,794
Total liabilities	477,356,363	676	477,357,039
Deferred inflows of resources			
Deferred inflows related to pensions	49,517,869	-	49,517,869
Related inflows related to OPEB (other post-employment benefits)	48,477,791	-	48,477,791
Total deferred inflows of resources	97,995,660	-	97,995,660
NET POSITION			
Net investment in capital assets	300,826,373	-	300,826,373
Restricted for			
General Fund - inventories	18,773	-	18,773
Special revenue funds	6,826,704	-	6,826,704
Capital projects	39,079,077	-	39,079,077
Debt service	35,532,561	-	35,532,561
Unrestricted	(374,876,795)	289,326	(374,587,469)
Total net position	7,406,693	289,326	7,696,019
Total liabilities, deferred inflows, and net position	\$ 582,758,716	\$ 290,002	\$ 583,048,718

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expenses) Revenue and Changes Net Assets		
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Expenses - Governmental Activities:							
Instruction	\$ 118,460,803	\$ 3,138,876	\$ 27,163,528	\$ 1,892,231	\$ (86,266,168)	\$ -	\$ (86,266,168)
Support services - Students	21,743,668	946,914	5,799,822	-	(14,996,932)	-	(14,996,932)
Support services - Instruction	2,716,551	-	1,522,481	34,847	(1,159,223)	-	(1,159,223)
Support services - General admission	7,226,386	-	71,203	-	(7,155,183)	-	(7,155,183)
Support services - School Administration	7,964,182	-	511,603	-	(7,452,579)	-	(7,452,579)
Central Services	8,745,423	-	133,677	-	(8,611,746)	-	(8,611,746)
Operations & maintenance of Plant.	18,751,931	-	102,382	4,176,240	(14,473,309)	-	(14,473,309)
Student Transportation	6,736,793	-	4,809,469	42,465	(1,884,859)	-	(1,884,859)
Food Services	9,625,850	310,553	9,938,011	37,480	660,194	-	660,194
Interest paid	3,734,604	-	-	-	(3,734,604)	-	(3,734,604)
Total governmental activities	<u>205,706,191</u>	<u>4,396,343</u>	<u>50,052,176</u>	<u>6,183,263</u>	(145,074,409)	-	(145,074,409)
Business-type activities:							
Enchanted Mesa Daycare	<u>335,291</u>	<u>403,114</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>67,823</u>	<u>67,823</u>
Total business- type activities	<u>335,291</u>	<u>403,114</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>67,823</u>	<u>67,823</u>
Total governmental activities	<u>\$ 206,041,482</u>	<u>\$ 4,799,457</u>	<u>\$ 50,052,176</u>	<u>\$ 6,183,263</u>	(145,074,409)	67,823	(145,006,586)
General Revenues:							
Property Taxes:							
General projects					973,214	-	973,214
Capital projects					6,031,055	-	6,031,055
Debt service					28,297,407	-	28,297,407
State equalization					214,602,284	-	214,602,284
Grants and contributions not restricted					713,168	-	713,168
Unrestricted investment earnings					1,140,116	-	1,140,116
Miscellaneous income					449,768	-	449,768
Transfers					(221,503)	221,503	-
Total general revenues					<u>251,985,509</u>	<u>221,503</u>	<u>252,207,012</u>
Change in net position					106,911,100	289,326	107,200,426
Net position - beginning					<u>(99,504,407)</u>	<u>-</u>	<u>(99,504,407)</u>
Net position - ending					<u>\$ 7,406,693</u>	<u>\$ 289,326</u>	<u>\$ 7,696,019</u>

See independent auditors' report and accompanying notes to financial statements.

GOVERNMENTAL FUNDS FINANCIAL STATEMENTS

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2024

	<u>General Fund</u>	<u>Bond Building 31100</u>	<u>Capital Improvements Local Fund 31701</u>
ASSETS			
Cash and cash equivalents	\$ 13,174,152	\$ 17,802,296	\$ 2,525,423
Investment	20,508,952	11,919,284	1,790,831
Taxes	60,515	-	1,301,188
Intergovernmental	6,726	-	625
Prepaid Items	-	-	-
Due from other funds	4,220,772	-	149,312
Supply inventory	-	-	530,476
Food inventory	-	-	-
Restricted cash and cash equivalents	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 37,971,117</u>	<u>\$ 29,721,580</u>	<u>\$ 6,297,855</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
Liabilities:			
Accounts payable	2,206,913	217,322	587,064
Payroll Liabilities - held payments	10,262,622	-	-
Due to other funds	-	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	12,469,535	217,322	587,064
Deferred inflows of resources			
Unavailable tax revenues:	54,289	-	1,212,030
Fund balances:			
Non-spendable:			
Inventories	-	-	-
Restricted for			
Food services	-	-	-
Extracurricular activities	-	-	-
Grantor restrictions	-	-	-
Capital projects	-	29,504,258	4,498,761
Debt service	-	-	-
Committed to:			
Subsequent year's expenditures	23,535,631	-	-
Unassigned	1,911,662	-	-
	<hr/>	<hr/>	<hr/>
Total fund balances	<u>25,447,293</u>	<u>29,504,258</u>	<u>4,498,761</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 37,971,117</u>	<u>\$ 29,721,580</u>	<u>\$ 6,297,855</u>

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2024

	Debt Service Fund 41000	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ -	\$ 10,684,555	\$ 44,186,426
Investment	14,202,275	2,087,610	50,508,952
Taxes	390,671	-	1,752,374
Intergovernmental	-	5,540,694	5,548,045
Prepaid Items	-	2,672	2,672
Due from other funds	-	-	4,370,084
Supply inventory	-	-	530,476
Food inventory	-	18,773	18,773
Restricted cash and cash equivalents	21,212,107	-	21,212,107
	<u>21,212,107</u>	<u>-</u>	<u>21,212,107</u>
 Total assets	 <u>\$ 35,805,053</u>	 <u>\$ 18,334,304</u>	 <u>\$ 128,129,909</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
Liabilities:			
Accounts payable	-	1,089,737	4,101,036
Payroll Liabilities - held payments	-	980,430	11,243,052
Due to other funds	-	4,370,084	4,370,084
	<u>-</u>	<u>6,440,251</u>	<u>19,714,172</u>
 Total liabilities	 -	 6,440,251	 19,714,172
Deferred inflows of resources			
Unavailable tax revenues:	272,492	-	1,538,811
Fund balances:			
Non-spendable:			
Inventories	-	18,773	18,773
Restricted for			
Food services	-	2,926,932	2,926,932
Extracurricular activities	-	2,919,136	2,919,136
Grantor restrictions	-	2,102,976	2,102,976
Capital projects	-	5,076,058	39,079,077
Debt service	35,532,561	-	35,532,561
Committed to:			
Subsequent year's expenditures	-	-	23,535,631
Unassigned	-	(1,149,822)	761,840
	<u>-</u>	<u>(1,149,822)</u>	<u>761,840</u>
 Total fund balances	 <u>35,532,561</u>	 <u>11,894,053</u>	 <u>106,876,926</u>
 Total liabilities, deferred inflows and fund balances	 <u>\$ 35,805,053</u>	 <u>\$ 18,334,304</u>	 <u>\$ 128,129,909</u>

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
 RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
 RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
 TO THE STATEMENT OF NET POSITION
 JUNE 30, 2024

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

Fund balances - total governmental funds	\$ 106,876,926
--	----------------

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Capital assets and right of use assets	593,205,757
Accumulated depreciation	(208,781,447)
ROU assets	597,628
SBITA assets	8,592,115

Deferred outflow of resources are not financial resources, and therefore are not reported in the funds and included - Net pension liability	42,172,944
---	------------

Deferred outflow of resources are not financial resources, and therefore are not reported in the funds and included - OPEB Liability	23,211,894
--	------------

Long-term assets are not available to pay for current-period expenditures and therefore, are deferred in the funds - property tax	1,538,811
---	-----------

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	(109,510,000)
Accrued interest payable	(1,301,891)
Accrued compensated absences	(1,333,830)
Lease obligations	(617,975)
Subscription obligations	(8,331,856)
Bond premiums	(5,140,314)
Net pension liability	(295,721,615)
Net OPEB liability	(40,054,794)

Deferred inflow of resources are not financial resources, and therefore are not reported in the funds and included - Net Pension Liability	(49,517,869)
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Deferred inflow of resources are not financial resources, and therefore are not reported in the funds and included - OPEB Liability	<u>(48,477,791)</u>
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Net position of governmental activities	<u>\$ 7,406,693</u>
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See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	General Fund	Bond Building 31100	Capital Improvements Local Fund 31701
REVENUES			
Property	\$ 973,214	\$ -	\$ 6,031,055
Intergovernmental - federal grants	1,361,941	-	-
Intergovernmental - state grants	229,025,323	-	-
Contributions - private grants	388,087	-	-
Payments in lieu of taxes	-	-	-
Charges for services	1,086,052	-	-
Investment and interest income	944,210	119,515	8,335
Miscellaneous	292,774	-	1,356
	<hr/>	<hr/>	<hr/>
Total revenues	234,071,601	119,515	6,040,746
EXPENDITURES			
Current:			
Instruction	132,517,114	-	-
Support services			
Students	24,370,291	-	-
Instruction	2,232,222	-	-
General administration	6,261,533	-	59,856
School administration	12,499,640	-	-
Central services	12,337,607	-	-
Operation & maintenance of plant	26,148,547	1,583,411	3,803,171
Student transportation	7,480,555	-	-
Food services operations	77,980	-	-
Capital outlay	6,780,377	2,533,581	444,133
Debt service:			
Principal retirement	-	-	-
Bond interest paid	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	230,705,866	4,116,992	4,307,160
	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over expenditures	3,365,735	(3,997,477)	1,733,586
OTHER FINANCING SOURCES & USES			
Bond issuance and premium	-	10,121,000	-
Transfer out	-	-	-
	<hr/>	<hr/>	<hr/>
Total other financing sources & uses	-	10,121,000	-
	<hr/>	<hr/>	<hr/>
Net change in fund balance	3,365,735	6,123,523	1,733,586
Fund balance at beginning of year	22,081,558	23,380,735	2,765,175
	<hr/>	<hr/>	<hr/>
Fund balance at end of year	\$ 25,447,293	\$ 29,504,258	\$ 4,498,761
	<hr/>	<hr/>	<hr/>

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Debt service Fund 41000	Other Governmental Funds	Total Governmental Funds
REVENUES			
Property	\$ 28,270,229	\$ 2	\$ 35,274,500
Intergovernmental - federal grants	-	23,614,860	24,976,801
Intergovernmental - state grants	-	14,573,169	243,598,492
Contributions - private grants	-	325,324	713,411
Payments in lieu of taxes	-	474,565	474,565
Charges for services	-	5,098,154	6,184,206
Investment and interest income	46,488	21,568	1,140,116
Miscellaneous	-	155,395	449,525
	<hr/>	<hr/>	<hr/>
Total revenues	28,316,717	44,263,037	312,811,616
EXPENDITURES			
Current:			
Instruction	-	16,182,450	148,699,564
Support services			
Students	-	4,157,420	28,527,711
Instruction	-	335,440	2,567,662
General administration	482,865	1,457,493	8,261,747
School administration	-	132,059	12,631,699
Central services	3,419	283,312	12,624,338
Operation & maintenance of plant	-	2,346,300	33,881,429
Student transportation	-	366,047	7,846,602
Food services operations	-	8,988,249	9,066,229
Capital outlay	-	7,473,741	17,231,832
Debt service:			
Principal retirement	22,445,000	-	22,445,000
Bond interest paid	3,734,604	-	3,734,604
	<hr/>	<hr/>	<hr/>
Total expenditures	26,665,888	41,722,511	307,518,417
	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over expenditures	1,650,829	2,540,526	5,293,199
OTHER FINANCING SOURCES & USES			
Bond issuance and premium	118,855	-	10,239,855
Transfer out	-	(221,503)	(221,503)
	<hr/>	<hr/>	<hr/>
Total other financing sources & uses	118,855	(221,503)	10,018,352
	<hr/>	<hr/>	<hr/>
Net change in fund balance	1,769,684	2,319,023	15,311,551
Fund balance at beginning of year	33,762,877	9,575,030	91,565,375
	<hr/>	<hr/>	<hr/>
Fund balance at end of year	\$ 35,532,561	\$ 11,894,053	\$ 106,876,926
	<hr/>	<hr/>	<hr/>

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN THE FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

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

Net change in fund balance - total governmental funds	\$	15,311,551
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Governmental funds report District pension contributions 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		17,231,832
Capital outlay right of use assets		152,941
Depreciation		(15,262,551)
Changes in estimates for depreciation		3,986,983
ROU Amortization		(236,937)
SBITA additions		3,667,933
SBITA Amortization		(3,535,886)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Accrued interest income:		
June 30, 2023		(215,333)
Deferred property taxes at		27,178

The issuance of long-term debt (e.g. bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued whereas these amounts are deferred and amortized in the statement of activities. These differences in the treatment of long-term debt and related items consist of:

Current year principal payments		22,445,000
Bonds obligations issued		(10,000,000)
Principle payments lease obligation		(152,941)
Principle payments lease obligation		223,033
SBITA obligation incurred		(3,667,753)
Principal payment SBITA obligation		3,179,132
Current year bond premiums		(239,855)
Bond premium amortization		2,464,136

Some expenses reported in the statement of activities do not required the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Compensated absences		(66,447)
Accrued interest expense		528,060
Deferred outflows - NPL		(46,669,779)
Deferred inflows - NPL		120,028,861
Deferred outflows - OPEB		(2,990,585)
Deferred inflows - OPEB		3,483,988
Net pension liability		(13,978,311)
OPEB liability		11,196,850

Change in net position of governmental activities	\$	<u>106,911,100</u>
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See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
General Fund

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-
GAAP BUDGETARY BASIS) AND ACTUAL ON BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget Favorable (Unfavorable)
Revenues:				
Property tax	\$ 888,462	\$ 888,462	\$ 976,117	\$ 87,655
Intergovernmental - federal grants	5,481,469	5,481,469	6,171,410	689,941
Intergovernmental - state grants	224,917,192	224,215,854	224,222,580	6,726
Contributions - private grants	927,684	927,684	388,087	(539,597)
Charges for services	295,000	295,000	1,086,052	791,052
Investment and interest income	50,000	50,000	944,210	894,210
Miscellaneous	42,000	42,000	292,774	250,774
Total revenue	232,601,807	231,900,469	234,081,230	2,180,761
Expenditures:				
Current:				
Instruction	143,614,837	143,614,837	132,517,114	11,097,723
Support services:				
Students	25,128,055	25,128,055	23,971,851	1,156,204
Instruction	2,274,073	2,274,073	2,232,222	41,851
General Administration	8,202,219	12,982,545	6,261,533	6,721,012
Student Administration	12,634,972	12,634,972	12,499,640	135,332
Central Services	13,312,064	13,312,064	12,337,607	974,457
Operation & Maintenance of Plant	35,939,929	28,021,523	24,953,227	3,068,296
Student transportation	7,118,028	7,118,028	7,475,771	(357,743)
Food Services	25,000	85,000	77,980	7,020
Capital Outlay	1,324,999	9,324,999	6,780,377	2,544,622
Total expenditures	249,574,176	254,496,096	229,107,322	25,388,774
Excess (deficiency) of revenues over expenditures	(16,972,369)	(22,595,627)	4,973,908	27,569,535
Net change in fund balance	(16,972,369)	(22,595,627)	\$ 4,973,908	\$ 27,569,535
Beginning cash balance budgeted	(16,972,369)	(22,595,627)		
Total budget excess (deficiency)	-	-		
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance (budget basis)			\$ 4,973,908	
Change in intergovernmental receivables			(6,726)	
Change in other receivables			(5,865)	
Change in payables			(1,598,544)	
Change in unearned revenue			2,962	
Net changes in fund balance (GAAP basis)			\$ 3,365,735	

See independent auditors' report and accompanying notes to financial statements.

PROPRIETARY FUNDS

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2024

	<u>Enchanted Mesa Daycare</u>
ASSETS	
CURRENT ASSETS:	
Cash and cash equivalents	\$ 284,191
Accounts receivables	<u>5,811</u>
Total assets	<u>290,002</u>
 Total assets and deferred outflows	 <u>\$ 290,002</u>
LIABILITIES AND NET POSITION	
CURRENT LIABILITIES:	
Accounts payable	\$ 612
Accrued payroll	<u>64</u>
Total liabilities	<u>676</u>
 Total liabilities and deferred inflows	 676
NET POSITION	
Unrestricted	<u>289,326</u>
Total net position	<u>289,326</u>
Total liabilities and net position	<u>\$ 290,002</u>

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Enchanted Mesa Daycare</u>
OPERATING REVENUES	
Charges for services	\$ 403,114
Total operating revenues	403,114
OPERATING EXPENSES	
Operations & Maintenance	<u>335,291</u>
Total operating expenses	<u>335,291</u>
Operating income (loss)	<u>67,823</u>
Income (loss) before contributions, grants and transfers	67,823
Transfer in	221,503
Transfers out	<u>-</u>
Total transfers	<u>221,503</u>
Change in net position	289,326
Net position, beginning of year	<u>-</u>
Net position, end of year	<u>\$ 289,326</u>

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Enchanted Mesa Daycare</u>
Cash flows from operating activities:	
Cash received from agencies and customers	\$ 397,303
Cash payments to employees for services	64
Cash payments to suppliers for good services	<u>(334,679)</u>
Net cash provided by (used) operating activities	62,688
Cash flows from non-capital financing activities:	
Transfer from (to) other funds	<u>221,503</u>
Net cash provided by non-capital financing activities	221,503
Net increase (decrease) in cash and cash equivalents	284,191
Cash and cash equivalents - beginning	<u>-</u>
Cash and cash equivalents - ending	<u>\$ 284,191</u>
SUPPLEMENTARY INFORMATION:	
Cash and cash equivalents	\$ 284,191
Restricted cash	<u>-</u>
Total cash and cash equivalents	<u>\$ 284,191</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:	
Operating income (loss)	\$ 67,823
Adjustments to operating income (loss) to net cash used in operating activities:	
Changes in net position and liabilities:	
Receivables	(5,811)
Accounts payable	612
Accrued expenses	<u>64</u>
Net cash provided by (used in) operating activities	<u>\$ 62,688</u>

See independent auditors' report and accompanying notes to financial statements.

CUSTODIAL FUND FINANCIAL STATEMENTS

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2024

ASSETS

Total Custodial
Trust Funds

Cash and cash equivalents

\$ 6,014

LIABILITIES

Payable

\$ 6,950

NET POSITION

Restricted for
Individuals, organization, and other governments

\$ (936)

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION- CUSTODIAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Total Custodial Trust Funds</u>
Additions:	
Contributions:	
Participant Contributions	\$ <u>36,727</u>
Total Additions	36,727
Deductions:	
Beneficiary payments to individuals	<u>38,964</u>
<i>Net increase (decrease in fiduciary net position)</i>	(2,237)
Net position at the beginning of the year	<u>1,301</u>
Net position at the end of the year	\$ <u><u>(936)</u></u>

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Rio Rancho Public School District No. 94 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

A. Reporting Entity

Rio Rancho Public School District No. 94 is a special purpose government corporation governed by an elected five-member Board of Education. The Board of Education is the basic level of government, which has oversight responsibility and control over all activities related to the public school education in the City of Rio Rancho, New Mexico. The District is responsible for all activities related to public elementary and secondary school education within its jurisdiction. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

The Board of Education is authorized to establish policies and regulations for its own government consistent with the law of the State of New Mexico and the regulations of the Legislative Finance Committee. The Board of Education is comprised of five members are elected for terms of four years. The District operates twenty schools and an early childhood development within its boundaries and, in conjunction with the regular educational programs, some of these schools offer special education. In addition, the District provides transportation and school food services for the students.

The District's student enrollments were as follows:

FISCAL YEAR	40 DAY COUNT	80 DAY COUNT	120 DAY COUNT
2024	16,342	16,333	16,330
2023	16,916	16,865	16,897
2022	16,941	16,905	16,926

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

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

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

1. Blended Component Units

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

2. Discretely Presented Component Units

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

The summary of significant accounting policies of the District is presented to assist in the understanding of the District's financial statements. The financial statements and notes are the representation of Rio Rancho Public School District No. 94's management who is responsible for their integrity and objectivity. The financial statements of the District conform to GAAP as applied to governmental units. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) are prepared using the accrual basis of accounting and the information about the school district as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. For the most part, the effect of interfund activity has been removed from these statements.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Interfund services provided and used are not eliminated in the consolidation of funds for the Statement of Activities. All interfund transactions that do not represent services provided and used between governmental funds are eliminated on the government-wide statements. Interfund activity and balances resulting from transactions with fiduciary funds are not eliminated. Instead, the fiduciary interfund activity and balances are treated as transactions with an external party.

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

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.

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 revenue to be available if they are collected within 60 days of the end of the current fiscal period. Revenues received during the year but are applicable to subsequent years are reported as deferred inflows of resources. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Expenditures incurred during the year that are for the benefit of subsequent years are reported as deferred outflows of resources.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government,

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

General Fund (Fund No. 11000, 13000, 15200) – The general fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Special Revenue Funds are used to account for the proceeds of specific revenue sources – which are legally restricted to expenditures for specified purposes. Special revenue fund codes are organized into broad categories designated by the first two digits in the five-digit fund number as follows:

21000 Student Nutrition	26000 Local Grants
22000 Athletic Event Gate Receipts	27000 State Flow-through Grants
23000 Non-Instructional Support	28000 State Direct Grants
24000 Federal Flow-through Grants	29000 Combined Local/State Grants
25000 Federal Direct Grants	

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

Debt Service Funds are used to account for the payment of principal and interest on long-term debt. Debt service revenues are from taxes and other operating revenues, some of which are pledge specifically to repay certain outstanding bond issues.

GASB Statement No.34, Basic Financial Statements and Management's Discussion and Analysis requires the District to present certain governmental funds as major funds. In addition to the General Fund, the District reports the following major governmental funds:

GO Bond Building (Fund No. 31100) This fund provides financing for the construction of buildings, the purchase of equipment, and the acquisition and improvement of land. Funding is provided by the sale of general obligation bonds, which have been approved by the voters of the district.

Capital Improvements SB - 9 (Local) (Fund No. 31701) This fund provides financing for the purchase of equipment and capital improvements to School District property. Funding is received from a 2 mill property tax levy and interest earned on investments, under New Mexico Senate Bill 9.

GO Debt Service Fund (Fund No.41000) The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Additionally, the government reports the following fund type:

Business-type Funds - The District operates an enterprise fund Enchanted Mesa daycare (Fund No. 60901). business-type funds distinguish operating revenue and expenses from non-operating items. operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principle operating revenue of the District's enterprise funds are charges for services. Operating expenses include general supplies, technology and wages. All expenditures not meeting the operating needs are reported as nonoperating revenues and expenses.

Fiduciary Funds - The District is the trustee, or fiduciary, for certain funds. It is also responsible for other assets that - because of a trust arrangement -can be used only for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and statement of changes in fiduciary net position. These activities are excluded from the District's government-wide financial statements because the District cannot use these assets to finance its operation.

Custodial Funds

Funds that are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. For external reporting purposes, the District reports one combined Custodial Fund. However, at June 30, 2024 there were twelve Custodial Funds administered by the District.

Assets, Liabilities, and Net Position or Equity

1. Deposits and 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
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position or Equity (Continued)

1. Deposits and investments (Continued)

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

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

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

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

2. Receivables and Payables

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

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

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position or Equity (Continued)

2. Receivables and Payables (Continued)

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

3. Inventories

The District's method of accounting for inventory is the consumption method. Under the consumption approach, governments report inventories they purchase as an asset and defer the recognition of the expenditures until the period in which the inventories are actually consumed. Inventory is valued at cost. Inventory in the Food Service Fund consists of U.S.D.A. commodities and other purchased food and non-food supplies. The cost of purchased inventory is recorded as an expenditure at the time individual inventory items are consumed. Commodities consumed during the year are reported as revenues and expenditures; unused commodities are reported as inventories.

4. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These payments are related to grant reimbursements and are not recognized as expenditures and submitted for reimbursement until the purchase is complete. The District records prepaid items using the consumption method.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position or Equity (Continued)

5. Capital assets

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Software costs have been included with the cost of computer equipment and are capitalized with that equipment. The District does not develop software for internal use or any other use.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest on construction projects has not been capitalized. Property, plant and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives.

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

Assets	Years
Buildings	40 - 50
Building Improvements	20
Land Improvements	10 - 20
Vehicles	7
Office Equipment	5
Computer Equipment	3 - 5

6. Compensated absences

All District employees on a 12-month contract earn annual leave at a rate of 1 day per month. Employees shall not accumulate more than 30 days of annual leave. Upon termination, employees are paid for their accrued annual leave, up to a maximum of 30 days. Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. In prior years, substantially all of the related expenditures have been liquidated by the general fund.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position or Equity (Continued)

6. Compensated absences (continued)

Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the government wide statement of net position. Accumulated sick leave is not payable upon termination and is recorded as expenditures when it is paid.

7. Leases

A lease liability is reported in the governmental-wide financial statements and is calculated as the present value of the remaining lease payments expected to be paid during the lease term. Additionally, a leased asset, or right of use asset, is recognized that is equal to the lease liability, with a few adjustments for other items that must be reflected in those balances, such as prepaid or deferred rent and amounts required to place the asset into operation at the beginning of the lease. Leased assets are amortized using the straight-line method over the shorter of the asset life or the lease agreement. Lease liabilities are amortized using an effective interest rate method to recognize lease expense and interest expense on the lease.

Lease payments are reported as a lease expenditure in the governmental funds when paid from current financial resources. An interest expense is not recognized in the governmental fund financial statements.

All short-term leases with a maximum noncancelable term of 12 months or less, regardless of whether all noncancelable terms (e.g., renewals) are expected to be exercised, have been excluded from recognition on the statement of financial position.

Certain non-financial asset-based lease agreements are out of scope of reporting, such as leases of intangible assets, leases of biological assets, inventory leases, supply contracts, service concession arrangements, or other certain agreement types, such as assets financed with outstanding conduit debt.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position or Equity (Continued)

8. Subscription-Based Information Technology

A Subscription-Based Information Technology Arrangements (SBITA) is defined in Statement No. 96 of the Governmental Accounting Standards Board (GASB) as a contract that conveys control of the right to use another party's information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. A right-to-use subscription asset (an intangible asset) and a corresponding subscription liability are recognized for SBITAs. The liability is recognized at the commencement of the subscription term, which is when the subscription asset is placed into service. The subscription liability is initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments are discounted using the interest rate the SBITA vendor charges the government, which may be implicit, or the government's incremental borrowing rate if the interest rate is not readily determinable. In the government-wide financial statements (Statement of Activities) amortization of the discount on the subscription liability is reported as interest expense.

The subscription asset is initially measured as the sum of (1) the initial subscription liability amount, (2) payments made to the SBITA vendor before commencement of the subscription term, and (3) capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. The subscription asset is amortized using the straight-line method over the shorter of the subscription term or the useful life of the underlying IT assets.

Payments for SBITAs are reported as an expenditure in the governmental funds when paid from current financial resources. Interest and amortization expenses are not recognized in the governmental fund financial statements.

Short-term SBITAs have a maximum possible term under the SBITA contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised. Subscription payments for short-term SBITA have been excluded from recognition on the statement of financial position and are recognized as an outflow of resources.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position or Equity (Continued)

9. Long-term obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, statement of Net Position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discounts. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as capital projects expenditures.

10. Pensions

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

11. Postemployment Benefits Other Than Pension (OPEB)

For purposes of measuring the net OPEB liability, deferred outflow of resources and deferred inflow of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the New Mexico Retiree Health Care Fund (RHCA) and additions to/deductions from RHCA's fiduciary net position have been determined on the same basis as they are reported by RHCA. For the purpose, RHCA recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position or Equity (Continued)

12. Deferred Outflows/Inflows of Resources

Both deferred inflows and outflows are reported in the Statement of Net Position but are not recognized in the financial statements as revenues, expenses, and reduction of liabilities in assets until the period(s) to which they relate. In addition to assets, the District reports a separate section for deferred outflows of resources. This separate financial statement element represents a use of net position/fund balance that applies to future periods and will not be recognized as an expenditure until that time.

The District also reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position/fund balance that applies to future periods and so will not be recognized as a revenue until that time. Revenue must be susceptible to accrual (measurable and available to finance expenditures of the current fiscal period) to be recognized. If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding liability for deferred inflows of resources.

The District reports deferred outflows of resources for pension-related amounts for the District's share of the difference between projected and actual earnings, for the District's share of the difference between contributions to the individual plans and the proportionate share of the contributions, and for changes of assumptions or other inputs.

The District reports deferred inflows of resources for pension-related amounts in the government wide financial statement or the District's share of the difference between expected and actual experience and for the District's share of the difference between contributions to the individual plans and the proportionate share of the contributions.

Under the modified accrual basis of accounting, revenue and other fund financial resources are recognized in the period in which they become both measurable and available. Assets recorded in the fund financial statements for which the revenues are not available are reported as a deferred inflow of resources. Deferred inflows of resources are also comprised of property tax and long-term receivables that are unavailable in the fund statements.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position or Equity (Continued)

13. Fund Balance

a. Non-Spendable

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

b. Restricted

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

c. Committed

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

The District has \$23,535,631 in committed fund balances for the year ended June 30, 2024.

d. Assigned

Assigned fund balance includes (a) all remaining amounts, except for negative balances, that are reported in governmental funds, other than the general fund, that are not classified as non-spendable and are neither restricted nor committed and amounts in the general fund that are constrained by the District's intent to be used for specific purposes but are neither restricted nor committed. Intent, and removal of, is expressed by the Board of Education or the Finance Committee. The District does not have assigned fund balances for the year ended June 30, 2024.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position or Equity (Continued)

e. Unassigned

The remaining fund balance, after all other classifications, within the general fund is reported as unassigned fund balance. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. In governmental funds other than the general fund, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, a negative fund balance will be reported as unassigned fund balance.

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

14. Net Position

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

a. Net investment in capital assets

This component of Net Position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The portion of the debt attributed to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. That portion of the debt is included in restricted for capital projects.

b. Restricted Net Position

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

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position or Equity (Continued)

c. Unrestricted Net Position

Unrestricted Net Position consists of Net Position that does not meet the definition of "net investment in capital asset" or "restricted."

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

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

15. Indirect Costs

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

16. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

17. Inter-fund Transactions

Interfund services provided and used are accounted for as revenues and expenditures. Transactions that constitute reimbursements to a fund from expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other inter-fund transfers are reported as operating transfers.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position or Equity (Continued)

18. Revenues

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

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education, 2) basic education, 3) special education, 4) bilingual-multicultural education, 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$214,602,284 in state equalization guarantee distributions during the year ended June 30, 2024.

Transportation Distribution: School districts in the State of New Mexico received student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$4,809,469 in transportation distributions during the year ended June 30, 2024.

19. Tax Abatements

Governmental Accounting Standards Board Statement No. 77 requires the District to disclose information on certain tax abatement agreements affecting the District. A tax abatement is created when a government enters into an agreement with an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. Accordingly, there are three tax abatement agreements that effect the District for the year ended June 30, 2024 which are detailed in Note 16.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

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

These budgets are prepared on the Non-GAAP cash basis, excluding encumbrances, and secure appropriation of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year. The budget process in the State of New Mexico requires that the beginning cash balance be appropriated in the budget of the subsequent fiscal year. Such appropriated balance is legally restricted and is therefore presented as a reserved portion of fund balance.

Actual expenditures may not exceed the budget at the function level, i.e., each budgeted expenditure must be within budgeted amounts. Budgets may be amended in two ways. If a budget transfer is necessary within a major category called a 'function', 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 both the Board of Education and New Mexico Public Education Department.

EXPENDITURE FUNCTION LEVELS

Instruction
Support Services *
Operation of Non-Instructional Services
Capital Outlay
Debt Service *
Non-Operating Reserves

*** SUBFUNCTIONS**

Support Services:
Students
Instruction
General Administration
School Administration
Central Services
Operation & Maintenance of Plant
Student Transportation
Other Support Services
Operation of Non-Instructional Services:
Food Services Operations
Community Services
Debt Service:
Principal Retirement
Bond Interest Paid
Bond Issuance Costs
Reserves
Other

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

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Budgetary Information (Continued)

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

1. In April or May, the superintendent submits to the Board of Education a proposed operating budget of the fiscal year commencing the following July. The operating budget includes proposed expenditures and the means of financing them, and has approval by the Department of Education.
2. In May or June, the budget is approved by the Board of Education.
3. The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called for.
4. The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Department of Education.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds.
6. Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Encumbrances are treated the same way for GAAP purposes and for Budget purposes.

Budgetary Violations

The District did not have any budgetary violations during the year ended June 30, 2024.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Deficit Fund Equity

FUND		DEFICIT
13000	Transportation Fund	\$ (17,178)
24101	Title I - IASA	(66,582)
24106	Entitlement IDEA - B	(105,631)
24109	Preschool IDEA - B	(3,312)
24113	Education of Homeless	(4,338)
24118	Fresh Fruit & Vegetables	(8,261)
24139	Leadership - Voc Ed	(922)
24153	Title iii - English Language	(2,570)
24154	teacher Principal training & Recruiting	(13,310)
24176	Carl D Perkins Secondary	(244)
24189	Title IV Student Supp. Academic Achievement	(3,821)
24330	ARP ESSER III	(693,785)
25184	Indian Education Formula Grant	(4,116)
25275	School Nurse	(76,535)
27149	Pre-K Initiative	(82,246)
27150	Indian Education Act	(250)
27502	NextGen CTE	(4,680)
27584	Attendance Success Initiative	(7,230)
27901	Improving ED/Cultural Outcomes for NAS	(3,062)
27906	Indigenous Education Initiative	(7,875)
28190	GRADS Instruction	(2,914)
28211	NM Schools COVID-19	(11,484)
28215	NMDVR	(11,118)
28221	Kitchen Infrastructure	(26,827)
31400	Special Capital Outlay - State	<u>(8,709)</u>
Total		<u>\$ (1,167,000)</u>

New Pronouncements

In June 2022 GASB issued Statement No. 100 Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62 was issued. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal year beginning after June 15, 2023, and all reporting periods thereafter. The District has evaluated and there has been no effects on the District from this pronouncement on the financial statements.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Future Pronouncements

In June 2022 GASB Statement No. 101, requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled.

In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023. The District is still evaluating how this pronouncement will affect the financial statements.

In December 2023, GASB Statement No. 102, Certain Risk Disclosures, was issued. State and local governments face a variety of risks that could negatively affect the level of service they provide or their ability to meet obligations as they come due. Although governments are required to disclose information about their exposure to some of those risks, essential information about other risks that are prevalent among state and local governments is not routinely disclosed because it is not explicitly required. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged. The District is still evaluating how this pronouncement will effect of the financial statements.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Future Pronouncements (Continued)

In April 2024, GASB Statement No. 103, Financial Reporting Model Improvements, was issued. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged. The District is still evaluating how this pronouncement will effect of the financial statements.

SAS 149, Audits of Group Financial Statements, effective for periods ending on or after 12/15/2026. The objective is to provide a risk-based approach to planning and performing a group audit. Extant AU-C section 600 focused on the identification of significant components at which to perform audit work. In SAS No. 149, the group auditor uses professional judgment in determining the components at which to perform procedures that respond to assessed risks.

SAS No. 149 also better aligns the standard with other recently issued SASs and clarifies the interaction between the SAS and other AU-C sections. SAS No. 149 is effective for audits of group financial statements for periods ending on or after December 15, 2026. The District is still evaluating how this pronouncement will effect of the financial statements.

The Uniform Guidance's single audit threshold is increasing from \$750,000 to \$1,000,000 for audits with periods beginning on or after October 1, 2024. This means that only entities that spend \$1 million or more of federal funds in their fiscal year will be subject to a Single Audit.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

3. CASH AND TEMPORARY INVESTMENTS

Cash and Temporary Investments

Reconciliation of Bank Balances to the Financial Statements:

Governmental Funds - Balance Sheet	
US Bank	\$ 43,375,064
Bank of Albuquerque	1,095,553
Custodial Funds:	
Statement of Fiduciary Net Position - Cash	<u>6,014</u>
Total Cash and Cash Equivalents	44,476,631
Plus:	
Net Reconciling Items	<u>11,789,355</u>
Total Cash and Cash Equivalents	<u>\$ 56,265,986</u>

At June 30, 2024, the carrying amount of the District's deposits was \$44,476,631 and the bank balance was \$56,265,986, with the difference consisting of outstanding checks.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

3. CASH AND TEMPORARY INVESTMENTS (CONTINUED)

Custodial Credit Risk

Custodial credit risk is the risk that in the even of a bank failure, the District's deposits may not be returned to it. New Mexico State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the District for at least one half of the amount on deposit with the institution. The District does not have a deposit policy for custodial credit risk, other than the following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). The statement listed below will meet the State of New Mexico Office of the State Auditor's requirement in reporting the uninsured portion of the deposits.

As of June 30, 2024, the District's bank deposits was exposed to custodial risk as follows:

	US Bank and Bank of Albuquerque
Cash on deposit at June 30, 2024	\$ 77,478,093
Certificate of deposits	<u>50,508,952</u>
Total of deposits	127,987,045
FDIC coverage	<u>(500,000)</u>
Total uninsured public funds	<u>\$ 127,487,045</u>
Pledged collateral	\$ 94,936,879
Collateral requirement (50% of uninsured public funds)	<u>63,743,523</u>
Over (Under) collateralization	<u>\$ 31,193,356</u>

The collateral pledged is listed on Schedule of Pledged Collateral in the other Supplemental Information section 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 District. Time deposits, savings deposits and interest bearing "Now" accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution.

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4. INVESTMENTS

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District does not have a written policy for limiting interest rate risk.

Credit Risk

Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. U.S. obligations, investments explicitly guaranteed by the U.S. Government, and nondebt investments are excluded from this requirement. The District's investments in time deposits or investments guaranteed by the U.S. government and therefore are excluded from this requirement. Public funds are not required to disclose custodial credit risk for external investment pools. Therefore, the LGIP is exempt from this requirement.

Concentration Credit Risk

For an investment, concentration credit risk is when any one issuer is 5% or more of the investment portfolio of the District. External investment pools, such as the LGIP (New Mexico State Treasurer), are excluded from the requirement of disclosing concentration of credit risk. Therefore, the LGIP is exempt from this disclosure.

Foreign Currency Risk

Foreign currency risk is the potential that changes in exchange rates may adversely affect the fair value of an investment or deposit. The District does not have any foreign currency risk as all investments are denominated in US dollars. The District investments held at June 30, 2024 are as follows:

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4. INVESTMENTS (CONTINUED)

Investment Type	Fair Value	MATURITY			
		30 Days or Less	12 Months or Less	1 to 2 Years	More than 2 Years
Certificate of Deposit	\$ 50,508,952	\$ -	\$ 50,508,952	\$ -	\$ -

Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

Level 1 inputs are observable, quoted prices for identical assets or liabilities in active markets;

Level 2 inputs are quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets in markets that are not active; and inputs other than quoted prices e.g. interest rates and yield curves;

Level 3 inputs are unobservable inputs for the asset or liability. These should be based on the best information available. The District should utilize all reasonably available information, but need not incur excessive cost or effort to do so. However, it should not ignore information that can be obtained without undue cost and effort. As such, the District's own data should be adjusted if information is reasonably available without undue cost and effort.

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5. ACCOUNTS RECEIVABLE

Accounts receivable as of June 30, 2024, are as follows:

	General	Major Governmental	Non-Major Governmental	Total
Property taxes	\$ 60,515	\$ -	\$ 1,691,859	\$ 1,752,374
Due from grantors	<u>6,726</u>	<u>-</u>	<u>5,541,319</u>	<u>5,548,045</u>
Total	<u>\$ 67,241</u>	<u>\$ -</u>	<u>\$ 7,233,178</u>	<u>\$ 7,300,419</u>

The above receivables are deemed 100% collectible.

6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The District records temporary interfund receivables and payables to enable the funds to operate until grant monies are received.

The composition of interfund balances during the year ended June 30, 2024 is as follows:

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6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (continued)

Governmental Activities	Due from other funds	Due to other funds
General Fund	\$ 4,370,084	\$ -
Title I IASA	-	546,008
Entitlement IDEA - B	-	873,179
Preschool IDEA - B	-	15,229
Homeless Education	-	11,350
Private Schools Share IDEA-B	-	15,334
Fresh Fruit & Vegetable	-	68,253
Leadership - Voc Ed	-	922
English Language Acquisition	-	14,720
Teacher Principal Training & Recruiting	-	72,143
Card D Perkins Culinary	-	18,828
Card D Perkins Secondary Redistribution	-	244
Title IV - Student Support	-	18,544
ARP - ESSER III	-	461,448
ESSER III Near Peer Tutoring	-	1,242
Out of Schools Time	-	75,000
Homeless Children ESSER II	-	3,221
Indian Education Formula Grant	-	13,263
School Nurse Workforce Grant	-	76,535
GoBond Student Library SB-66	-	6,331
Pre - K Initiative	-	753,385
Indian Education Act	-	5,109
School Bus Cameras	-	42,465
Next Gen CTE	-	132,346
Innovation Zone Initiative	-	104,103
CTE Junior Bill 1	-	428,371
CTE Junior Bill 2	-	114,961
Behavioral Multicultural Education Act	-	770
Attendance Success Initiative	-	41,307
Improving Ed/Cultural Outcomes for NAS	-	85,775
Indigenous Education Initiative	-	53,498
GRADS Instruction	-	2,914
NMDVR - Pre-Employment Transition	-	11,118
Kitchen Infrastructure	-	147,932
City/County Grants	-	4,924
Special Capital Outlay - State	-	149,312
Total	<u>\$ 4,370,084</u>	<u>\$ 4,370,084</u>

All interfund balances are to be repaid within one year. There were operating transfers for the year ended June 30, 2024.

Governmental Activities	Transfer from other funds	Transfer to other funds
General Fund	\$ 221,503	\$ -
Special Capital Outlay - State	-	(221,503)
Total	<u>\$ 221,503</u>	<u>\$ (221,503)</u>

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7. CAPITAL ASSETS AND OTHER LONG-TERM ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2024 is as follows:

	Balance June 30, 2023	Adjustments	Adjusted Balance June 30, 2023	Additions	Retirements	Transfer	Balance June 30, 2024
Governmental Activities:							
Capital assets not being depreciated:							
Land	\$ 19,465,505	\$ -	\$ 19,465,505	\$ 715,258	\$ -	\$ -	\$ 20,180,763
Construction in progress	<u>2,164,706</u>	<u>-</u>	<u>2,164,706</u>	<u>7,828,562</u>	<u>-</u>	<u>(3,846,855)</u>	<u>6,146,413</u>
Total capital assets not being depreciated	21,630,211	-	21,630,211	8,543,820	-	(3,846,855)	26,327,176
Capital assets being depreciated:							
Land improvements	30,094,005	(3,720)	30,090,285	1,771,110	-	-	31,861,395
Building & improvements	495,428,917	1,781,883	497,210,800	3,624,673	-	2,596,041	503,431,514
Vehicles	9,540,607	(15)	9,540,592	725,045	(275,670)	-	9,989,967
Furniture, fixtures, equipment	<u>19,595,107</u>	<u>(1,778,148)</u>	<u>17,816,959</u>	<u>2,567,184</u>	<u>(39,252)</u>	<u>1,250,814</u>	<u>21,595,705</u>
Total capital assets being depreciated	554,658,636	-	554,658,636	8,688,012	(314,922)	3,846,855	566,878,581
Less accumulated depreciation for:							
Land improvements	18,127,403	(256,354)	17,871,049	1,278,440	-	-	19,149,489
Building & Improvements	159,404,648	(2,442,864)	156,961,784	12,511,270	-	-	169,473,054
Vehicles	7,450,181	(494,188)	6,955,993	453,446	(275,670)	-	7,133,769
Furniture, fixtures, equipment	<u>12,838,569</u>	<u>(793,577)</u>	<u>12,044,992</u>	<u>1,019,395</u>	<u>(39,252)</u>	<u>-</u>	<u>13,025,135</u>
Total accumulated depreciation	<u>197,820,801</u>	<u>(3,986,983)</u>	<u>193,833,818</u>	<u>15,262,551</u>	<u>(314,922)</u>	<u>-</u>	<u>208,781,447</u>
Total capital assets being depreciated, net	<u>356,837,835</u>	<u>3,986,983</u>	<u>360,824,818</u>	<u>(6,574,539)</u>	<u>-</u>	<u>3,846,855</u>	<u>358,097,134</u>
Governmental activities capital assets, net	<u>\$ 378,468,046</u>	<u>3,986,983</u>	<u>382,455,029</u>	<u>\$ 1,969,281</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 384,424,310</u>

STATE OF NEW MEXICO
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7. CAPITAL ASSETS AND OTHER LONG-TERM ASSETS (CONTINUED)

RIGHT OF USE ASSET - LEASED PROPERTY

A summary of right to use assets and changes occurring during the year ended June 30, 2024 are as follows:

	Balance June 30, 2023	Increases	Decreases	Balance June 30, 2024
Right of use asset:				
Demised Property	\$ 175,356	\$ -	\$ -	\$ 175,356
Copiers	783,650	-	-	783,650
AMREP Building	-	152,941	-	152,941
Total right of use asset	<u>959,006</u>	<u>152,941</u>	<u>-</u>	<u>1,111,947</u>
Less accumulated amortization:				
Demised Property	(29,226)	(29,226)	-	(58,452)
Copiers	(248,156)	(156,730)	-	(404,886)
AMREP Building	-	(50,981)	-	(50,981)
Total accumulated amortization	<u>(277,382)</u>	<u>(236,937)</u>	<u>-</u>	<u>(514,319)</u>
Net right of use asset	<u>\$ 681,624</u>	<u>\$ (83,996)</u>	<u>\$ -</u>	<u>\$ 597,628</u>

RIGHT OF USE ASSET - SUBSCRIPTION BASED IT ARRANGEMENTS (SBITA)

A summary of right to use assets and changes occurring during the year ended June 30, 2024 are as follows:

	Balance June 30, 2023	Increases	Decreases	Balance June 30, 2024
Right of use asset - SBITA being amortized:				
Subscription based IT software	\$ 10,661,810	\$ 3,667,753	\$ -	\$ 14,329,563
Less accumulated amortization:				
Subscription based IT software	<u>(2,201,742)</u>	<u>(3,535,706)</u>	<u>-</u>	<u>(5,737,448)</u>
Net right of use assets - SBITA, net	<u>\$ 8,460,068</u>	<u>\$ 132,047</u>	<u>\$ -</u>	<u>\$ 8,592,115</u>

For the year ended June 30, 2024, depreciation and amortization was charged to the following functions:

Governmental Activities	Depreciation	ROU Amortization	SBITA Amortization
Instructional	\$ 9,234,191	\$ 143,353	\$ 3,442,122
Support Services			
Students	1,729,731	26,852	26,852
Instruction	148,889	2,311	2,311
General Administration	510,810	7,930	7,930
School Administration	750,339	11,648	11,648
Central Services	764,962	11,875	11,875
Operation of Plant	1,124,070	17,450	17,450
Student Transportation	438,150	6,802	6,802
Food Services Operations	559,621	8,688	8,688
Other Support Services	1,788	28	28
Total	<u>\$ 15,262,551</u>	<u>\$ 236,937</u>	<u>\$ 3,535,706</u>

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8. LONG-TERM OBLIGATIONS

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. The original amount of general obligation bonds issued was \$2,300,000. General obligation bonds are direct obligations and pledge the full faith and credit of the District. These bonds are issued with varying terms and varying amounts of principal maturing each year. All general obligation bonds as of June 30, 2024 are for governmental activities.

Bonds outstanding at June 30, 2024, are comprised of the following:

The following is a summary of the long-term debt and the activity for the year ended June 30, 2024:

	Balance June 30, 2023	Additions	Reductions	Balance June 30, 2024	Due Within One Year
Series 2012	\$ 3,300,000	\$ -	\$ 1,000,000	\$ 2,300,000	\$ 2,300,000
Series 2014	10,100,000	-	4,000,000	6,100,000	4,000,000
Series 2015	10,260,000	-	1,200,000	9,060,000	1,000,000
Series 2016	2,830,000	-	2,830,000	-	-
Series 2016A	7,865,000	-	900,000	6,965,000	900,000
Series 2017A	10,660,000	-	800,000	9,860,000	800,000
Series 2018	11,350,000	-	900,000	10,450,000	900,000
Series 2019	12,125,000	-	1,400,000	10,725,000	500,000
Series 2020	12,725,000	-	950,000	11,775,000	950,000
Series 2021A	11,000,000	-	1,000,000	10,000,000	1,000,000
Series 2021B	9,740,000	-	1,465,000	8,275,000	4,125,000
Series 2022	20,000,000	-	6,000,000	14,000,000	1,300,000
Series 2023	-	10,000,000	-	10,000,000	6,000,000
	121,955,000	10,000,000	22,445,000	109,510,000	23,775,000
Bond Premiums					
Bond Premiums	7,364,595	239,855	2,464,136	5,140,314	2,464,136
Total	\$ 129,319,595	\$ 10,239,855	\$ 24,909,136	\$ 114,650,314	\$ 26,239,136

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NOTES TO THE FINANCIAL STATEMENTS
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8. LONG-TERM OBLIGATIONS (CONTINUED)

	Balance June 30, 2023	Additions	Reductions	Balance June 30, 2024	Due Within One Year
Other Long-Term Liabilities					
Compensated absences	\$ 1,267,383	\$ 1,063,202	\$ 996,755	\$ 1,333,830	\$ 996,755
Lease obligation	688,067	152,941	223,033	617,975	236,987
Subscription obligation	7,843,235	3,667,753	3,179,132	8,331,856	3,645,232
Pension liability	281,743,304	13,978,311	-	295,721,615	-
OPEB liability	<u>51,251,644</u>	<u>(11,196,850)</u>	<u>-</u>	<u>40,054,794</u>	<u>-</u>
Total	<u>\$ 472,113,228</u>	<u>\$ 17,905,212</u>	<u>\$ 29,308,056</u>	<u>\$ 460,710,384</u>	<u>\$ 31,118,110</u>

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

Years ending June 30,	Principal	Interest	Total
2025	\$ 23,775,000	\$ 3,205,575	\$26,980,575
2026	15,940,000	2,624,638	18,564,638
2027	16,035,000	2,067,875	18,102,875
2028	13,055,000	1,452,813	14,507,813
2029	10,510,000	1,065,269	11,575,269
2030 - 2034	28,390,000	2,084,413	30,474,413
2035 - 2039	<u>1,805,000</u>	<u>59,100</u>	<u>1,864,100</u>
	<u>\$109,510,000</u>	<u>\$12,559,683</u>	<u>\$22,069,683</u>

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

	Balance
Bonds payable	\$ 109,510,000
Less: current maturities	(23,775,000)
Amortized:	
Bond premiums	<u>2,676,178</u>
Total non-current liabilities	<u>\$ 88,411,178</u>

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8. LONG-TERM OBLIGATIONS (CONTINUED)

New Debt

The District issued Series 2023 General Obligation Bonds in the amount of \$10,000,000 on October 5, 2023. The District made the first interest payment on February 1, 2024 and will make the first principal payment on August 1, 2024. The bond series will mature on August 1, 2035 with interest rate of 5.00%. The District was at 77.23% of its bonding capacity (limited by New Mexico statute) after the issuance of GO Series 2023.

Compensated Absences - Administrative employees of the District are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2024, compensated absences increased a net of \$66,447 from the prior year accrual. In prior years, the general fund was typically used to liquidate long-term liabilities other than debt.

9. LEASE LIABILITY

A summary of changes in lease liability for the year ended June 30, 2024 was as follows:

	<u>Lease Liability</u>
The District has entered into a lease for building space. The agreement was entered into on September 13, 2022 with monthly payments of \$3,695 for 5 years to matures on December 30, 2026. The liability is amortized at a rate of 10.00%. The agreement does not provide for the transfer of the assets at the end of the lease and does not provide for an extension of the agreement.	\$ 119,927
The District has entered into a lease for photo copying equipment. The agreement was entered into on December 31, 2021 with monthly payments of \$13,470 for 5 years to matures on December 30, 2026. The liability is amortized at a rate of 3.00%. The agreement does not provide for the transfer of the assets at the end of the lease and does not provide for an extension of the agreement.	389,621
The District has entered into a lease for building space. The agreement was entered into on November 1, 2023 with monthly payments of \$4,984 for year one, \$4,133.52 for year two and \$5,286.16 for year three. Matures on October 31, 2026. The liability is amortized at a rate of 10.00%. The agreement does not provide for the transfer of the assets at the end of the lease and does not provide for an extension of the agreement.	<u>108,427</u>
Total lease liability	<u>\$ 617,975</u>

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NOTES TO THE FINANCIAL STATEMENTS
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9. LEASE LIABILITY (CONTINUED)

The following is a summary of the leases obligations and the activity for the year ended June 30, 2024:

	Balance June 30, 2023	Increases	Decreases	Balance June 30, 2024	Due Within One Year
Demised					
Property	\$ 150,588	\$ -	\$ 30,661	\$ 119,927	\$ 31,985
Copiers	537,479	-	147,858	389,621	154,243
AMREP Building	-	152,941	44,514	108,427	50,759
Total lease liability	<u>\$ 688,067</u>	<u>\$ 152,941</u>	<u>\$ 223,033</u>	<u>\$ 617,975</u>	<u>\$ 236,987</u>

The annual requirements to amortize the leases above as of June 30, 2024, including payments with an interest rate of 3.00% - 10.00% are as follows:

Years ending June 30,	Amortization	Principal	Interest	Total
2025	\$ 236,936	\$ 236,987	\$ 30,916	\$ 504,839
2026	236,936	252,076	17,659	506,671
2027	123,756	121,613	3,707	249,076
2028	<u>-</u>	<u>7,299</u>	<u>91</u>	<u>7,390</u>
Total	<u>\$ 597,628</u>	<u>\$ 617,975</u>	<u>\$ 52,373</u>	<u>\$ 1,267,976</u>

10. SUBSCRIPTION-BASED IT ARRANGEMENT OBLIGATIONS

The District has fifty-one (71) IT subscriptions recorded as subscription-based IT arrangement (SBITA) obligations as of June 30, 2024. The subscriptions are primarily for the support of education (texts, testing, and learning assistance) and for the administration of education. The obligations are amortized over 3 to 7 years. Most of the subscriptions are annual renewals that the District expects to renew and continue utilizing. The subscriptions payments range from \$5,143 to \$188,799. The SBITA obligations have an interest rate of 3.80%.

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10. SUBSCRIPTION-BASED IT ARRANGEMENT OBLIGATIONS (continued)

The SBITA obligation balances as of June 30, 2024 are as follows:

Original Amount	Interest Rate	Balance	Due Within One Year
<u>\$ 12,827,505</u>	<u>3.80 %</u>	<u>\$ 8,331,856</u>	<u>\$3,645,232</u>

The annual requirements to amortize the leases above as of June 30, 2024, including payments with an interest rate of 3.00% - 10.00% are as follows:

Years ending June 30,	Amortization	Principal	Interest	Total
2025	\$ 3,725,579	\$ 3,645,232	\$ 316,908	\$ 7,687,719
2026	2,868,320	2,738,396	175,776	5,782,492
2027	1,423,087	1,543,550	72,797	3,039,434
2028	324,675	329,399	15,646	669,720
2029	187,730	75,219	2,909	265,858
2030 - 2034	<u>62,724</u>	<u>60</u>	<u>-</u>	<u>62,784</u>
Total	<u>\$ 8,592,115</u>	<u>\$ 8,331,856</u>	<u>\$ 584,036</u>	<u>\$ 17,508,007</u>

11. NET INVESTMENT IN CAPITAL ASSETS

The net investment in capital assets is detailed below and results in a net investment in capital assets as the carrying value of the capital assets are greater than outstanding debt used to acquire them.

	Balance
Total capital assets, net	\$ 384,424,310
Outstanding capital related debt:	
Bonds and notes payable	(109,510,000)
Bond premiums	5,140,314
Add: Unspent bond proceeds	29,721,580
Outstanding capital related lease obligations:	
Lease with right of use assets	(617,975)
SBITA with right of use assets	<u>(8,331,856)</u>
Net investment in capital assets	<u>\$ 300,826,373</u>

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NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

12. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injury to employees; and natural disasters. The New Mexico Public Schools Insurance Authority (NMPSIA) was formed on April 5, 1985 under the New Mexico Public Schools Insurance Authority Act, Chapter 22, Section 2 of the New Mexico Statutes Annotated (NMSA 1978), as amended, an an insurance fund to provide health, disability and life insurance coverage (benefits coverage), and property, casualty and workers' compensation insurance coverage (risk coverage) to participating public schools, school board members, public school employees, and retirees within the State of New Mexico.

The District is one of 91 members that participate in NMPSIA. Participation in NMPSIA is mandatory for all K-12 public schools except those with enrollment exceeding 60,000 students. Participation is voluntary for other public education institutions. The district pays an annual premium to the pool for its general insurance coverage. The agreement for formation of NMPSIA provides that the pool will be self-sustaining through member premiums. NMPSIA establishes self-insured retentions by line of coverage and procures insurance or reinsurance, where indicated, in excess of the self-insured retention on a per occurrence basis. NMPSIA will publish its own financial report for they year ended June 30, 2024.

13. PENSION PLAN- EDUCATIONAL RETIREMENT BOARD

Plan Description - Substantially all of the Rio Rancho Public School District No. 94's full-time employees participate in a public 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 beneficiaries). ERB issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to ERB, PO Box 26129, Santa Fe, New Mexico 87502. The report is also available on ERB's website at www.nmerb.org.

Pension Benefit

A member's retirement benefit is determined by a formula which includes three component parts: 1) the member's final average salary (FAS), 2) the number of years of service credit, and 3) a multiplier.

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13. PENSION PLAN- EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For members hired on or before June 30, 2019 (Tiers 1-3 members) the multiplier is 2.35%. For members hired after June 30, 2019 the multiplier accrues as follows:

<u>Years of Service</u>	<u>Benefit Percentage Earned</u>
10 or less	1.35%
10.25 to 20	2.35%
20.25 to 30	3.35%
30.25 plus	2.40%

FAS is the average of the member's fiscal annual earnings for the last 20 calendar service quarters (60 months) prior to retirement or the highest average fiscal annual earning for any 20 consecutive calendar quarters.

Summary of Plan Provisions for Retirement Eligibility by Tier – Tier 1: Membership prior to July 1, 2010

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 80 or more,
- The member is at least 65 years of age and has five or more years of earned service credit, or
- The member has service credit totaling 30 years or more.

Tier 2: Membership on or after July 1, 2010, but prior to July 1, 2013

Chapter 288, Laws of 2009 changed the eligibility requirements for new members who were first employed on or after July 1, 2010, but before July 1, 2013 — or before July 1, 2010, terminated employment, subsequently withdrew all contributions, and then becomes re-employed after July 1, 2010. These members must meet one of the following requirements.

- 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.

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13. PENSION PLAN- EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Tier 3: Membership beginning on or after July 1, 2013, but prior to July 1, 2019

Section 2-11-23.2, NMSA 1978, added eligibility requirements for new members who were first employed on or after July 1, 2013 — or who were employed before July 1, 2013 but terminated employment and subsequently withdrew all contributions, and returned to work for an ERB employer on or after July 1, 2013.

These members must meet one of the following requirements.

- The member's minimum age is 55, and has earned 30 or more years of service credit. (Those who retire earlier than age 55, but with 30 years of earned service credit will have a reduction in benefits to the actuarial equivalent of retiring at age 55.)
- The member's minimum age and earned service credit add up to the sum of 80 or more. (Those who retire under the age of 65, and who have fewer than 30 years of earned service credit receive reduced retirement benefits.)
- Or, the member's age is 67, and the member has earned 5 or more years of service credit.

Tier 4: Membership beginning on or after July 1, 2019

Section 2-11-23.3, NMSA 1978, added eligibility requirements for new members who were first employed on or after July 1, 2019 — and had, before that date, been refunded all member contributions and had not restored all refunded contributions and interest before July 1, 2019. A member in this tier must meet one of the following requirements.

- The member's minimum age must be 58, and the member has earned 30 or more years of service credit. (A member who retires earlier than age 58, receives a reduction in benefits equal to the actuarial equivalent of retiring at age 58.)
- The member's minimum age and earned service credit add up to the sum of 80 or more. (Those who retire under the age of 65, and who have fewer than 30 years of earned service credit, received reduced retirement benefits.)
- Or, the member's age is 67, and the member has earned 5 or more years of service credit.

Form of Payment – 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.

Benefit Options – The Plan has three benefit options available.

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13. PENSION PLAN- EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Tier 4: Membership beginning on or after July 1, 2019 (continued)

- **Option A – Straight Life Benefit** – The single life annuity option has no reductions to the monthly benefit, and there is no continuing benefit due to a beneficiary or estate, except the balance, if any, of member contributions plus interest less benefits paid prior to the member's death.
- **Option B – Joint 100% Survivor Benefit** – The single life annuity monthly benefit is reduced to provide for a 100% survivor's benefit. The reduced benefit is payable during the life of the member, with the provision that, upon death, the same benefit is paid to the beneficiary for his or her lifetime. If the beneficiary predeceases the member, the member's monthly benefit is increased to the amount the member would have received under Option A Straight Life benefit. The member's increased monthly benefit commences in the month following the beneficiary's death.
- **Option C – Joint 50% Survivor Benefit** – The single life annuity monthly benefit is reduced to provide for a 50% survivor's benefit. The reduced benefit is payable during the life of the member, with the provision that, upon death, the reduced 50% benefit is paid to the beneficiary for his or her lifetime. If the beneficiary predeceases the member, the member's monthly benefit is increased to the amount the member would have received under Option A Straight Life benefit. The member's increased monthly benefit commences in the month following the beneficiary's death.

Disability Benefit – An NMERB member is eligible for disability benefits if they have acquired at least ten years of earned service credit and is found totally disabled. The disability benefit is equal to 2% of the member's Final Average Salary (FAS) multiplied by the number of years of total service credits. However, the disability benefit shall not be less than the smaller of (a) one-third of the member's FAS or (b) 2% of the member's FAS multiplied by total years of service credit projected to age 60.

Cost of Living Adjustment (COLA) – All retired members and beneficiaries receiving benefits may receive an adjustment in their benefit on July 1 following the year a member retires or July 1 following the year a member reaches the age below, whichever is later.

Membership	Age Eligible for Cola
Tier 1	65
Tier 2	65
Tier 3	67
Tier 4	67

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13. PENSION PLAN- EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Tier 4: Membership beginning on or after July 1, 2019 (continued)

If a member is eligible for a COLA, the amount depends on the annual change in the Consumer Price Index (CPI) and whether the fund is fully funded (that is, the fund's funded ratio is 100%). Accordingly, if there is no increase in the CPI, or the CPI is negative, the amount of the COLA will be zero (if the CPI is negative, retirement benefits will not be decreased).

When CPI has increased and the fund is fully funded, the COLA will be the same amount as the increase in the CPI except as follows: If the increase in the CPI is 2% or greater, the COLA will be one-half of the CPI increase, not to exceed 4% or to be less than 2%.

However, while the fund is not fully funded, the COLA for retirees will be reduced based on the median annual retirement benefit, calculated after the end of each fiscal year:

- When the funded ratio is 90% or less, the COLA for retirees whose annuity is at or below the median and who have 25 or more years of service credit at retirement will be reduced by 10%. For retirees whose annuity is either greater than the median or who have less than 25 years of service credit at retirement, the COLA will be reduced by 20%.
- When the funded ratio exceeds 90% but is less than 100%, the COLA for retirees whose annuity is at or below the median adjusted annuity and who had 25 or more years of service credit at retirement and will be reduced by 5%. For retirees whose annuity is either greater than the median or who have less than 25 years of service credit at retirement, the COLA will be reduced by 10%. 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.

Refund of Contributions – Members may withdraw their contributions only when they terminate covered employment in the State and their former employer(s) certification determination has been received by NMERB. Interest is paid to members when they withdraw their contributions following termination of employment at a rate set by the Board. Interest is not earned on contributions credited to accounts prior to July 1, 1971, or for contributions held for less than one year.

Contributions – For the fiscal years ended June 30, 2024 and 2023, educational employers contributed to the Plan based on the following rate schedule.

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13. PENSION PLAN- EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Fiscal Year	Date Range	Wage Category	Member Rate	Employer Rate	Combined Rate	Increase over Prior Period
2024	7-1-23 to 6-30-24	Over \$24K	10.70%	18.15%	28.85%	1.00%
2024	7-1-23 to 6-30-24	\$24K or less	7.90%	18.15%	26.05%	1.00%
2023	7/1/22 to 6-30-23	Over \$24K	10.70%	17.15%	27.85%	2.00%
2023	7/1/22 to 6-30-23	\$24K or less	7.90%	17.15%	25.05%	2.00%

The contribution requirements are established in statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the New Mexico Legislature. For the fiscal years ended June 30, 2023 and 2022, the District paid employer contributions of \$26,624,147 and \$807,922 which equal the amount of the required contributions for each fiscal year.

For the year ended June 30, 2024, the District recognized pension expense of \$26,624,147. At the June 30, 2024, the District reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 8,382,048	\$ 2,673,863
Changes in assumptions	-	43,884,359
Net difference between projected and actual earnings on pension plan investments	-	1,852,551
District contributions subsequent to the measurement date	26,624,147	-
Change in proportion and differences between employer contributions and proportionate share of contributions	<u>7,166,749</u>	<u>1,107,096</u>
Total	<u>\$ 42,172,944</u>	<u>\$ 49,517,869</u>

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13. PENSION PLAN- EDUCATIONAL RETIREMENT BOARD (CONTINUED)

\$26,624,147 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date of June 30, 2023, will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2024	\$ (39,773,005)
2025	(6,069,341)
2026	11,598,137
2027	<u>275,137</u>
Total	<u>\$ (33,969,072)</u>

Actuarial assumptions and methods are set by the Board of Trustees, based upon recommendations made by the plan's actuary. The assumption for year ending June 30, 2023 were based on Board adopted assumptions on April 17, 2020, in conjunction with the six-year actuarial experience study period ending June 30, 2019.

The total pension liability in the June 30, 2022, actuarial valuation was determined using the following significant actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary Increases	Composition: 2.30% inflation, plus 0.70% productivity increase rate, plus step rate promotional increases for members with less than 15 years of service
Investment Rate of return	7.00%
Mortality	Healthy Males – 2020 GRS Southwest Region Teacher Mortality Table, set back one year and scaled at 95%. Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year of 2020. Healthy Females – .2020 GRS Southwest Region Teacher Mortality Table, set back one year. Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2020.

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13. PENSION PLAN- EDUCATIONAL RETIREMENT BOARD (CONTINUED)

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

Discount Rate: A single discount rate of 7.00% was used to measure the total pension liability as of June 30, 2023. This single discount rate was based on an expected rate of return on pension plan investments of 7.00%.

Based on the stated assumptions and the projection of cash flows, the pension plan's fiduciary net position and future contributions were sufficient to finance all projected future benefit payments of current plan members. As a result, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The projection of cash flows used to determine this single discount rate assumed that plan member and employer contributions will be made at the current statutory levels. Additionally, contributions received through Alternative Retirement Plan and the Return-to-Work Program are included in the projection of cash flows. These contributions are assumed to remain a level percentage of NMERB 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 shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2023. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.00%) or one percentage point higher (8.00%) than the single discount rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of net pension	\$ 402,008,393	\$ 295,721,615	\$ 207,916,231

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13. PENSION PLAN- EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Pension plan fiduciary net position Detailed information about the pension plan's fiduciary net position is available in the separately issued audited financial statements as of and for June 30, 2024 which are publicly available at www.nmerb.org.

Payables to the pension plan. The District remits the legally required employer and employee contributions on a monthly basis to ERB. The ERB requires that the contributions be remitted by the 15th day of the month following the month for which contributions are withheld. At June 30, 2024 the District did not owe ERB any funds.

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 2023 and 2022 for 30-year return assumptions are summarized in the following table:

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13. PENSION PLAN- EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Asset Class	2023 Long-Term Expected Real Rate of Return	2022 Long-Term Expected Real Rate of Return
Cash	(0.31)%	(0.31)%
U.S. Treasuries	(0.08)%	(0.08)%
IG Corp Credit	1.69 %	1.69 %
Mortgage Backed Securities	0.28 %	0.28 %
Core Bonds*	0.58 %	0.58 %
Treasury Inflation Protected Securities	0.04 %	0.04 %
High-Yield Bonds	3.31 %	3.31 %
Bank Loans	2.91 %	2.91 %
Global Bonds (Unhedged)	(0.09)%	(0.09)%
Global Bonds (Hedged)	(0.16)%	(0.16)%
Emerging Market Debt External	2.99 %	2.99 %
Emerging Market Debt Local		
Currency	3.57 %	3.57 %
Large Cap Equities	5.18 %	5.18 %
Small/ Mid Cap Equities	6.11 %	6.11 %
International Equities (Unhedged)	5.84 %	5.84 %
International Equities (Hedged)	5.74 %	5.74 %
Emerging International Equities	9.37 %	9.37 %
Private Equity	10.18 %	10.18 %
Private Debt	5.78 %	5.78 %
Private Real Assets	7.59 %	7.59 %
Real Estate	6.17 %	6.17 %
Commodities	2.57 %	2.57 %
Hedge Funds	3.28 %	3.28 %

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14. POST-EMPLOYMENT BENEFITS - STATE RETIREE HEALTH CARE PLAN

Plan Description - Rio Rancho Public School District No. 94 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 provided health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

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

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the post-employment healthcare plan. The report and further information can be obtained by writing to Retiree Health Care Authority, 6300 Jefferson St. NE, Suite 150, Albuquerque, New Mexico 87109.

Funding Policy - The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorized 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 for the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at www.nmrhca.state.nm.us.

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14. POST-EMPLOYMENT BENEFITS - STATE RETIREE HEALTH CARE PLAN (CONTINUED)

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 statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2016, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 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.

Rio Rancho Public School District No. 94 contributions to the RHCA for the years ended June 30, 2024, 2023 and 2022 were \$2,904,090, \$2,627,214, and \$2,266,326, respectively, which equal the required contributions for each year.

Postemployment Benefits Other Than Pensions (OPEB). For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the New Mexico Retiree Health Care Authority (NMRHCA) and additions to and deductions from NMRHCA's fiduciary net position have been determined on the same basis as they are reported by NMRHCA. For this purpose, NMRHCA recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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14. POST-EMPLOYMENT BENEFITS - STATE RETIREE HEALTH CARE PLAN (CONTINUED)

General Information about the OPEB

Plan description. Employees of the District are provided with OPEB through the Retiree Health Care Fund (the Fund)—a cost-sharing multiple-employer defined benefit OPEB plan administered by the New Mexico Retiree Health Care Authority (NMRHCA). NMRHCA was formed February 13, 1990, under the New Mexico Retiree Health Care Act (the Act) of New Mexico Statutes Annotated, as amended (NMSA 1978), to administer the Fund under Section 10-7C-1-19 NMSA 1978. The Fund was created to provide comprehensive group health insurance coverage for individuals (and their spouses, dependents and surviving spouses) who have retired or will retire from public service in New Mexico.

NMRHCA is an independent agency of the State of New Mexico. The funds administered by NMRHCA are considered part of the State of New Mexico financial reporting entity and are OPEB trust funds of the State of New Mexico. NMRHCA's financial information is included with the financial presentation of the State of New Mexico.

Benefits provided. The Fund is a multiple employer cost sharing defined benefit healthcare plan that provides eligible retirees (including terminated employees who have accumulated benefits but are not yet receiving them), their spouses, dependents and surviving spouses and dependents with health insurance and prescription drug benefits consisting of a plan, or optional plans of benefits, that can be contributions to the Fund and by co-payments or out-of-pocket payments of eligible retirees.

Employees covered by benefit terms – At June 30, 2023, the Fund's measurement date, the following employees were covered by the benefit terms:

Plan membership	
Current retirees and surviving spouses	52,978
Inactive and eligible for deferred benefit	12,552
Current and active members	<u>93,595</u>
	159,125
Active Membership	
State general	18,462
State police and corrections	1,260
Municipal general	17,283
Municipal police	3,169
Municipal FTRE	2,419
Educational Retirement Board	<u>51,002</u>
	93,595

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14. POST-EMPLOYMENT BENEFITS - STATE RETIREE HEALTH CARE PLAN (CONTINUED)

Contributions – Employer and employee contributions to the Fund total 3% for non-enhanced retirement plans and 3.75% of enhanced retirement plans of each participating employee's salary as required by Section 10-7C-15 NMSA 1978. The contributions are established by statute and are not based on an actuarial calculation. All employer and employee contributions are non-refundable under any circumstance, including termination of the employer's participation in the Fund. Contributions to the Fund from the District were \$2,904,090 for the year ended June 30, 2024.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2024, the District reported a liability of \$40,054,794 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability was based on actual contributions provided to the Fund for the year ending June 30, 2024. At June 30, 2023, the District's proportion was 2.35210 percent.

For the year ended June 30, 2024, the District recognized OPEB income of \$(8,719,220). At June 30, 2023 the School reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 677,130	\$ 7,251,937
Changes of assumptions	7,708,407	37,785,090
Net difference between actual and projected earnings on OPEB plan investments	856,430	-
Changes in proportion	11,065,837	3,440,764
Contributions made after the measurement date	<u>2,904,090</u>	<u>-</u>
Total	<u><u>\$ 23,211,894</u></u>	<u><u>\$ 48,477,791</u></u>

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14. POST-EMPLOYMENT BENEFITS - STATE RETIREE HEALTH CARE PLAN (CONTINUED)

Deferred outflows of resources totaling \$2,904,090 represent District contributions to the Fund made subsequent to the measurement date and will be recognized as a reduction of net OPEB liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

Year ended June 30:

2024	\$	(8,128,942)
2025		(3,551,655)
2026		(9,351,659)
2027		(5,773,231)
2028		<u>(1,364,500)</u>
Total	\$	<u>(28,169,987)</u>

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation using the following actuarial assumptions:

Valuation Date	June 30, 2022
Actuarial cost method	Entry age normal, level percent of pay, calculated on individual employee basis
Asset valuation method	Market value of assets
Actuarial assumptions:	
Inflation	2.30% for ERB; 2.50% for PERA
Projected payroll increases	3.05% to 13.00%, based on years of service, including inflation
Investment rate of return	7.00%, net of OPEB plan investment expense and margin for adverse deviation including inflation
Health care cost trend rate	8.00% graded down to 4.50% over 16 years for Non-Medicare medical plan costs and 7.5% graded down to 4.5% over 16 for Medicare medical plan costs

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14. POST-EMPLOYMENT BENEFITS - STATE RETIREE HEALTH CARE PLAN (CONTINUED)

Discount Rate. The discount rate used to measure the total OPEB liability is 6.22% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates proportional to the actuary determined contribution rates. For this purpose, employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries are not included. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members through the fiscal year ending June 30, 2070. The 7.00% discount rate, which includes the assumed inflation rate of 2.30% for ERB members and 2.50% for PERA members, was used to calculate the net OPEB liability through 2070. Beyond 2070, the index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher (3.65%) was applied. Thus, 6.22% is the blended discount rate.

The best estimates for the long-term expected rate of return is summarized as follows:

Asset Class	Long - Term Rate of Return
U.S. core fixed income	1.6%
U.S. equity - large cap	6.9%
Non U.S. - emerging markets	8.7%
Non U.S. - developed equities	7.2%
Private equity	10.0%
Credit and structured finance	3.7%
Real estate	3.6%
Absolute return	3.2%
U.S. equity - small/mid cap	6.9%

Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates. The following presents the net OPEB liability of the School, as well as what the School's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.22 percent) or 1-percentage-point higher (7.22 percent) than the current discount rate:

	1% Decrease (5.22%)	Current Discount (6.22%)	1% Increase (7.22%)
District's proportionate share of OPEB Liability	\$ 50,499,214	\$ 40,054,794	\$ 31,588,612

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14. POST-EMPLOYMENT BENEFITS - STATE RETIREE HEALTH CARE PLAN (CONTINUED)

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Trend Rates	1% Increase
District's proportionate share of OPEB Liability	\$ 33,161,300	\$ 40,054,794	\$ 47,971,778

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in NMRHCA's audited financial statements for the year ended June 30, 2023.

Payable Changes in the Net OPEB Liability. At June 30, 2024, the District reported a payable of \$0 for outstanding contributions due to NMRHCA.

15. CONTINGENT LIABILITIES

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

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

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

16. TAX ABATEMENT

The District is not a taxing authority and does not create, or enter into, any tax abatement agreements. However, the tax revenue which the District relies upon to fund debt service, capital improvement, maintenance and operations, is directly impacted by tax abatement agreements entered into by taxing authorities, such as the Sandoval County and City of Rio Rancho governments. New Mexico statutes allow certain taxing authorities to enter into tax abatement agreements. The four tax abatement agreements that effect the District's available tax revenue are the following:

Agency number for Agency making the disclosure (Abating Agency)	6147
Abating Agency Name	City of Rio Rancho
Abating Agency Type	Municipality (Home Rule)
Tax Abatement Agreement Name	Industrial Revenue Bond Project - Lease Agreement
Name of agency affected by abatement agreement (Affected Agency)	Rio Rancho Public Schools
Agency number of Affected Agency	7090
Agency type of Affected Agency	School District
Recipient(s) of tax abatement	Call, LLC
Tax abatement program (name and brief description)	Authorize an additional \$5,000,000 in Industrial Revenue Bonds in addition to \$11,000,000 in bonds that were issued in 1998 (Series A) for a total of \$16,000,000. Extend the Series A final maturity from 2023 to 2028. The bonds were issued for the purpose of making facility improvements and upgrades, as well as expanding parking capacity for the facility. The City will lease the facility to Call, LLC who will be sub-lease to Safelite Solutions LLC.
Specific Tax(es) Being Abated	Property Taxes
Authority under which abated tax would have been paid to Affected Agency	Property Tax Code NMSA Chapter 7 Articles 35-38
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	\$ 69,561.59
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	Paid by Safelite as part of lease agreement
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	N/A

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

16. TAX ABATEMENT (CONTINUED)

Agency number for Agency making the disclosure (Abating Agency)	6147
Abating Agency Name	City of Rio Rancho
Abating Agency Type	Municipality (Home Rule)
Tax Abatement Agreement Name	Industrial Revenue Bond Project - Lease Agreement
Name of agency affected by abatement agreement (Affected Agency)	Rio Rancho Public Schools
Agency number of Affected Agency	7090
Agency type of Affected Agency	School District
Recipient(s) of tax abatement	Titan City Center, LLC
Tax abatement program (name and brief description)	HP IRB -Issuance of an Industrial Revenue Bond in the maximum principal amount of \$63,500,000 to provide funds to finance the acquisition, construction and equipping of an industrial revenue project. The City will lease the property to the Titan City Center, LLC which will be sub-leased to Hewlett-Packard Company.
Specific Tax(es) Being Abated	Property Taxes
Authority under which abated tax would have been paid to Affected Agency	Property Tax Code NMSA Chapter 7 Articles 35-38
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	\$ 209,315.60
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	\$ 156,913.62
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	N/A

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

16. TAX ABATEMENT (CONTINUED)

Agency number for Agency making the disclosure (Abating Agency)	6147
Abating Agency Name	City of Rio Rancho
Abating Agency Type	Municipality (Home Rule)
Tax Abatement Agreement Name	Industrial Revenue Bond Project - Lease Agreement
Name of agency affected by abatement agreement (Affected Agency)	Rio Rancho Public Schools
Agency number of Affected Agency	7090
Agency type of Affected Agency	School District
Recipient(s) of tax abatement	Innovation Partners, LLC
Tax abatement program (name and brief description)	Innovation Partners, LLC/Stolar Research Project - IRB Amended and Restated - Initially issued for \$3,000,000 and executed lease agreement in 2014. \$2,250,000 has been redeemed. A amended and restated bond indenture and lease agreement was executed in FY21 for \$376,276. Project property will be sub-leased to Nature's Toolbox.
Specific Tax(es) Being Abated	Property Taxes
Authority under which abated tax would have been paid to Affected Agency	Property Tax Code NMSA Chapter 7 Articles 35-38
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	\$ 17,995.94
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	\$ 0 by innovation Partners, \$19,207.92 paid by Ntx Bio on behalf of Innovation partners as part of lease agreement.
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	N/A

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

16. TAX ABATEMENT (CONTINUED)

Agency number for Agency making the disclosure (Abating Agency)	6147
Abating Agency Name	City of Rio Rancho
Abating Agency Type	Municipality (Home Rule)
Tax Abatement Agreement Name	Industrial Revenue Bond Project - Lease Agreement
Name of agency affected by abatement agreement (Affected Agency)	Rio Rancho Public Schools
Agency number of Affected Agency	7090
Agency type of Affected Agency	School District
Recipient(s) of tax abatement	Nature's Toolbox
Tax abatement program (name and brief description)	Nature's Toolbox - Industrial Revenue Bond issued with a principal amount of \$20,000,000 to be used to finance certain capital costs, including acquiring, constructing, renovating, installing and equipping a biologic research development and production facility to be locate at 7701 Innovation Way, NE, Rio Rancho, NM.
Specific Tax(es) Being Abated	Property Taxes on Business Personal Property.
Authority under which abated tax would have been paid to Affected Agency	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated.
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	\$ 0
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	\$19,207.92 paid on behalf of Innovation Partners as part of their lease agreement
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	N/A

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

16. TAX ABATEMENT (CONTINUED)

Agency number for Agency making the disclosure (Abating Agency)	6147
Abating Agency Name	City of Rio Rancho
Abating Agency Type	Municipality (Home Rule)
Tax Abatement Agreement Name	Industrial Revenue Bond Project - Lease Agreement
Name of agency affected by abatement agreement (Affected Agency)	Rio Rancho Public Schools
Agency number of Affected Agency	7090
Agency type of Affected Agency	School District
Recipient(s) of tax abatement	Quail Ranch Energy Storage
Tax abatement program (name and brief description)	Quail Ranch Energy Storage LLC will issue up to \$140,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
Specific Tax(es) Being Abated	Property Taxes, Gross Receipts and Compensating Tax
Authority under which abated tax would have been paid to Affected Agency	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	PILOT Payments to begin in FY25 Property Tax \$0
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	PILOT payments to begin in FY25
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	N/A

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

16. TAX ABATEMENT (CONTINUED)

Agency number for Agency making the disclosure (Abating Agency)	6147
Abating Agency Name	City of Rio Rancho
Abating Agency Type	Municipality (Home Rule)
Tax Abatement Agreement Name	Industrial Revenue Bond Project - Lease Agreement
Name of agency affected by abatement agreement (Affected Agency)	Rio Rancho Public Schools
Agency number of Affected Agency	7090
Agency type of Affected Agency	School District
Recipient(s) of tax abatement	Quail Rancho Solar Energy
Tax abatement program (name and brief description)	Quail Ranch Solar Energy LLC will issue up to \$110,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
Specific Tax(es) Being Abated	Property Taxes, Gross Receipts and Compensating Tax
Authority under which abated tax would have been paid to Affected Agency	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	PILOT Payments to begin in FY25 Property Tax \$0
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	PILOT payments to begin in FY25
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	N/A

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

16. TAX ABATEMENT (CONTINUED)

Agency number for Agency making the disclosure (Abating Agency)	6147
Abating Agency Name	City of Rio Rancho
Abating Agency Type	Municipality (Home Rule)
Tax Abatement Agreement Name	Industrial Revenue Bond Project - Lease Agreement
Name of agency affected by abatement agreement (Affected Agency)	Rio Rancho Public Schools
Agency number of Affected Agency	7090
Agency type of Affected Agency	School District
Recipient(s) of tax abatement	Safelite Solutions, LLC
Tax abatement program (name and brief description)	Authorize issuance of Industrial Revenue Bonds totaling \$10,000,000 for the purpose of acquisition and installation of equipment, furniture and furnishings for.
Specific Tax(es) Being Abated	Property Taxes
Authority under which abated tax would have been paid to Affected Agency	Property Tax Code NMSA Chapter 7 Articles 35-38
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	\$ 6,930.59
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	paid \$76,492.11 which includes Call, LLC property taxes paid as part of lease agreement
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	N/A

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

16. TAX ABATEMENT (CONTINUED)

Agency number for Agency making the disclosure (Abating Agency)	6147
Abating Agency Name	City of Rio Rancho
Abating Agency Type	Municipality (Home Rule)
Tax Abatement Agreement Name	Industrial Revenue Bond Project - Lease Agreement
Name of agency affected by abatement agreement (Affected Agency)	Rio Rancho Public Schools
Agency number of Affected Agency	7090
Agency type of Affected Agency	School District
Recipient(s) of tax abatement	Atrisco Energy Storage Project
Tax abatement program (name and brief description)	Atrisco Energy Storage LLC will issue up to \$420,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
Specific Tax(es) Being Abated	Property Taxes, Gross Receipts and Compensating Tax
Authority under which abated tax would have been paid to Affected Agency	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	PILOT Payments to begin in FY25 Property Tax \$0
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	PILOT payments to begin in FY25
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	N/A

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

16. TAX ABATEMENT (CONTINUED)

Agency number for Agency making the disclosure (Abating Agency)	6147
Abating Agency Name	City of Rio Rancho
Abating Agency Type	Municipality (Home Rule)
Tax Abatement Agreement Name	Industrial Revenue Bond Project - Lease Agreement
Name of agency affected by abatement agreement (Affected Agency)	Rio Rancho Public Schools
Agency number of Affected Agency	7090
Agency type of Affected Agency	School District
Recipient(s) of tax abatement	Atrisco Solar Project
Tax abatement program (name and brief description)	Atrisco Energy Storage LLC will issue up to \$430,000,000 million in Industrial Revenue Bonds to acquire solar energy storage power generation equipment and facilities within the corporate boundaries of the City of Rio Rancho, NM.
Specific Tax(es) Being Abated	Property Taxes, Gross Receipts and Compensating Tax
Authority under which abated tax would have been paid to Affected Agency	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	PILOT Payments to begin in FY25 Property Tax \$0
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	PILOT payments to begin in FY25
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	N/A

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

16. TAX ABATEMENT (CONTINUED)

Agency number for Agency making the disclosure (Abating Agency)	6147
Abating Agency Name	City of Rio Rancho
Abating Agency Type	Municipality (Home Rule)
Tax Abatement Agreement Name	Industrial Revenue Bond Project - Lease Agreement
Name of agency affected by abatement agreement (Affected Agency)	Rio Rancho Public Schools
Agency number of Affected Agency	7090
Agency type of Affected Agency	School District
Recipient(s) of tax abatement	Bank of America
Tax abatement program (name and brief description)	Industrial Revenue Bonds - Authorize issuance of \$9,000,000 in industrial revenue bonds, Series 1998B, the proceeds of which will be used to finance the acquisition and construction of property. The property is leased to the Bank of America.
Specific Tax(es) Being Abated	Property Taxes
Authority under which abated tax would have been paid to Affected Agency	Property Tax Code NMSA Chapter 7 Articles 35-38
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	\$ 38,697.21
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	\$ 38,697.16 paid
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	N/A

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

16. TAX ABATEMENT (CONTINUED)

Agency number for Agency making the disclosure (Abating Agency)	6147
Abating Agency Name	City of Rio Rancho
Abating Agency Type	Municipality (Home Rule)
Tax Abatement Agreement Name	Industrial Revenue Bond Project - Lease Agreement
Name of agency affected by abatement agreement (Affected Agency)	Rio Rancho Public Schools
Agency number of Affected Agency	7090
Agency type of Affected Agency	School District
Recipient(s) of tax abatement	AeroParts Manufacturing and Repair, Inc.
Tax abatement program (name and brief description)	Aero Parts Manufacturing and Repair Inc. Project IRB - Issuance of two series of IRBs, Series A in the maximum principal amount of \$2,500,000 and Series B in the amount of \$1,000,000 to acquire land and buildings, improvements and equipment as a facility for the manufacture, production and repair of aircraft power plant, sheet metal components and parts and research and development in connection therewith.
Specific Tax(es) Being Abated	Property Taxes
Authority under which abated tax would have been paid to Affected Agency	Property Tax Code NMSA Chapter 7 Articles 35-38
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	\$ 29,252.21
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	paid \$ 0
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	N/A

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

17. CASH FLOWS

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

18. COMMITMENTS

Commitments are agreements to perform in the future. Commitments consist of all obligations of the State for future fiscal years. The District had significant commitments outstanding as of the year ended June 30, 2024, as follows:

PROJECT	PROJECTED COST	ESTIMATED COMPLETION	PAID TO DATE	REMAINING COMMITMENT
CTE Design Services	\$ 26,521,168	12/30/25	\$ 5,391,504	\$ 21,129,664
I.H.S/Cyber Design Services	2,116,465	08/30/26	86,561	2,029,904
CTE ARUBA	333,180	12/30/25	292,415	40,765
District Office Warehouse Design Services	92,988	03/01/25	65,092	27,896
Middle School Reroof Design	56,503	06/30/25	43,790	12,713
MCES Intercom Upgrade	255,547	06/30/25	47,384	208,163
District Office/Training Center/Warehouse HVAC Control update	238,390	07/31/24	185,766	52,624
EHES Fire Suppression System	<u>67,804</u>	<u>06/15/25</u>	<u>33,902</u>	<u>33,902</u>
Total	<u>\$ 29,682,045</u>		<u>\$ 6,146,414</u>	<u>\$ 23,535,631</u>

19. SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 12, 2024, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
EDUCATIONAL RETIREMENT BOARD (ERB) PLAN
LAST 10 FISCAL YEARS*
FOR THE YEAR ENDED JUNE 30, 2024

For the year ended June 30,	Rio Rancho Public School District No. 94' proportion of the net pension liability	Rio Rancho Public School District No. 94' proportionate share of the net pension liability	Employer covered-employee payroll	Employer's proportionate share of the net pension liability as a percentage of its covered - employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2024	3.405300 %	\$ 295,721,615	\$ 147,344,066	200.70 %	65.19 %
2023	3.345440 %	281,743,304	113,122,109	249.06 %	64.87 %
2022	3.369460 %	238,809,356	107,780,418	221.57 %	69.77 %
2021	3.190820 %	646,648,066	101,766,886	635.42 %	39.11 %
2020	3.116560 %	236,151,179	90,271,730	261.60 %	64.13 %
2019	3.032080 %	360,554,668	84,466,280	426.86 %	52.19 %
2018	3.022700 %	335,930,138	85,961,504	390.79 %	52.95 %
2017	3.030900 %	218,115,985	86,353,800	252.58 %	61.58 %
2016	2.947000 %	190,885,038	80,461,541	237.24 %	63.97 %
2015	2.945800 %	168,077,189	81,195,899	207.00 %	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 Rio Rancho Public School District No. 94 will present information for those years for which information is available.

See independent auditors' report

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
SCHEDULE OF CONTRIBUTIONS
EDUCATIONAL RETIREMENT BOARD (ERB) PLAN
LAST 10 FISCAL YEARS*
FOR THE YEAR ENDED JUNE 30, 2024

For the year ended June 30,	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	The Rio Rancho Public School District No. 94' covered-employee payroll	Contributions as a percentage of covered-employee payroll
2024	\$ 26,624,147	\$ 26,624,147	\$ -	\$ 147,344,066	18.07 %
2023	22,535,849	22,526,242	9,607	131,404,369	17.14 %
2022	17,167,963	17,167,963	-	113,122,109	15.18 %
2021	15,283,004	15,283,004	-	107,780,418	14.18 %
2020	14,392,545	14,392,545	-	101,766,886	14.14 %
2019	12,568,362	12,568,362	-	90,271,730	13.92 %
2018	11,740,813	11,740,813	-	84,466,280	13.90 %
2017	11,948,649	11,948,649	-	85,961,504	13.90 %
2016	12,001,503	12,001,503	-	86,353,800	13.90 %
2015	11,601,785	11,601,785	-	83,466,079	13.90 %

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, The Rio Rancho Public School District No. 94 will present information for those years for which information is available.

See independent auditors' report

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
LAST 10 FISCAL YEARS
FOR THE YEAR ENDED JUNE 30, 2024

SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY

For the year ended June 30,	Rio Rancho Public School District No. 94' proportion of the net OPEB liability	Rio Rancho Public School District No. 94' proportionate share of the net OPEB liability	Employer covered-employee payroll	Employer's proportionate share of the net OPEB liability as a percentage of its covered - employee payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2024	2.352100 %	\$ 40,054,794	\$ 116,476,422	34.39 %	44.16 %
2023	2.217150 %	51,251,644	112,614,860	45.51 %	33.33 %
2022	2.238070 %	73,640,332	97,514,087	75.52 %	25.39 %
2021	2.293850 %	96,316,652	101,766,886	94.64 %	16.50 %
2020	1.893520 %	61,395,279	90,271,730	68.01 %	18.92 %
2019	2.133100 %	92,754,757	84,466,280	109.81 %	13.14 %
2018	2.013690 %	91,253,846	85,961,504	106.16 %	11.34 %

*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the School will present information for available years.

See independent auditors' report

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
SCHEDULE OF CONTRIBUTIONS
NEW MEXICO RETIREE HEALTH CARE AUTHORITY (NMRHCA)
LAST 10 FISCAL YEARS*
FOR THE YEAR ENDED JUNE 30, 2024

SCHEDULE OF EMPLOYER'S CONTRIBUTIONS

For the year ended June 30,	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	The Rio Rancho Public School District No. 94' covered-employee payroll	Contributions as a percentage of covered-employee payroll
2024	\$ 2,904,090	\$ 2,904,090	\$ -	\$ 147,344,066	1.97 %
2023	2,694,156	2,694,156	-	134,707,783	2.00 %
2022	2,266,326	2,266,326	-	112,614,860	2.01 %
2021	1,950,282	1,950,282	-	97,514,087	2.00 %
2020	2,033,371	2,033,371	-	101,766,886	2.00 %
2019	1,806,475	1,806,475	-	90,271,730	2.00 %
2018	1,684,362	1,684,362	-	84,466,280	1.99 %

*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the School will present information for available years.

See independent auditors' report

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2024

Changes of benefit terms: There were no modifications to the benefit provisions that were reflected in the actuarial valuation as of June 30, 2023 (measurement date).

Changes of assumptions: ERB conducts an actuarial experience study for the Plan on a biennial basis. Based on the six-year actuarial experience study as of June 30, 2019 and adopted by the Board of Trustees on April 17, 2020.

Fiscal year 2023 valuation assumptions that changed based on this study:

Incorporated

- a. An explicit administrative expense assumption of 0.35% of pay per year such that the investment return used will be net of investment expenses only.

Reduced

- b. Wage inflation from 3.25% to 3.00%
- c. Inflation rate from 2.50% to 2.30%
- d. Investment return from 7.25% to 7.00%
- e. COLA assumption from 1.90% per year to 1.80%
- f. Minor changes to demographic assumptions
- g. Salary increases at 2.50% inflation, plus 0.75% productivity increase rate, plus step-rate promotional increases for less than ten years of service to 2.30% inflation, plus 0.70%

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

Changes of assumptions: RHCA conducts an actuarial experience study for the Plan on a biennial basis. Based on the six-year actuarial experience study as of June 30, 2019 and adopted by the Board of Trustees on April 17, 2020.

The total OPEB liability as of June 30, 2023 (measurement date) was determined by an actuarial valuation as of June 30, 2022. The mortality, retirement, disability, turnover and salary assumptions are based on the PERA annual valuation as of June 30, 2019 and the ERB actuarial experience study as of June 30, 2019.

- 1. Fiscal year 2022 valuation assumptions that changed based on this study:
 - a. Minor changes to demographic assumptions
- 2. Assumptions that were not changed:
 - a. Investment return 7.00%
 - b. Inflation rate 2.30% for ERB
 - c. Projected payroll increases 3.00% to 13.00%
 - d. Population growth per year at 0.00%
 - e. Health care cost trend rate 8% graded down to 4.5% over 14 years for Non-Medicare medical plan costs and 7.5% See also the Note IV (C) *Actuarial Assumptions* of the financial statement note disclosure on the OPEB Plan.

See independent auditors' report

SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
GENERAL FUNDS
COMBINING BALANCE SHEET
FOR THE YEAR ENDED JUNE 30, 2024

	Operations Fund 11000	Transportation Fund 13000	Local Revenue Operational Fund 15200	Total General Funds
ASSETS				
Cash and cash equivalents	\$ 12,672,844	\$ 236,933	\$ 264,375	\$ 13,174,152
Investment	20,508,952	-	-	20,508,952
Taxes receivable	-	-	60,515	60,515
Intergovernmental	6,726	-	-	6,726
Due from other funds	4,220,772	-	-	4,220,772
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 37,409,294</u>	<u>\$ 236,933</u>	<u>\$ 324,890</u>	<u>\$ 37,971,117</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 2,189,735	\$ 17,178	\$ -	\$ 2,206,913
Payroll Liabilities - held payments	10,025,689	236,933	-	10,262,622
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	12,215,424	254,111	-	12,469,535
Deferred inflows of resources				
Unavailable tax revenues:	<u>-</u>	<u>-</u>	<u>54,289</u>	<u>54,289</u>
Fund balances:				
Unassigned	<u>25,193,870</u>	<u>(17,178)</u>	<u>270,601</u>	<u>25,447,293</u>
Total fund balances	<u>25,193,870</u>	<u>(17,178)</u>	<u>270,601</u>	<u>25,447,293</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 37,409,294</u>	<u>\$ 236,933</u>	<u>\$ 324,890</u>	<u>\$ 37,971,117</u>

See independent auditors' report

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
GENERAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2024

	Operations Fund 11000	Transportation Fund 13000	Local Revenue Operational Fund 15200	Total General Funds
REVENUES				
Property	\$ -	\$ -	\$ 973,214	\$ 973,214
Intergovernmental - federal grants	1,259,559	-	102,382	1,361,941
Intergovernmental - state grants	224,215,854	4,809,469	-	229,025,323
Contributions - private grants	388,087	-	-	388,087
Charges for services	1,086,052	-	-	1,086,052
Investment and interest income	944,210	-	-	944,210
Miscellaneous	292,774	-	-	292,774
Total revenues	228,186,536	4,809,469	1,075,596	234,071,601
EXPENDITURES				
Current:				
Instruction	132,517,114	-	-	132,517,114
Support services				
Students	24,370,291	-	-	24,370,291
Instruction	2,232,222	-	-	2,232,222
General administration	6,251,926	-	9,607	6,261,533
School administration	12,499,640	-	-	12,499,640
Central services	12,337,607	-	-	12,337,607
Operation & maintenance of plant	25,268,242	-	880,305	26,148,547
Operation of non-instructional services:				
Student transportation	2,686,301	4,794,254	-	7,480,555
Food services operations	77,980	-	-	77,980
Capital Outlay	6,760,378	19,999	-	6,780,377
Total expenditures	225,001,701	4,814,253	889,912	230,705,866
Excess (deficiency) of revenues over expenditures	3,184,835	(4,784)	185,684	3,365,735
Net change in fund balance	3,184,835	(4,784)	185,684	3,365,735
Fund balance at beginning of year	22,009,035	(12,394)	84,917	22,081,558
Fund balance at end of year	\$ 25,193,870	\$ (17,178)	\$ 270,601	\$ 25,447,293

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
GENERAL FUND OPERATIONS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-
GAAP BUDGETARY BASIS) AND ACTUAL ON BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
Revenues:				
Intergovernmental - federal grants	\$ 672,000	\$ 672,000	\$ 1,259,559	\$ 587,559
Intergovernmental - state grants	224,917,192	224,215,854	224,222,580	6,726
Contributions - private grants	927,684	927,684	388,087	(539,597)
Property taxes	-	-	-	-
Charges for services	295,000	295,000	1,086,052	791,052
Investment and interest income	50,000	50,000	944,210	894,210
Miscellaneous	42,000	42,000	292,774	250,774
Total revenue	226,903,876	226,202,538	228,193,262	1,990,724
Expenditures:				
Current:				
Instruction	143,614,837	143,614,837	132,517,114	11,097,723
Support services:				
Students	25,128,055	25,128,055	23,971,851	1,156,204
Instruction	2,274,073	2,274,073	2,232,222	41,851
General Administration	8,192,219	12,972,545	6,251,926	6,720,619
Student Administration	12,634,972	12,634,972	12,499,640	135,332
Central Services	13,312,064	13,312,064	12,337,607	974,457
Operation & Maintenance of Plant	35,061,467	27,061,467	24,072,922	2,988,545
Student transportation	2,328,558	2,328,558	2,686,301	(357,743)
Food Services	25,000	85,000	77,980	7,020
Capital Outlay	1,305,000	9,305,000	6,760,378	2,544,622
Total expenditures	243,876,245	248,716,571	223,407,941	25,308,630
Excess (deficiency) of revenues over expenditures	(16,972,369)	(22,514,033)	4,785,321	(23,317,906)
Other financing sources (uses)				
Transfers out	-	-	-	-
Net change in fund balance	(16,972,369)	(22,514,033)	4,785,321	(23,317,906)
Beginning cash balance budgeted	11,549,399	11,549,399		
Total budget excess (deficiency)	(5,422,970)	(10,964,634)		
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance (budget basis)			\$ 4,785,321	
Change in intergovernmental receivables			(6,726)	
Change in payables			(1,593,760)	
Net changes in fund balance (GAAP basis)			\$ 3,184,835	

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
GENERAL FUND TRANSPORTATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-
GAAP BUDGETARY BASIS) AND ACTUAL ON BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
Revenues:				
Intergovernmental - federal grants	<u>\$ 4,809,469</u>	<u>\$ 4,809,469</u>	<u>\$ 4,809,469</u>	<u>\$ -</u>
Expenditures:				
Current:				
Student transportation	4,789,470	4,789,470	4,789,470	-
Capital Outlay	<u>19,999</u>	<u>19,999</u>	<u>19,999</u>	<u>-</u>
Total expenditures	<u>4,809,469</u>	<u>4,809,469</u>	<u>4,809,469</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Beginning cash balance budgeted	225,698	225,698		
Total budget excess (deficiency)	<u>225,698</u>	<u>225,698</u>		
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance (budget basis)			\$ -	
Change in payables			<u>(4,784)</u>	
Net changes in fund balance (GAAP basis)			<u>\$ (4,784)</u>	

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
GENERAL FUND LOCAL REVENUE OPERATIONAL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-
GAAP BUDGETARY BASIS) AND ACTUAL ON BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
Revenues:				
Property tax	\$ 888,462	\$ 888,462	\$ 976,117	\$ 87,655
Intergovernmental - federal grants	<u>-</u>	<u>-</u>	<u>102,382</u>	<u>102,382</u>
Total revenue	888,462	888,462	1,078,499	190,037
Expenditures:				
Current:				
General Administration	10,000	10,000	9,607	393
Operation & Maintenance of Plant	<u>878,462</u>	<u>960,056</u>	<u>880,305</u>	<u>79,751</u>
Total expenditures	<u>888,462</u>	<u>970,056</u>	<u>889,912</u>	<u>80,144</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(81,594)</u>	<u>188,587</u>	<u>109,893</u>
Other financing sources (uses)				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>(81,594)</u>	<u>188,587</u>	<u>109,893</u>
Beginning cash balance budgeted	81,594	81,594		
Total budget excess (deficiency)	<u>-</u>	<u>-</u>		
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance (budget basis)			\$ 188,587	
Change in intergovernmental receivables			-	
Change in other receivables			(5,865)	
Change in payables			-	
Change in unearned revenue			<u>2,962</u>	
Net changes in fund balance (GAAP basis)			<u>\$ 185,684</u>	

See independent auditors' report and accompanying notes to financial statements.

NONMAJOR REVENUE FUNDS

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NONMAJOR FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

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

Food Service (Fund No. 21000). This program provides financing for the school breakfast and lunch program. Funding is provided from fees from patrons and USDA food reimbursements, under the National School Lunch Act of 1946, as amended, Public Law 79-396, Sections 2-4, 60 Stat. 230, 42 U.S.C. 1751 et seq.; 80 stat. 889, as amended; 84 stat. 270; and the Child Nutrition Act of 1966, as amended, Sections 4 and 10. Public Law 89-642, 80 stat. 886, 889, 42 U.S.C. 1773, 1779; Public Law 99-591, 100 stat. 3341; Public Law 100-71, 101 stat. 430.

Universal Free Meals (Fund No. 21100). During the 2023 legislative session, the state appropriated funding for Universal Free Meals. The New Mexico Public Education Department (PED) has determined its initial FY 23-24 award for Universal Free Meals which is illustrated on Exhibit A. This funding is to be used specifically for school meals – including breakfast, lunch, snack, and supper. This will serve as a critical tool to mitigate hunger and improve educational outcomes. Expanding meal access for NM students is an integral part of Governor Lujan Grisham's work to end childhood hunger. This award is based upon reimbursable meal counts. Claims will be automatically generated once the School Food Authority (SFA) has submitted their monthly federal claim into the Student Nutrition Portal (SNP). SFAs not listed to receive funding are 100% free for meals under the community eligibility provision. The Universal Free Meals allocation is inclusive of Breakfast After the Bell and the Reduced Priced Meal Copay amounts that have been awarded to SFA's in past years.

Athletics (Fund No. 22000). To account for revenue and expenditures associated with the District's budgeted athletic activities. (NMAC 6.20.2).

Non-Instructional Support (Fund No. 23000). To account for revenue and expenditures associated with the District's non-instructional support activities (primarily after-school activities).

Title I (Fund No. 24101). To help local education agencies (LEAs) and schools improve the teaching and learning of children failing, or most at-risk of failing, to meet challenging State academic standards. Funding authorization: Elementary and Secondary Education Act of 1965, Title I, Part A, 20 U.S.C. 6301 et seq.

Entitlement IDEA - B (Fund No. 24106). Program provides 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.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NONMAJOR FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

Preschool IDEA - B (Fund No. 24109). The Preschool program is for the purpose of enhancing Special Education for handicapped children from ages 3 to 5. The program is funded by the United States government, under the Individuals With Disabilities Act, Part B, Section 619, as amended, Public Laws 94- 142, 99-457, 100-630, 101-497, and 101-476.

Education of Homeless (Fund No. 24113). To ensure that all homeless children and youth have equal access to the same free, appropriate public education available to other children, the Education for Homeless Children and Youth program provides assistance to States, Outlying Areas, and the Department of Interior/Bureau of Indian Education (BIE) to: (1) establish or designate an Office of Coordinator of Education of Homeless Children and Youths; (2) develop and carry out a State plan for the education of homeless children; and (3) make subgrants to local educational agencies to support the education of those children. Authorization: McKinney-Vento Homeless Assistance Act, Title VII, Subtitle B.

Private Schools Share IDEA-B (Fund No. 24115). Under 34 CFR §§ 300.132-300.133, local educational agencies (LEA) must spend a proportionate amount of their IDEA-B Basic Entitlement and, if applicable, Preschool sub-grant funds for special education and related services ("equitable participation services" to students with disabilities who are parentally placed in private elementary and secondary schools ("equitable participation services") located in the school district served by the LEA. The private schools must be nonprofit institutions. Children aged three through five are considered to be parentally-placed private school children with disabilities only if they are enrolled in a private school that meets the definition of elementary school in 34 CFR §300.13. New Mexico State law defines an elementary school as "a public school providing instruction for grades kindergarten through eight, unless there is a junior high school program approved by the state board [department], in which case it means a public school providing instruction for grades kindergarten through six" 22-1-3(A) NMSA 1978.

Fresh Fruit & Vegetables (Fund No. 24118). To assist States, through cash grants, in providing free fresh fruits and vegetables to school children in designated participating schools beginning in school year 2004/2006. Authorization granted under National School Lunch Act, as amended, 42 U.S.C. 1769.

Leadership - Voc. Ed. (Fund No. 24139). To support areas with high percentages of Career Technical Education students, or areas with high numbers of career Technical Education students and provide career technical education services that address identified needs within the State of New Mexico. The authority for creation of this fund is the New Mexico Public Education Department.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NONMAJOR FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

Title III English Language (Fund No. 24153). To ensure that limited English proficient children (LEP) and youth, including immigrant children and youth, attain English proficiency and meet the same standards as all children and youth are expected to meet; to provide assistance to Native American, Native Hawaiian, Native American Pacific Islander, and Alaskan native children with certain modifications relative to the unique status of native American language under Federal Law; to develop to the extent possible, the native language skills of such children. The fund is authorized through the Elementary and Secondary Education Act (ESEA), as amended, Title III, Part A, Sections 3101,3129.

Title II Teacher Quality (Fund No. 24154). To provide grants to State Education Agencies (SEAs) on a formula basis to increase student academic achievement through strategies such as improving teacher and principal quality and increasing the number of highly qualified teachers in the classroom and highly qualified principal and assistant principals in schools and hold local educational agencies and schools accountable for improvements in the academic achievement. Authorization is granted through the Elementary and Secondary Education Act of 1965, as amended, Title II, Part a, Public Law 107-110.

Carl D Perkins (Fund No. 24171/24174/24176). The redistribution component of the Carl D. Perkins program represents an allocation of remaining balances from the Carl D. Perkins Career and Technical Education Act (Perkins IV-Year 4). The program is funded by the United States government, under the Carl D. Perkins Vocational-Technical Education Act Amendments, Title I; 20 U.S.C. 2321 et seq., Public Law 105-332.

Academic Achievement Title IV (Fund No. 24189). To improve student's academic achievement by increasing the capacity of States, local educational agencies, schools and local communities to: (1) provide all students with access to a well-rounded education; (2) improve school conditions for student learning; and (3) improve the use of technology in order to improve the academic achievement and digital literacy for all students. Newly authorized under subpart 1 of Title IV, Part A of the ESEA is the Student Support and Academic Enrichment (SSAE) program.

CARES Act - Education Stabilization (Fund No. 24301). The ESSER Fund is a highly flexible federal program designed to provide local education agencies (LEAs) with funding to meet a diverse array of educational and COVID response related needs. By law, awards from the ESSER Fund are based on LEAs' proportional share of final 2019-20 Title I, Part A allocations received. Authorization: Title The Coronavirus Aid, Relief, and Economic Security Act (CARES Act), 116-136

CARES/ESSER II (Fund No. 24308). To provide local education agencies with funding to safely reopen schools, measure and effectively address significant learning loss, and to mitigate the impact of COVID-19. LEAs must expend all ESSER (24301) funds and submit the associated requests for reimbursement before expending any of the ESSER II (24308) funds. Authorization: Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, Elementary and Secondary School Education Relief Fund (ESSER II Fund).

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NONMAJOR FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

ESSER - Social Emotional Learning (Fund No. 24309). Address gaps in students' learning and social and emotional wellness through the implementation of evidence-based interventions. Those interventions should respond to students' social, emotional, and academic needs and address the disproportionate impact of COVID-19 on underrepresented student subgroups. Authorization: Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act Elementary and Secondary School Education Relief Fund (ESSER II SEA Reserve)

ARP ESSER III (Fund No. 24330). This is a sub-award for funding through the Elementary and Secondary School Emergency Relief Fund for air quality improvements relate to COVID-19. Authorization: Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act Elementary and Secondary School Education Relief Fund (ESSER II SEA Reserve)

ESSER III - Near Peer Tutoring (Fund No. 24333). This grant is designed to provide opportunities for high school students to be compensated for providing near peer tutoring in reading and mathematics to elementary and middle school students enrolled in the same LEA. Authorization: Public Law 116-136, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act); Public Law 116-260, Division M, The Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA).

Out of School Time (Fund No. 24341). Supplemental Service with a time minimum of 8 hours a week and 30 weeks for both community and LEAs with specific round 1 supplemental location and or services.

ARP SPED (Fund No. 24346). Funding under this award must be used in compliance with the applicable provisions of IDEA B. Authorization: 2 C.F.R. Part 200: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards¹ 2 C.F.R. Part 3474: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 2 C.F.R. Part 3485: Non-procurement Debarment and Suspension.

ARPA Homeless Children and Youth (Fund No. 24350). To support the specific needs of homeless children and youth via the American Rescue Plan Elementary and Secondary School Emergency Relief – Homeless Children and Youth (ARP-HCY) Fund. State educational agencies and local educational agencies (LEAs) must use ARP-HCY funds to identify homeless children and youth, to provide homeless children and youth with wrap-around services to address the challenges of COVID-19, and to enable homeless children and youth to attend school and fully participate in school activities. The Department will release ARP-HCY funds in two separate disbursements (ARP Homeless I and ARP Homeless II). Authorization: Public Law 117-2, the American Rescue Plan (ARP) Act of 2021.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NONMAJOR FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

Homeless Children ESSER II (Fund No. 24355). This is a subawards for funding through the American Rescue Plan Act, Elementary and Secondary School Emergency Relief Fund to help schools to return safely to in-person instruction, maximize in-person instructional time, sustain the safe operation of schools, and address the academic, social, emotional, and mental health impacts of the COVID-19 pandemic on NM students.

Title XIX Medicaid (Fund No. 25153). To provide financial assistance from the Federal government which flows-through the State of New Mexico to school districts, for payments of medical assistance on behalf of cash assistance recipients, children, pregnant women and the aged who meet income and resource requirements, and other categorically-eligible groups. The program is funded by the U.S. government under the Social Security Act, Title XIX, as amended; Public Laws 92-223, 92-602, 93-66, 93-233, 96-499, 97-35, 97-2248, 98-369, 99-272, 99-509, 100-93, 100-202, 100-203, 100-360, 100-436, 100-485, 100-647, 101-166, 101-234, 101-239, 101-508, 101-517, 102-234, 102-170, 102-394, 103-66, 103-14, 103-333, 104-91, 104-191, 104-193, 104-208, and 104-134; Balanced Budget Act of 1997, Public Law 105-33.

Indian Education Formula Grant (Fund No. 25184). To account for a program funded by a Federal grant to develop and carry out supplementary elementary and secondary school programs designed to meet the special educational and culturally related academic needs of Indian children, for example to: 1) Improve academic performance, 2) Reduce school dropout rates and improve attendance, and 3) Integrate the value of cultural education into the school curriculum for Indian children. Funding authorized by Indian Education Act of 1988, Title V, Part C, Subpart 1, as amended, Public Law 100-297 and 93-638, U.S.C. 2601-2606.

School Nurse Workforce DOH (Fund No. 25275). The intent of this program is to fund state, local, and territorial public health departments for HHS Secretarial declared and non-declared public health emergencies having an overwhelming impact on jurisdictional resources. These emergencies require federal support to effectively respond to, manage, and address a significant public health threat. CDC seeks to enhance the Nation's ability to rapidly mobilize and respond to specific public health crises or emergencies. In addition to immediate response activities, this program provides a mechanism to accelerate readiness for an impending infectious disease threat or other public health crises identified on the event horizon. Authorizations: This cooperative agreement is authorized under the following statutory authorities: Sections 317(k)(2) and 307 of the Public Health Service Act; [42 U.S.C Sections 247b and 247b-2 and 247b-3] as amended; Title IV Section 4002 of the Affordable Care Act, Prevention and Public Health Fund; Sections 307 and 317(k)(2) of the Public Health Service Act [42 USC 242(l) and 247(b)(k)(2), as amended]. In addition, this program is authorized under sections 311 and 1703 of Public Health Service Act [42 USC 243 and 300 u-2, as amended] and Section 4002 of the Patient Protection and Affordable Care Act, Public Law 111-148; 317(a) and 317(d) of the PHS Act, subject to available funding and other requirements and limitations; 317(a) of the Public Health Service Act, subject to available funding and other requirements and limitations. This program is authorized under section 311(c)(1) of the Public Health Service Act (42 USC § 243(c)(1)), subject to available funding and other requirements and limitations.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NONMAJOR FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

REC/District Fiscal Agent (Fund No. 26107). The funding provided shall be used as specified by the 2015 PreK Act.

LANL Foundation (Fund No. 26113). This grant was awarded by the LANL Foundation to support students participation in the Governor's STEM Challenge.

Intel Foundation (Fund No. 26116). To account for a grant received from Intel Corporation – New Mexico for an educational project. The authority for creation of this fund is the New Mexico Public Education Department.

Rio Rancho Education Foundation (Fund No. 26171). The objective of this program is to provide monies for various types of educational projects (sensory cameras to study local wildlife, calculators for students to conduct fine arts mathematics, etc.) that will improve an existing community need, problem, or issue. This fund is awarded directly to the school district by the Rio Rancho Education Foundation. Authority for the creation of this fund is the New Mexico Public Education Department.

CNMI Foundation (Fund No. 26207). To be used for courses approved by Higher Education Department (HED) and through a college/university for which the district has an approved agreement.

Emergency Connectivity (Fund No. 26222). The purpose of this Emergency Connectivity Fund award is to provide financial assistance for remote learning during the COVID- 19 emergency period to fund the reasonable costs of eligible devices and broadband connections for use at locations including locations other than a school or library. Intended beneficiaries are eligible schools and libraries, including Tribal entities, as well as consortia of eligible schools and libraries, to support their students, school staff, and library patrons who otherwise lack access to connected devices and/or broadband connections sufficient to engage in remote learning. Authorization: amounts made available from the Emergency Connectivity Fund, of support under paragraphs (1)(B) and (2) of section 254(h) of the Communications Act of 1934 (47 U.S.C. 254(h)) to an eligible school or library, for the purchase during a COVID-19 emergency period of eligible equipment or advanced telecommunications and information services (or both), for use by: (1) in the case of a school, students and staff of the school at locations that include locations other than the school. American Rescue Plan Act, 2021, H.R. 1319, Public Law 117-2, 117th Cong., tit. VII, § 7402 (2021).

Dual Credit Instructional Materials (Fund No. 27103). To be used for courses approved by Higher Education Department (HED) and through a college/university for which the district has an approved agreement.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NONMAJOR FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

GO Student Library 2012 (Fund No. 27107). Funds to be used for library books and library resources for public school libraries statewide. Library resources include computers, software, projectors, televisions, other related hardware and software, shelving, desks, chairs, and book trucks/carts. Senate Bill 66, Laws of 2012, 2nd Session, Chapter 54, Section 10.B.(3).

Instruction Material Appropriation (Fund No. 27109). Accounts for the special 2019-2020 appropriation of Instructional Materials funds received through the state for the purpose of acquiring study materials for the students.

Pre-K Initiative (Fund No. 27149). The pre-k program shall address the total development needs of preschool children, including physical, cognitive, social and emotional needs, and shall include health care, nutrition, safety and multicultural sensitivity.

Indian Education Act (Fund No. 27150). To develop and evaluate the relationship between improved academic performance of American Indian students who experience a culturally relevant education curriculum. Authority for creation of this funds is the New Mexico Public Education Department.

School Buses (Fund No. 27178). Funds to public school districts to replace public school buses. Authority for the creation of the fund is Senate Bill 60, Severance Tax Bond Projects 2013.

New Mexico Grown (Fund No. 27183). Funds under this award are to be used to purchase locally grown New Mexico fresh fruits and vegetables, to be made available at no charge to students. Funds have been received as appropriation through the General Appropriation Act to distribute to school districts and charter schools.

School Bus Cameras (Fund No. 27405) - Funding will be used to provide cameras for district-owned school buses.

NextGen CTE (Fund No. 27502) - Funds are to be used for (1) to support Local Educational Agencies (LEAs) with the cost of Career Technical Education (CTE) programs of study, (2) to provide relevant career exploration, and (3) to provide other CTE-related supports. Authorization: 2019 New Mexico House Bill 91

Innovative Zone Initiative (Fund No. 27552) - Funding is awarded to support schools in their efforts to transform and align education throughout the high school. Funding for this initiative is titled "CTE Initiatives and Equipment."

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NONMAJOR FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

CTE Junior Bill 1 (Fund No. 27570) - Provides financial assistance to local educational agencies (LEAs) to support the development and implementation of Career and Technical Education (CTE) programs. This fund aims to enhance the quality of CTE programs, ensuring that students acquire the technical skills and knowledge necessary to succeed in the workforce. The funding is authorized by state legislation and is part of the broader effort to improve educational outcomes and workforce readiness.

CTE Junior Bill 2 (Fund No. 27571) - Provides financial assistance to local educational agencies (LEAs) to support the development and implementation of Career and Technical Education (CTE) programs. This fund aims to enhance the quality of CTE programs, ensuring that students acquire the technical skills and knowledge necessary to succeed in the workforce. The funding is authorized by state legislation and is part of the broader effort to improve educational outcomes and workforce readiness.

Bilingual Multicultural Education Act (Fund No. 27575) - Provides financial assistance to local educational agencies (LEAs) to support the development and implementation of bilingual and multicultural education programs. This fund aims to enhance the quality of education for students from diverse linguistic and cultural backgrounds, ensuring they achieve academic success while maintaining their native languages and cultural heritage. The funding is authorized by state legislation and is part of the broader effort to promote educational equity and cultural inclusivity.

Behavioral Health Supports (Fund No. 27583) - Provides financial assistance to local educational agencies (LEAs) to support the mental health and well-being of students. This fund helps schools implement comprehensive, evidence-based strategies to prevent and address substance misuse, promote mental health, and provide trauma-informed care. The funding is authorized by the Substance Abuse and Mental Health Services Administration (SAMHSA).

Attendance Success Initiative (Fund No. 27584) - Provides financial assistance to local educational agencies (LEAs) to support efforts in reducing chronic absenteeism and improving student attendance. This fund aims to establish a cohort of Attendance Success Coaches in elementary, middle, and high schools across the state. These coaches work with students, families, communities, schools, and districts to address the root causes of absenteeism and promote student engagement.

Improving ED/Cultural Outcomes for NAS (Fund No. 27901) - Provides financial assistance to local educational agencies (LEAs) to support the unique educational and culturally related academic needs of American Indian and Alaska Native students. This fund helps ensure that these students can meet challenging state academic standards and gain knowledge of Native communities, languages, Tribal histories, traditions, and cultures. The funding is authorized by Title VI of the Elementary and Secondary Education Act of 1965 (ESEA)12.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NONMAJOR FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

Indigenous Education Initiative (Fund No. 27906) - Provides financial assistance to local educational agencies (LEAs) to support the unique educational and culturally related academic needs of Indigenous students. This fund aims to enhance the quality of education for Indigenous students by promoting the maintenance and continued development of Indigenous languages, cultures, and traditions.

GRADS Instruction (Fund No. 28190) - To account for a program funded by the Public Education Department for the purpose to establish and maintain an in-school, family and consumer science instructional and intervention program for pregnant and parenting students, which focuses on knowledge and skills related to positive self, pregnancy, parenting and economic independence. Special Revenue fund established by the local school board.

GRADS Plus (Fund No. 28203) - The purpose of this fund is to support a shared case management model between Central High School GRADS program and school and community partners. Authority for the creation of this fund is the New Mexico GRADS System.

New Mexico Child Care Health and Safety (Fund No. 28207) - Health and safety costs that have occurred as a result of the public health emergency such as enhanced cleaning and sanitation to ensure the health and safety of children and early childhood education and care professionals. Other costs that have occurred as a result of the public health emergency, such as staffing increases, technology and furniture purchases, remodeling, creating outdoor learning spaces, or any other expenses associated with supporting student success.

ECEC - Pre-K Teacher and EA Compensation Increases (Fund No. 28208) - To account for revenues and expenditures for grants to provide daycare for high school students with children.

DOH COVID-19 Testing Program (Fund No. 28211). To strengthen school health services infrastructure and may be used to prevent, mitigate, and reduce the consequences of COVID infections.

NMDVR - Pre-Employment Transition (Fund No. 28215). To support NMDVR in the implementation of the Rehabilitation Act 1973 as amended by Workforce Innovation and Opportunity Act (WIOA), by providing Pre-employment Transition Services (Pre-ETS) to New Mexico students with disabilities (SWD) ages 14 through 21 in need of such services

Kitchen Infrastructure (Fund No. 28221). The purpose of this grant is for projects statewide for kitchen infrastructure, equipment, renovation, and construction. The purpose of these funds is to provide statewide funding for kitchen equipment, kitchen infrastructure upgrades, and kitchen renovations to encourage the preparation of school meals that are scratch cooked and freshly prepared.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NONMAJOR FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

Private Direct Grants (Fund No. 29102). To account for private donations. Authority for creation of this fund is the New Mexico Public Education Department.

City/County Grants (Fund No. 29107). To provide support for a health education program within the school and to provide workbooks, materials for educational demonstrations and funds to support a nutrition focused event for the school. Funding is provided by Sandoval County and the City of Rio Rancho (NM Public Education Department, PSAB, Supp 3).

Public School Capital Outlay (Fund No. 31200). Appropriation from the Public School Capital Outlay Fund for the maintenance and repair of public school buildings.

Special Capital Outlay - Local (Fund No. 31300). To account for resources received by revenue generated local sources for the purpose of remodeling and improvements on existing structures. Funding authority is the New Mexico Public Education Department.

Special Capital Outlay - State (Fund No. 31400). This fund provides financing for special appropriation monies received from the State of New Mexico under Chapter 367, Laws of 1993.

Capital Improvements SB-9 (State) (Fund No. 31703). To account for funds distributed under the Public School Capital Outlay Improvements Act (22-25-1 to 22-25-10 NMSA 1978) to any school district that has imposed a tax for capital outlays and maintenance. An amount from the public school capital improvements fund that is equal to the amount by which the revenue estimated to be received from the imposed tax as specified in Subsection B of section 22-25-3 NMSA 1978, assuming a one hundred percent collection rate, is less than an amount calculated by multiplying the product obtained by the rate imposed in the District under the Public School Capital Improvements Act. The distribution shall be made by December 1, of each year that the tax is imposed in accordance with Section 22-25-3 NMSA 1978. Provided, however, in the event that sufficient funds are not available in the public school capital improvement funds to make the state distribution provided for in this section, the dollar per program unit figure shall be reduced as necessary.

Public School Capital Outlay 20% (Fund No. 32100). To account for funds distributed under the Public School Capital Outlay Improvements Act (22-25-1 to 22-25-10 NMSA 1978) to any school district that has imposed a tax for capital outlays and maintenance.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING BALANCE SHEET
NONMAJOR FUNDS
JUNE 30, 2024

	Food Service 21000	Universal Free Meals 21100	Athletics 22000
ASSETS			
Cash on deposit	\$ 595,979	\$ 1,402,702	\$ 410,204
Investments	-	-	-
Intergovernmental receivable	646,534	402,125	-
Prepaid items	-	-	-
Inventory, at cost	18,773	-	-
	<hr/>	<hr/>	<hr/>
Total assets	\$ 1,261,286	\$ 1,804,827	\$ 410,204
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 120,408	\$ -	\$ -
Due to other funds	-	-	-
Accrued payroll	-	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	120,408	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities and deferred inflows	120,408	-	-
Fund balances:			
Nonspendable - inventory	18,773	-	-
Restricted reported in:			
Food services	1,122,105	1,804,827	-
Extracurricular activities	-	-	410,204
Grantor restrictions	-	-	-
Capital project funds	-	-	-
Unassigned funds	-	-	-
	<hr/>	<hr/>	<hr/>
Total fund balance	1,140,878	1,804,827	410,204
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	\$ 1,261,286	\$ 1,804,827	\$ 410,204
	<hr/>	<hr/>	<hr/>
	-	-	-

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING BALANCE SHEET
NONMAJOR FUNDS
JUNE 30, 2024

	Non- Instructional Support Fund 23000	Title I - IASA 24101	Entitlement IDEA - B 24106
ASSETS			
Cash on deposit	\$ 2,710,514	\$ 99,974	\$ 251,716
Investments	-	-	-
Intergovernmental receivable	-	479,945	775,318
Prepaid items	-	-	80
Inventory, at cost	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 2,710,514</u>	<u>\$ 579,919</u>	<u>\$ 1,027,114</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 162,160	\$ 519	\$ 7,849
Due to other funds	-	546,008	873,179
Accrued payroll	39,422	99,974	251,717
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>201,582</u>	<u>646,501</u>	<u>1,132,745</u>
Total liabilities and deferred inflows	201,582	646,501	1,132,745
Fund balances:			
Nonspendable - inventory	-	-	-
Restricted reported in:			
Food services	-	-	-
Extracurricular activities	2,508,932	-	-
Grantor restrictions	-	-	-
Capital project funds	-	-	-
Unassigned funds	-	(66,582)	(105,631)
	<hr/>	<hr/>	<hr/>
Total fund balance	<u>2,508,932</u>	<u>(66,582)</u>	<u>(105,631)</u>
Total liabilities and fund balances	<u>\$ 2,710,514</u>	<u>\$ 579,919</u>	<u>\$ 1,027,114</u>

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING BALANCE SHEET
NONMAJOR FUNDS
JUNE 30, 2024

	Preschool IDEA - B 24109	Education of Homeless 24113	Private Schools Share IDEA-B 24115
ASSETS			
Cash on deposit	\$ 5,138	\$ -	\$ -
Investments	-	-	-
Intergovernmental receivable	11,917	7,012	15,334
Prepaid items	-	-	-
Inventory, at cost	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	\$ 17,055	\$ 7,012	\$ 15,334
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	15,229	11,350	15,334
Accrued payroll	5,138	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	20,367	11,350	15,334
	<hr/>	<hr/>	<hr/>
Total liabilities and deferred inflows	20,367	11,350	15,334
Fund balances:			
Nonspendable - inventory	-	-	-
Restricted reported in:			
Food services	-	-	-
Extracurricular activities	-	-	-
Grantor restrictions	-	-	-
Capital project funds	-	-	-
Unassigned funds	(3,312)	(4,338)	-
	<hr/>	<hr/>	<hr/>
Total fund balance	(3,312)	(4,338)	-
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	\$ 17,055	\$ 7,012	\$ 15,334
	<hr/>	<hr/>	<hr/>

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING BALANCE SHEET
NONMAJOR FUNDS
JUNE 30, 2024

	Fresh Fruit & Vegetables 24118	Leadership - Voc Ed 24139	Title III - English Language 24153
ASSETS			
Cash on deposit	\$ -	\$ -	\$ 6,186
Investments	-	-	-
Intergovernmental receivable	59,992	-	12,150
Prepaid items	-	-	-
Inventory, at cost	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	\$ 59,992	\$ -	\$ 18,336
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	68,253	922	14,720
Accrued payroll	-	-	6,186
	<hr/>	<hr/>	<hr/>
Total liabilities	68,253	922	20,906
Total liabilities and deferred inflows	68,253	922	20,906
Fund balances:			
Nonspendable - inventory	-	-	-
Restricted reported in:			
Food services	-	-	-
Extracurricular activities	-	-	-
Grantor restrictions	-	-	-
Capital project funds	-	-	-
Unassigned funds	(8,261)	(922)	(2,570)
	<hr/>	<hr/>	<hr/>
Total fund balance	(8,261)	(922)	(2,570)
Total liabilities and fund balances	\$ 59,992	\$ -	\$ 18,336

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING BALANCE SHEET
NONMAJOR FUNDS
JUNE 30, 2024

	Teacher Principal Training & Recruiting 24154	Carl D Perkins Culinary 24174	Carl D Perkins Secondary 24176
ASSETS			
Cash on deposit	\$ 13,818	\$ -	\$ -
Investments	-	-	-
Intergovernmental receivable	60,397	19,870	-
Prepaid items	2,592	-	-
Inventory, at cost	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	\$ 76,807	\$ 19,870	\$ -
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 4,156	\$ -	\$ -
Due to other funds	72,143	18,828	244
Accrued payroll	13,818	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	90,117	18,828	244
	<hr/>	<hr/>	<hr/>
Total liabilities and deferred inflows	90,117	18,828	244
Fund balances:			
Nonspendable - inventory	-	-	-
	<hr/>	<hr/>	<hr/>
Restricted reported in:			
Food services	-	-	-
Extracurricular activities	-	-	-
Grantor restrictions	-	1,042	-
Capital project funds	-	-	-
Unassigned funds	(13,310)	-	(244)
	<hr/>	<hr/>	<hr/>
Total fund balance	(13,310)	1,042	(244)
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	\$ 76,807	\$ 19,870	\$ -

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING BALANCE SHEET
NONMAJOR FUNDS
JUNE 30, 2024

	Title IV Student Supp. Academic Achievement 24189	CARES Act Education Stabilization 24301	CRSSA- ESSER II 24308
ASSETS			
Cash on deposit	\$ 6,156	\$ -	\$ -
Investments	-	-	-
Intergovernmental receivable	14,722	-	-
Prepaid items	-	-	-
Inventory, at cost	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	\$ 20,878	\$ -	\$ -
	<hr/>	<hr/>	<hr/>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	18,544	-	-
Accrued payroll	6,155	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	24,699	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities and deferred inflows	24,699	-	-
	<hr/>	<hr/>	<hr/>
Fund balances:			
Nonspendable - inventory	-	-	-
	<hr/>	<hr/>	<hr/>
Restricted reported in:			
Food services	-	-	-
Extracurricular activities	-	-	-
Grantor restrictions	-	-	-
Capital project funds	-	-	-
Unassigned funds	(3,821)	-	-
	<hr/>	<hr/>	<hr/>
Total fund balance	(3,821)	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	\$ 20,878	\$ -	\$ -
	<hr/>	<hr/>	<hr/>

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING BALANCE SHEET
NONMAJOR FUNDS
JUNE 30, 2024

	ESSER Social Emotional Learning 24309	ARP ESSER III 24330	ESSER III Near Peer Tutoring 24333
ASSETS			
Cash on deposit	\$ -	\$ 162,307	\$ -
Investments	-	-	-
Intergovernmental receivable	-	359,123	1,242
Prepaid items	-	-	-
Inventory, at cost	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	\$ -	\$ 521,430	\$ 1,242
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ 591,455	\$ -
Due to other funds	-	461,448	1,242
Accrued payroll	-	162,312	-
	<hr/>	<hr/>	<hr/>
Total liabilities	<hr/> -	<hr/> 1,215,215	<hr/> 1,242
Total liabilities and deferred inflows	-	1,215,215	1,242
Fund balances:			
Nonspendable - inventory	-	-	-
Restricted reported in:			
Food services	-	-	-
Extracurricular activities	-	-	-
Grantor restrictions	-	-	-
Capital project funds	-	-	-
Unassigned funds	-	(693,785)	-
	<hr/>	<hr/>	<hr/>
Total fund balance	<hr/> -	<hr/> (693,785)	<hr/> -
Total liabilities and fund balances	\$ -	\$ 521,430	\$ 1,242

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING BALANCE SHEET
NONMAJOR FUNDS
JUNE 30, 2024

	Out of School Time 24341	ARP SPED 24346	ARPA Homeless Children 24350
ASSETS			
Cash on deposit	\$ -	\$ -	\$ -
Investments	-	-	-
Intergovernmental receivable	75,000	-	-
Prepaid items	-	-	-
Inventory, at cost	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	\$ 75,000	\$ -	\$ -
	<hr/>	<hr/>	<hr/>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	75,000	-	-
Accrued payroll	-	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	75,000	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities and deferred inflows	75,000	-	-
	<hr/>	<hr/>	<hr/>
Fund balances:			
Nonspendable - inventory	-	-	-
	<hr/>	<hr/>	<hr/>
Restricted reported in:			
Food services	-	-	-
Extracurricular activities	-	-	-
Grantor restrictions	-	-	-
Capital project funds	-	-	-
Unassigned funds	-	-	-
	<hr/>	<hr/>	<hr/>
Total fund balance	-	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	\$ 75,000	\$ -	\$ -
	<hr/>	<hr/>	<hr/>

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING BALANCE SHEET
NONMAJOR FUNDS
JUNE 30, 2024

	Homeless Children ESSER II 24355	Title XIX Medicaid 3/21 Years 25153	Indian Education 25184
ASSETS			
Cash on deposit	\$ -	\$ 1,262,962	\$ -
Investments	-	-	-
Intergovernmental receivable	3,221	632,189	10,541
Prepaid items	-	-	-
Inventory, at cost	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	\$ 3,221	\$ 1,895,151	\$ 10,541
	<hr/>	<hr/>	<hr/>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ 43,013	\$ 1,394
Due to other funds	3,221	-	13,263
Accrued payroll	-	202,638	-
	<hr/>	<hr/>	<hr/>
Total liabilities	3,221	245,651	14,657
	<hr/>	<hr/>	<hr/>
Total liabilities and deferred inflows	3,221	245,651	14,657
	<hr/>	<hr/>	<hr/>
Fund balances:			
Nonspendable - inventory	-	-	-
Restricted reported in:			
Food services	-	-	-
Extracurricular activities	-	-	-
Grantor restrictions	-	1,649,500	-
Capital project funds	-	-	-
Unassigned funds	-	-	(4,116)
	<hr/>	<hr/>	<hr/>
Total fund balance	-	1,649,500	(4,116)
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	\$ 3,221	\$ 1,895,151	\$ 10,541
	<hr/>	<hr/>	<hr/>

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING BALANCE SHEET
NONMAJOR FUNDS
JUNE 30, 2024

	School Nurse 25275	REC/District Fiscal Agent 26107	LANL Foundation 26113
ASSETS			
Cash on deposit	\$ -	\$ 5,110	\$ 50
Investments	-	-	-
Intergovernmental receivable	-	-	-
Prepaid items	-	-	-
Inventory, at cost	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	\$ -	\$ 5,110	\$ 50
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	76,535	-	-
Accrued payroll	-	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	76,535	-	-
Total liabilities and deferred inflows	76,535	-	-
Fund balances:			
Nonspendable - inventory	-	-	-
Restricted reported in:			
Food services	-	-	-
Extracurricular activities	-	-	-
Grantor restrictions	-	5,110	50
Capital project funds	-	-	-
Unassigned funds	(76,535)	-	-
	<hr/>	<hr/>	<hr/>
Total fund balance	(76,535)	5,110	50
Total liabilities and fund balances	\$ -	\$ 5,110	\$ 50

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING BALANCE SHEET
NONMAJOR FUNDS
JUNE 30, 2024

	Intel Foundation 26116	Rio Rancho Education Foundation 26171	CNM Foundation 26207
ASSETS			
Cash on deposit	\$ 39,761	\$ 19,355	\$ 71
Investments	-	-	-
Intergovernmental receivable	-	-	-
Prepaid items	-	-	-
Inventory, at cost	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 39,761</u>	<u>\$ 19,355</u>	<u>\$ 71</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	-	-	-
Accrued payroll	-	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	<hr/> -	<hr/> -	<hr/> -
Total liabilities and deferred inflows	-	-	-
Fund balances:			
Nonspendable - inventory	-	-	-
Restricted reported in:			
Food services	-	-	-
Extracurricular activities	-	-	-
Grantor restrictions	39,761	19,355	71
Capital project funds	-	-	-
Unassigned funds	-	-	-
	<hr/>	<hr/>	<hr/>
Total fund balance	<u>39,761</u>	<u>19,355</u>	<u>71</u>
Total liabilities and fund balances	<u>\$ 39,761</u>	<u>\$ 19,355</u>	<u>\$ 71</u>

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING BALANCE SHEET
NONMAJOR FUNDS
JUNE 30, 2024

	Emergency Connectivity 26222	Dual Credit Instructional Materials 27103	GoBond Student Library SB-66 27107
ASSETS			
Cash on deposit	\$ 2	\$ 221	\$ -
Investments	-	-	-
Intergovernmental receivable	-	-	6,331
Prepaid items	-	-	-
Inventory, at cost	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	\$ 2	\$ 221	\$ 6,331
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	-	-	6,331
Accrued payroll	-	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	<hr/> -	<hr/> -	<hr/> 6,331
Total liabilities and deferred inflows	-	-	6,331
Fund balances:			
Nonspendable - inventory	-	-	-
Restricted reported in:			
Food services	-	-	-
Extracurricular activities	-	-	-
Grantor restrictions	2	221	-
Capital project funds	-	-	-
Unassigned funds	-	-	-
	<hr/>	<hr/>	<hr/>
Total fund balance	<hr/> 2	<hr/> 221	<hr/> -
Total liabilities and fund balances	\$ 2	\$ 221	\$ 6,331

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING BALANCE SHEET
NONMAJOR FUNDS
JUNE 30, 2024

	2019/2020 Instructional Material Initial Distribution 27109	Pre-K Initiative 27149	Indian Education Act 27150
ASSETS			
Cash on deposit	\$ 260,111	\$ 128,520	\$ -
Investments	-	-	-
Intergovernmental receivable	-	672,484	4,859
Prepaid items	-	-	-
Inventory, at cost	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 260,111</u>	<u>\$ 801,004</u>	<u>\$ 4,859</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ 1,343	\$ -
Due to other funds	-	753,385	5,109
Accrued payroll	-	128,522	-
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>-</u>	<u>883,250</u>	<u>5,109</u>
Total liabilities and deferred inflows	-	883,250	5,109
Fund balances:			
Nonspendable - inventory	-	-	-
Restricted reported in:			
Food services	-	-	-
Extracurricular activities	-	-	-
Grantor restrictions	260,111	-	-
Capital project funds	-	-	-
Unassigned funds	-	(82,246)	(250)
	<hr/>	<hr/>	<hr/>
Total fund balance	<u>260,111</u>	<u>(82,246)</u>	<u>(250)</u>
Total liabilities and fund balances	<u>\$ 260,111</u>	<u>\$ 801,004</u>	<u>\$ 4,859</u>

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING BALANCE SHEET
NONMAJOR FUNDS
JUNE 30, 2024

	Capital Appropriation Project 27178	New Mexico Grown 27183	School Bus Cameras 27405
ASSETS			
Cash on deposit	\$ -	\$ -	\$ -
Investments	-	-	-
Intergovernmental receivable	-	-	42,465
Prepaid items	-	-	-
Inventory, at cost	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	\$ -	\$ -	\$ 42,465
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	-	-	42,465
Accrued payroll	-	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	<hr/> -	<hr/> -	<hr/> 42,465
Total liabilities and deferred inflows	-	-	42,465
Fund balances:			
Nonspendable - inventory	-	-	-
Restricted reported in:			
Food services	-	-	-
Extracurricular activities	-	-	-
Grantor restrictions	-	-	-
Capital project funds	-	-	-
Unassigned funds	-	-	-
	<hr/>	<hr/>	<hr/>
Total fund balance	<hr/> -	<hr/> -	<hr/> -
Total liabilities and fund balances	\$ -	\$ -	\$ 42,465

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING BALANCE SHEET
NONMAJOR FUNDS
JUNE 30, 2024

	Next Gen CTE 27502	Innovation Zone Initiative 27552	CTE Junior Bill 1 27570
ASSETS			
Cash on deposit	\$ 7,449	\$ -	\$ -
Investments	-	-	-
Intergovernmental receivable	127,664	104,103	428,371
Prepaid items	-	-	-
Inventory, at cost	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	\$ 135,113	\$ 104,103	\$ 428,371
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	132,346	104,103	428,371
Accrued payroll	7,447	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	139,793	104,103	428,371
Total liabilities and deferred inflows	139,793	104,103	428,371
Fund balances:			
Nonspendable - inventory	-	-	-
Restricted reported in:			
Food services	-	-	-
Extracurricular activities	-	-	-
Grantor restrictions	-	-	-
Capital project funds	-	-	-
Unassigned funds	(4,680)	-	-
	<hr/>	<hr/>	<hr/>
Total fund balance	(4,680)	-	-
Total liabilities and fund balances	\$ 135,113	\$ 104,103	\$ 428,371

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING BALANCE SHEET
NONMAJOR FUNDS
JUNE 30, 2024

	CTE Junior Bill 2 27571	Bilingual Multicultural Education Act 27575	Behavioral Health Supports 27583
ASSETS			
Cash on deposit	\$ -	\$ -	\$ -
Investments	-	-	-
Intergovernmental receivable	114,961	-	770
Prepaid items	-	-	-
Inventory, at cost	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	\$ 114,961	\$ -	\$ 770
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	114,961	-	770
Accrued payroll	-	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	114,961	-	770
Total liabilities and deferred inflows	114,961	-	770
Fund balances:			
Nonspendable - inventory	-	-	-
Restricted reported in:			
Food services	-	-	-
Extracurricular activities	-	-	-
Grantor restrictions	-	-	-
Capital project funds	-	-	-
Unassigned funds	-	-	-
	<hr/>	<hr/>	<hr/>
Total fund balance	-	-	-
Total liabilities and fund balances	\$ 114,961	\$ -	\$ 770

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING BALANCE SHEET
NONMAJOR FUNDS
JUNE 30, 2024

	Attendance Success Initiative 27584	Improving ED/Cultural Outcomes for NAS 27901	Indigenous Education Initiative 27906
ASSETS			
Cash on deposit	\$ 11,574	\$ 26,131	\$ 12,276
Investments	-	-	-
Intergovernmental receivable	34,077	82,713	45,624
Prepaid items	-	-	-
Inventory, at cost	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	\$ 45,651	\$ 108,844	\$ 57,900
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	41,307	85,775	53,498
Accrued payroll	11,574	26,131	12,277
	<hr/>	<hr/>	<hr/>
Total liabilities	52,881	111,906	65,775
	<hr/>	<hr/>	<hr/>
Total liabilities and deferred inflows	52,881	111,906	65,775
Fund balances:			
Nonspendable - inventory	-	-	-
Restricted reported in:			
Food services	-	-	-
Extracurricular activities	-	-	-
Grantor restrictions	-	-	-
Capital project funds	-	-	-
Unassigned funds	(7,230)	(3,062)	(7,875)
	<hr/>	<hr/>	<hr/>
Total fund balance	(7,230)	(3,062)	(7,875)
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	\$ 45,651	\$ 108,844	\$ 57,900
	<hr/>	<hr/>	<hr/>

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING BALANCE SHEET
NONMAJOR FUNDS
JUNE 30, 2024

	GRADS Instruction 28190	GRADS Plus 28203	New Mexico Child Care Health and Safety 28207
ASSETS			
Cash on deposit	\$ -	\$ 2,135	\$ -
Investments	-	-	-
Intergovernmental receivable	-	-	-
Prepaid items	-	-	-
Inventory, at cost	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	\$ -	\$ 2,135	\$ -
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	2,914	-	-
Accrued payroll	-	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	2,914	-	-
Total liabilities and deferred inflows	2,914	-	-
Fund balances:			
Nonspendable - inventory	-	-	-
Restricted reported in:			
Food services	-	-	-
Extracurricular activities	-	-	-
Grantor restrictions	-	2,135	-
Capital project funds	-	-	-
Unassigned funds	(2,914)	-	-
	<hr/>	<hr/>	<hr/>
Total fund balance	(2,914)	2,135	-
Total liabilities and fund balances	\$ -	\$ 2,135	\$ -

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING BALANCE SHEET
NONMAJOR FUNDS
JUNE 30, 2024

	GRADS Plus 28208	NM Schools COVID-19 28211	NMDVR 28215
ASSETS			
Cash on deposit	\$ 2,205	\$ -	\$ -
Investments	-	-	-
Intergovernmental receivable	-	-	-
Prepaid items	-	-	-
Inventory, at cost	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	\$ 2,205	\$ -	\$ -
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ 11,484	\$ -
Due to other funds	-	-	11,118
Accrued payroll	2,205	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	2,205	11,484	11,118
Total liabilities and deferred inflows	2,205	11,484	11,118
Fund balances:			
Nonspendable - inventory	-	-	-
Restricted reported in:			
Food services	-	-	-
Extracurricular activities	-	-	-
Grantor restrictions	-	-	-
Capital project funds	-	-	-
Unassigned funds	-	(11,484)	(11,118)
	<hr/>	<hr/>	<hr/>
Total fund balance	-	(11,484)	(11,118)
Total liabilities and fund balances	\$ 2,205	\$ -	\$ -

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING BALANCE SHEET
NONMAJOR FUNDS
JUNE 30, 2024

	Kitchen Infrastructure 28221	Private Direct Grant (APEX Education) 29102	City/County Grants 29107
ASSETS			
Cash on deposit	\$ -	\$ 119,022	\$ 4,915
Investments	-	-	-
Intergovernmental receivable	121,105	-	19,183
Prepaid items	-	-	-
Inventory, at cost	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	\$ 121,105	\$ 119,022	\$ 24,098
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ 7,664	\$ -
Due to other funds	147,932	-	4,924
Accrued payroll	-	-	4,914
	<hr/>	<hr/>	<hr/>
Total liabilities	147,932	7,664	9,838
	<hr/>	<hr/>	<hr/>
Total liabilities and deferred inflows	147,932	7,664	9,838
Fund balances:			
Nonspendable - inventory	-	-	-
Restricted reported in:			
Food services	-	-	-
Extracurricular activities	-	-	-
Grantor restrictions	-	111,358	14,260
Capital project funds	-	-	-
Unassigned funds	(26,827)	-	-
	<hr/>	<hr/>	<hr/>
Total fund balance	(26,827)	111,358	14,260
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	\$ 121,105	\$ 119,022	\$ 24,098
	<hr/>	<hr/>	<hr/>

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING BALANCE SHEET
NONMAJOR FUNDS
JUNE 30, 2024

	Total Nonmajor Special Revenue Funds	Public School Capital Outlay 31200
ASSETS		
Cash on deposit	\$ 7,566,564	\$ 2,029,656
Investments	-	1,358,929
Intergovernmental receivable	5,391,342	-
Prepaid items	2,672	-
Inventory, at cost	18,773	-
	<hr/>	<hr/>
Total assets	\$ 12,979,351	\$ 3,388,585
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 951,445	\$ 82,726
Due to other funds	4,220,772	-
Accrued payroll	980,430	-
	<hr/>	<hr/>
Total liabilities	6,152,647	82,726
Total liabilities and deferred inflows	6,152,647	82,726
Fund balances:		
Nonspendable - inventory	18,773	-
Restricted reported in:		
Food services	2,926,932	-
Extracurricular activities	2,919,136	-
Grantor restrictions	2,102,976	-
Capital project funds	-	3,305,859
Unassigned funds	(1,141,113)	-
	<hr/>	<hr/>
Total fund balance	6,826,704	3,305,859
Total liabilities and fund balances	\$ 12,979,351	\$ 3,388,585

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING BALANCE SHEET
NONMAJOR FUNDS
JUNE 30, 2024

	Special Capital Outlay - Local 31300	Special Capital Outlay - State 31400	SB - 9 Match 31703
ASSETS			
Cash on deposit	\$ 57,530	\$ -	\$ 1,030,805
Investments	38,519	-	690,162
Intergovernmental receivable	-	149,352	-
Prepaid items	-	-	-
Inventory, at cost	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	\$ 96,049	\$ 149,352	\$ 1,720,967
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ 8,749	\$ 46,817
Due to other funds	-	149,312	-
Accrued payroll	-	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	<hr/> -	<hr/> 158,061	<hr/> 46,817
Total liabilities and deferred inflows	-	158,061	46,817
Fund balances:			
Nonspendable - inventory	-	-	-
Restricted reported in:			
Food services	-	-	-
Extracurricular activities	-	-	-
Grantor restrictions	-	-	-
Capital project funds	96,049	-	1,674,150
Unassigned funds	-	(8,709)	-
	<hr/>	<hr/>	<hr/>
Total fund balance	96,049	(8,709)	1,674,150
Total liabilities and fund balances	\$ 96,049	\$ 149,352	\$ 1,720,967

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING BALANCE SHEET
NONMAJOR FUNDS
JUNE 30, 2024

	Public School Capital Outlay 20% 32100	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash on deposit	\$ -	\$ 3,117,991	\$ 10,684,555
Investments	-	2,087,610	2,087,610
Intergovernmental receivable	-	149,352	5,540,694
Prepaid items	-	-	2,672
Inventory, at cost	-	-	18,773
	<hr/>	<hr/>	<hr/>
Total assets	\$ -	\$ 5,354,953	\$ 18,334,304
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ 138,292	\$ 1,089,737
Due to other funds	-	149,312	4,370,084
Accrued payroll	-	-	980,430
	<hr/>	<hr/>	<hr/>
Total liabilities	-	287,604	6,440,251
	<hr/>	<hr/>	<hr/>
Total liabilities and deferred inflows	-	287,604	6,440,251
Fund balances:			
Nonspendable - inventory	-	-	18,773
Restricted reported in:			
Food services	-	-	2,926,932
Extracurricular activities	-	-	2,919,136
Grantor restrictions	-	-	2,102,976
Capital project funds	-	5,076,058	5,076,058
Unassigned funds	-	(8,709)	(1,149,822)
	<hr/>	<hr/>	<hr/>
Total fund balance	-	5,067,349	11,894,053
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	\$ -	\$ 5,354,953	\$ 18,334,304
	<hr/>	<hr/>	<hr/>

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS (CONTINUED)
JUNE 30, 2024

	Food Service 21000	Universal Free Meals 21100	Athletics 22000
REVENUES:			
Property taxes	\$ -	\$ -	\$ -
Federal sources	5,517,316	-	252,453
State sources	-	4,196,741	-
Contributions - private grants	-	-	40,453
Payments in lieu of taxes	-	-	-
Charge for services	310,553	-	-
Investment and interest income	-	-	-
Miscellaneous	-	-	-
Total revenues	5,827,869	4,196,741	292,906
EXPENDITURES:			
Current:			
Instruction	-	-	148,114
Support Services			
Students	-	-	-
Instruction	-	-	-
General administration	-	-	-
School administration	-	-	-
Central services	-	-	-
Operation and maintenance	-	-	-
Student transportation	-	-	-
Food services operations	6,444,500	2,391,914	-
Capital outlay	2,332,708	-	30,909
Total expenditures	8,777,208	2,391,914	179,023
<i>Excess (deficiency) of revenues over expenditures</i>	(2,949,339)	1,804,827	113,883
Other financing sources & uses:			
Transfer out	-	-	-
Total other financing sources & uses	-	-	-
Net changes in fund balances	(2,949,339)	1,804,827	113,883
Fund balance - beginning	4,090,217	-	296,321
Fund balance - end of year	<u>\$ 1,140,878</u>	<u>\$ 1,804,827</u>	<u>\$ 410,204</u>

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS (CONTINUED)
JUNE 30, 2024

	Non- Instructional Support Fund 23000	Title I - IASA 24101	Entitlement IDEA - B 24106
REVENUES:			
Property taxes	\$ -	\$ -	\$ -
Federal sources	-	2,081,357	5,328,494
State sources	-	-	-
Contributions - private grants	196,279	-	-
Payments in lieu of taxes	-	-	-
Charge for services	3,932,516	-	-
Investment and interest income	631		
Miscellaneous	420	-	-
	<hr/>	<hr/>	<hr/>
Total revenues	4,129,846	2,081,357	5,328,494
EXPENDITURES:			
Current:			
Instruction	3,897,706	2,144,031	3,100,418
Support Services			
Students	-	-	92,106
Instruction	-	-	-
General administration	-	3,103	419,040
School administration	-	-	46,781
Central services	-	-	-
Operation and maintenance	-	-	-
Student transportation	-	-	-
Food services operations	-	-	-
Capital outlay	46,529	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	3,944,235	2,147,134	3,658,345
	<hr/>	<hr/>	<hr/>
<i>Excess (deficiency) of revenues over expenditures</i>	185,611	(65,777)	1,670,149
Other financing sources & uses:			
Transfer out	(221,503)	-	-
	<hr/>	<hr/>	<hr/>
Total other financing sources & uses	(221,503)	-	-
Net changes in fund balances	(35,892)	(65,777)	1,670,149
Fund balance - beginning	2,544,824	(805)	(1,775,780)
	<hr/>	<hr/>	<hr/>
Fund balance - end of year	\$ 2,508,932	\$ (66,582)	\$ (105,631)
	<hr/>	<hr/>	<hr/>

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS (CONTINUED)
JUNE 30, 2024

	Preschool IDEA-B 24109	Education of Homeless 24113	Private Schools Share IDEA-B 24115
REVENUES:			
Property taxes	\$ -	\$ -	\$ -
Federal sources	71,107	22,860	15,334
State sources	-	-	-
Contributions - private grants	-	-	-
Payments in lieu of taxes	-	-	-
Charge for services	-	-	-
Investment and interest income	-	-	-
Miscellaneous	-	-	-
Total revenues	71,107	22,860	15,334
EXPENDITURES:			
Current:			
Instruction	70,492	-	14,506
Support Services			
Students	-	21,513	-
Instruction	-	-	-
General administration	3,645	976	828
School administration	-	-	-
Central services	-	-	-
Operation and maintenance	-	-	-
Student transportation	-	-	-
Food services operations	-	-	-
Capital outlay	-	-	-
Total expenditures	74,137	22,489	15,334
<i>Excess (deficiency) of revenues over expenditures</i>	(3,030)	371	-
Other financing sources & uses:			
Transfer out	-	-	-
Total other financing sources & uses	-	-	-
Net changes in fund balances	(3,030)	371	-
Fund balance - beginning	(282)	(4,709)	-
Fund balance - end of year	\$ (3,312)	\$ (4,338)	\$ -

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS (CONTINUED)
JUNE 30, 2024

	Fresh Fruit & vegetables 24118	Leadership - Voc Ed 24139	Title III - English Language 24153
REVENUES:			
Property taxes	\$ -	\$ -	\$ -
Federal sources	94,533	-	200,695
State sources	-	-	-
Contributions - private grants	-	-	-
Payments in lieu of taxes	-	-	-
Charge for services	-	-	-
Investment and interest income	-	-	-
Miscellaneous	-	-	-
Total revenues	94,533	-	200,695
EXPENDITURES:			
Current:			
Instruction	-	-	-
Support Services			
Students	-	-	-
Instruction	-	-	69,924
General administration	3,074	-	3,571
School administration	-	-	-
Central services	-	-	-
Operation and maintenance	-	-	-
Student transportation	-	-	-
Food services operations	56,917	-	-
Capital outlay	-	-	-
Total expenditures	59,991	-	73,495
<i>Excess (deficiency) of revenues over expenditures</i>	34,542	-	127,200
Other financing sources & uses:			
Transfer out	-	-	-
Total other financing sources & uses	-	-	-
Net changes in fund balances	34,542	-	127,200
Fund balance - beginning	(42,803)	(922)	(129,770)
Fund balance - end of year	\$ (8,261)	\$ (922)	\$ (2,570)

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS (CONTINUED)
JUNE 30, 2024

	Teacher Principal Training & Recruiting 24154	Carl D Perkins Culinary 24174	Carl D Perkins Secondary 24176
REVENUES:			
Property taxes	\$ -	\$ -	\$ -
Federal sources	-	129,421	9,309
State sources	-	-	-
Contributions - private grants	-	-	-
Payments in lieu of taxes	-	-	-
Charge for services	511,603	-	-
Investment and interest income	-	-	-
Miscellaneous	-	-	-
Total revenues	511,603	129,421	9,309
EXPENDITURES:			
Current:			
Instruction	387,904	108,335	-
Support Services			
Students	97,574	-	-
Instruction	-	-	-
General administration	39,435	11,598	9,309
School administration	-	-	-
Central services	-	-	-
Operation and maintenance	-	-	-
Student transportation	-	-	-
Food services operations	-	-	-
Capital outlay	-	8,446	-
Total expenditures	524,913	128,379	9,309
<i>Excess (deficiency) of revenues over expenditures</i>	(13,310)	1,042	-
Other financing sources & uses:			
Transfer out	-	-	-
Total other financing sources & uses	-	-	-
Net changes in fund balances	(13,310)	1,042	-
Fund balance - beginning	-	-	(244)
Fund balance - end of year	\$ (13,310)	\$ 1,042	\$ (244)

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS (CONTINUED)
JUNE 30, 2024

	Title IV Student Supp. Academic Achievement 24189	CARES Act Education Stabilization 24301	CRSSA- ESSER II 24308
REVENUES:			
Property taxes	\$ -	\$ -	\$ -
Federal sources	-	17,500	-
State sources	-	-	-
Contributions - private grants	-	-	-
Payments in lieu of taxes	-	-	-
Charge for services	118,717	-	101,969
Investment and interest income	-	-	-
Miscellaneous	-	-	-
Total revenues	118,717	17,500	101,969
EXPENDITURES:			
Current:			
Instruction	116,455	-	5,508
Support Services			
Students	-	-	86,960
Instruction	-	-	-
General administration	6,083	-	-
School administration	-	-	-
Central services	-	-	-
Operation and maintenance	-	-	5,750
Student transportation	-	-	-
Food services operations	-	-	-
Capital outlay	-	-	-
Total expenditures	122,538	-	98,218
<i>Excess (deficiency) of revenues over expenditures</i>	(3,821)	17,500	3,751
Other financing sources & uses:			
Transfer out	-	-	-
Total other financing sources & uses	-	-	-
Net changes in fund balances	(3,821)	17,500	3,751
Fund balance - beginning	-	(17,500)	(3,751)
Fund balance - end of year	\$ (3,821)	\$ -	\$ -

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS (CONTINUED)
JUNE 30, 2024

	ESSER Social Emotional Learning 24309	ARP ESSER III 24330	ESSER III Near Peer Tutoring 24333
REVENUES:			
Property taxes	\$ -	\$ -	\$ -
Federal sources	20,580	4,350,727	53,189
State sources	-	-	-
Contributions - private grants	-	-	-
Payments in lieu of taxes	-	-	-
Charge for services	-	-	-
Investment and interest income	-	-	-
Miscellaneous	-	-	-
Total revenues	20,580	4,350,727	53,189
EXPENDITURES:			
Current:			
Instruction	-	1,741,224	49,285
Support Services			
Students	-	113,232	-
Instruction	-	-	-
General administration	20,039	221,819	-
School administration	-	-	-
Central services	-	263,319	-
Operation and maintenance	-	21,250	3,904
Student transportation	-	-	-
Food services operations	-	-	-
Capital outlay	-	1,922,586	-
Total expenditures	20,039	4,283,430	53,189
<i>Excess (deficiency) of revenues over expenditures</i>	541	67,297	-
Other financing sources & uses:			
Transfer out	-	-	-
Total other financing sources & uses	-	-	-
Net changes in fund balances	541	67,297	-
Fund balance - beginning	(541)	(761,082)	-
Fund balance - end of year	\$ -	\$ (693,785)	\$ -

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS (CONTINUED)
JUNE 30, 2024

	Out of School Time 24341	ARP SPED 24346	ARPA Homeless Children 24350
REVENUES:			
Property taxes	\$ -	\$ -	\$ -
Federal sources	124,368	1,716	1,343
State sources	-	-	-
Contributions - private grants	-	-	-
Payments in lieu of taxes	-	-	-
Charge for services	-	-	-
Investment and interest income	-	-	-
Miscellaneous	-	-	-
Total revenues	124,368	1,716	1,343
EXPENDITURES:			
Current:			
Instruction	124,368	1,628	-
Support Services			
Students	-	-	1,275
Instruction	-	-	-
General administration	-	88	68
School administration	-	-	-
Central services	-	-	-
Operation and maintenance	-	-	-
Student transportation	-	-	-
Food services operations	-	-	-
Capital outlay	-	-	-
Total expenditures	124,368	1,716	1,343
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-
Other financing sources & uses:			
Transfer out	-	-	-
Total other financing sources & uses	-	-	-
Net changes in fund balances	-	-	-
Fund balance - beginning	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS (CONTINUED)
JUNE 30, 2024

	Homeless Children ESSER II 24355	Title XIX Medicaid 3/21 Years 25153	Indian Education 25184
REVENUES:			
Property taxes	\$ -	\$ -	\$ -
Federal sources	29,338	5,126,778	166,442
State sources	-	-	-
Contributions - private grants	-	-	-
Payments in lieu of taxes	-	-	-
Charge for services	-	-	-
Investment and interest income	-	-	-
Miscellaneous	-	-	-
Total revenues	29,338	5,126,778	166,442
EXPENDITURES:			
Current:			
Instruction	27,833	735,826	89,596
Support Services			
Students	-	3,513,279	33,396
Instruction	-	-	-
General administration	1,505	650,972	48,173
School administration	-	73,794	-
Central services	-	-	-
Operation and maintenance	-	-	-
Student transportation	-	140,301	-
Food services operations	-	-	-
Capital outlay	-	12,435	-
Total expenditures	29,338	5,126,607	171,165
<i>Excess (deficiency) of revenues over expenditures</i>	-	171	(4,723)
Other financing sources & uses:			
Transfer out	-	-	-
Total other financing sources & uses	-	-	-
Net changes in fund balances	-	171	(4,723)
Fund balance - beginning	-	1,649,329	607
Fund balance - end of year	\$ -	\$ 1,649,500	\$ (4,116)

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS (CONTINUED)
JUNE 30, 2024

	School Nurse 25275	REC/District Fiscal Agent 26107	LANL Foundation 26113
REVENUES:			
Property taxes	\$ -	\$ -	\$ -
Federal sources	-	-	-
State sources	-	-	-
Contributions - private grants	-	-	-
Payments in lieu of taxes	-	-	-
Charge for services	-	-	-
Investment and interest income			
Miscellaneous	-	-	-
	<hr/>	<hr/>	<hr/>
Total revenues	-	-	-
EXPENDITURES:			
Current:			
Instruction	-	-	-
Support Services			
Students	-	-	-
Instruction	-	-	-
General administration	-	-	-
School administration	-	-	-
Central services	-	-	-
Operation and maintenance	-	-	-
Student transportation	-	-	-
Food services operations	-	-	-
Capital outlay	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	-	-	-
	<hr/>	<hr/>	<hr/>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-
Other financing sources & uses:			
Transfer out	-	-	-
	<hr/>	<hr/>	<hr/>
Total other financing sources & uses	-	-	-
Net changes in fund balances	-	-	-
Fund balance - beginning	<hr/> (76,535)	<hr/> 5,110	<hr/> 50
Fund balance - end of year	<hr/> \$ (76,535)	<hr/> \$ 5,110	<hr/> \$ 50

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS (CONTINUED)
JUNE 30, 2024

	Intel Foundation 26116	Rio Rancho Education Foundation 26171	CNM Foundation 26207
REVENUES:			
Property taxes	\$ -	\$ -	\$ -
Federal sources	-	-	-
State sources	-	-	-
Contributions - private grants	-	-	-
Payments in lieu of taxes	-	-	-
Charge for services	46,092	-	13,000
Investment and interest income	-	-	-
Miscellaneous	-	-	-
Total revenues	46,092	-	13,000
EXPENDITURES:			
Current:			
Instruction	18,533	47	12,969
Support Services			
Students	-	-	-
Instruction	-	2,639	-
General administration	-	-	-
School administration	-	-	-
Central services	19,993	-	-
Operation and maintenance	-	-	-
Student transportation	-	-	-
Food services operations	-	-	-
Capital outlay	-	-	-
Total expenditures	38,526	2,686	12,969
<i>Excess (deficiency) of revenues over expenditures</i>	7,566	(2,686)	31
Other financing sources & uses:			
Transfer out	-	-	-
Total other financing sources & uses	-	-	-
Net changes in fund balances	7,566	(2,686)	31
Fund balance - beginning	32,195	22,041	40
Fund balance - end of year	\$ 39,761	\$ 19,355	\$ 71

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS (CONTINUED)
JUNE 30, 2024

	Emergency Connectivity 26222	Dual Credit Instructional Materials 27103	GoBond Student Library SB-66 27107
REVENUES:			
Property taxes	\$ 2	\$ -	\$ -
Federal sources	-	-	-
State sources	-	-	-
Contributions - private grants	-	-	-
Payments in lieu of taxes	-	-	116,842
Charge for services	-	-	-
Investment and interest income			
Miscellaneous	-	-	-
Total revenues	2	-	116,842
EXPENDITURES:			
Current:			
Instruction	-	-	-
Support Services			
Students	-	-	-
Instruction	-	-	116,842
General administration	-	-	-
School administration	-	-	-
Central services	-	-	-
Operation and maintenance	-	-	-
Student transportation	-	-	-
Food services operations	-	-	-
Capital outlay	-	-	-
Total expenditures	-	-	116,842
<i>Excess (deficiency) of revenues over expenditures</i>	2	-	-
Other financing sources & uses:			
Transfer out	-	-	-
Total other financing sources & uses	-	-	-
Net changes in fund balances	2	-	-
Fund balance - beginning	-	221	-
Fund balance - end of year	\$ 2	\$ 221	\$ -

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS (CONTINUED)
JUNE 30, 2024

	2019/2020 Instructional Material Initial Distributions 27109	Pre-K Initiative 27149	Indian Education Act 27150
REVENUES:			
Property taxes	\$ -	\$ -	\$ -
Federal sources	-	-	-
State sources	-	2,072,096	4,859
Contributions - private grants	-	-	-
Payments in lieu of taxes	260,111	-	-
Charge for services	-	-	-
Investment and interest income	-	-	-
Miscellaneous	-	-	-
Total revenues	260,111	2,072,096	4,859
EXPENDITURES:			
Current:			
Instruction	-	2,004,349	4,859
Support Services			
Students	-	-	-
Instruction	-	500	-
General administration	-	-	-
School administration	-	-	-
Central services	-	-	-
Operation and maintenance	-	-	-
Student transportation	-	149,493	-
Food services operations	-	-	-
Capital outlay	-	-	-
Total expenditures	-	2,154,342	4,859
<i>Excess (deficiency) of revenues over expenditures</i>	260,111	(82,246)	-
Other financing sources & uses:			
Transfer out	-	-	-
Total other financing sources & uses	-	-	-
Net changes in fund balances	260,111	(82,246)	-
Fund balance - beginning	-	-	(250)
Fund balance - end of year	\$ 260,111	\$ (82,246)	\$ (250)

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS (CONTINUED)
JUNE 30, 2024

	Capital Appropriation Project 27178	New Mexico Grown 27183	School Bus Cameras 27405
REVENUES:			
Property taxes	\$ -	\$ -	\$ -
Federal sources	-	-	-
State sources	104,444	-	42,465
Contributions - private grants	-	-	-
Payments in lieu of taxes	-	97,612	-
Charge for services	-	-	-
Investment and interest income	-	-	-
Miscellaneous	-	-	-
Total revenues	104,444	97,612	42,465
EXPENDITURES:			
Current:			
Instruction	-	-	-
Support Services			
Students	-	-	-
Instruction	-	97,612	-
General administration	-	-	-
School administration	-	-	-
Central services	-	-	-
Operation and maintenance	-	-	-
Student transportation	-	-	42,465
Food services operations	-	-	-
Capital outlay	104,444	-	-
Total expenditures	104,444	97,612	42,465
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-
Other financing sources & uses:			
Transfer out	-	-	-
Total other financing sources & uses	-	-	-
Net changes in fund balances	-	-	-
Fund balance - beginning	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS (CONTINUED)
JUNE 30, 2024

	Next Gen CTE 27502	Innovation Zone Initiative 27552	CTE Junior Bill 1 27570
REVENUES:			
Property taxes	\$ -	\$ -	\$ -
Federal sources	-	-	-
State sources	207,977	753,802	428,371
Contributions - private grants	-	-	-
Payments in lieu of taxes	-	-	-
Charge for services	-	-	-
Investment and interest income			
Miscellaneous	-	-	-
Total revenues	207,977	753,802	428,371
EXPENDITURES:			
Current:			
Instruction	212,657	270,063	257,761
Support Services			
Students	-	-	-
Instruction	-	-	-
General administration	-	-	-
School administration	-	-	-
Central services	-	-	-
Operation and maintenance	-	-	-
Student transportation	-	-	-
Food services operations	-	-	-
Capital outlay	-	483,739	170,610
Total expenditures	212,657	753,802	428,371
<i>Excess (deficiency) of revenues over expenditures</i>	(4,680)	-	-
Other financing sources & uses:			
Transfer out	-	-	-
Total other financing sources & uses	-	-	-
Net changes in fund balances	(4,680)	-	-
Fund balance - beginning	-	-	-
Fund balance - end of year	\$ (4,680)	\$ -	\$ -

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS (CONTINUED)
JUNE 30, 2024

	CTE Junior Bill 2 27571	Bilingual Multicultural Education Act 27575	Behavioral Health Supports 27583
REVENUES:			
Property taxes	\$ -	\$ -	\$ -
Federal sources	-	-	-
State sources	114,961	38,291	21,827
Contributions - private grants	-	-	-
Payments in lieu of taxes	-	-	-
Charge for services	-	-	-
Investment and interest income			
Miscellaneous	-	-	-
Total revenues	114,961	38,291	21,827
EXPENDITURES:			
Current:			
Instruction	30,563	38,291	-
Support Services			
Students	-	-	21,827
Instruction	-	-	-
General administration	-	-	-
School administration	-	-	-
Central services	-	-	-
Operation and maintenance	-	-	-
Student transportation	-	-	-
Food services operations	-	-	-
Capital outlay	84,398	-	-
Total expenditures	114,961	38,291	21,827
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-
Other financing sources & uses:			
Transfer out	-	-	-
Total other financing sources & uses	-	-	-
Net changes in fund balances	-	-	-
Fund balance - beginning	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS (CONTINUED)
JUNE 30, 2024

	Attendance Success Initiative 27584	Improving ED/Cultural Outcomes for NAS 27901	Indigenous Education Initiative 27906
REVENUES:			
Property taxes	\$ -	\$ -	\$ -
Federal sources	-	-	-
State sources	172,572	161,745	192,126
Contributions - private grants	-	-	-
Payments in lieu of taxes	-	-	-
Charge for services	-	-	-
Investment and interest income	-	-	-
Miscellaneous	-	-	-
Total revenues	172,572	161,745	192,126
EXPENDITURES:			
Current:			
Instruction	-	164,807	200,001
Support Services			
Students	173,388	-	-
Instruction	6,414	-	-
General administration	-	-	-
School administration	-	-	-
Central services	-	-	-
Operation and maintenance	-	-	-
Student transportation	-	-	-
Food services operations	-	-	-
Capital outlay	-	-	-
Total expenditures	179,802	164,807	200,001
<i>Excess (deficiency) of revenues over expenditures</i>	(7,230)	(3,062)	(7,875)
Other financing sources & uses:			
Transfer out	-	-	-
Total other financing sources & uses	-	-	-
Net changes in fund balances	(7,230)	(3,062)	(7,875)
Fund balance - beginning	-	-	-
Fund balance - end of year	<u>\$ (7,230)</u>	<u>\$ (3,062)</u>	<u>\$ (7,875)</u>

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS (CONTINUED)
JUNE 30, 2024

	GRADS Instruction 28190	GRADS Plus 28203	New Mexico Child Care Health and Safety 28207
REVENUES:			
Property taxes	\$ -	\$ -	\$ -
Federal sources	-	-	-
State sources	8,762	-	-
Contributions - private grants	-	-	-
Payments in lieu of taxes	-	-	-
Charge for services	-	-	-
Investment and interest income	-	-	-
Miscellaneous	-	-	-
Total revenues	8,762	-	-
EXPENDITURES:			
Current:			
Instruction	9,416	-	2,500
Support Services			
Students	576	-	-
Instruction	-	-	-
General administration	-	-	-
School administration	-	-	-
Central services	-	-	-
Operation and maintenance	-	-	-
Student transportation	-	-	-
Food services operations	-	-	-
Capital outlay	-	-	-
Total expenditures	9,992	-	2,500
<i>Excess (deficiency) of revenues over expenditures</i>	(1,230)	-	(2,500)
Other financing sources & uses:			
Transfer out	-	-	-
Total other financing sources & uses	-	-	-
Net changes in fund balances	(1,230)	-	(2,500)
Fund balance - beginning	(1,684)	2,135	2,500
Fund balance - end of year	\$ (2,914)	\$ 2,135	\$ -

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS (CONTINUED)
JUNE 30, 2024

	GRADS Plus 28208	NM Schools COVID-19 28211	NMDVR 28215
REVENUES:			
Property taxes	\$ -	\$ -	\$ -
Federal sources	-	-	-
State sources	-	-	50,623
Contributions - private grants	-	-	-
Payments in lieu of taxes	-	-	-
Charge for services	-	-	-
Investment and interest income			
Miscellaneous	-	-	10,687
	<hr/>	<hr/>	<hr/>
Total revenues	-	-	61,310
EXPENDITURES:			
Current:			
Instruction	-	-	48,816
Support Services			
Students	-	-	344
Instruction	-	-	-
General administration	-	-	1,150
School administration	-	11,484	-
Central services	-	-	-
Operation and maintenance	-	-	-
Student transportation	33,788	-	-
Food services operations	-	-	-
Capital outlay	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	33,788	11,484	50,310
	<hr/>	<hr/>	<hr/>
<i>Excess (deficiency) of revenues over expenditures</i>	(33,788)	(11,484)	11,000
Other financing sources & uses:			
Transfer out	-	-	-
	<hr/>	<hr/>	<hr/>
Total other financing sources & uses	-	-	-
Net changes in fund balances	(33,788)	(11,484)	11,000
Fund balance - beginning	33,788	-	(22,118)
	<hr/>	<hr/>	<hr/>
Fund balance - end of year	\$ -	\$ (11,484)	\$ (11,118)
	<hr/>	<hr/>	<hr/>

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS (CONTINUED)
JUNE 30, 2024

	Kitchen Infrastructure 28221	Private Direct Grant (APEX Education) 29102	City/County Grants 29107
REVENUES:			
Property taxes	\$ -	\$ -	\$ -
Federal sources	-	-	-
State sources	37,480	-	-
Contributions - private grants	-	88,592	-
Payments in lieu of taxes	-	-	-
Charge for services	-	17,760	45,944
Investment and interest income			
Miscellaneous	121,105	-	23,183
Total revenues	158,585	106,352	69,127
EXPENDITURES:			
Current:			
Instruction	-	52,597	90,992
Support Services			
Students	-	1,950	-
Instruction	-	41,509	-
General administration	-	13,017	-
School administration	-	-	-
Central services	-	-	-
Operation and maintenance	-	-	-
Student transportation	-	-	-
Food services operations	94,918	-	-
Capital outlay	90,494	-	-
Total expenditures	185,412	109,073	90,992
<i>Excess (deficiency) of revenues over expenditures</i>	(26,827)	(2,721)	(21,865)
Other financing sources & uses:			
Transfer out	-	-	-
Total other financing sources & uses	-	-	-
Net changes in fund balances	(26,827)	(2,721)	(21,865)
Fund balance - beginning	-	114,079	36,125
Fund balance - end of year	\$ (26,827)	\$ 111,358	\$ 14,260

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS (CONTINUED)
JUNE 30, 2024

	Total Nonmajor Special Revenue Funds	Public School Capital Outlay 31200	Special Capital Outlay - Local 31300
REVENUES:			
Property taxes	\$ 2	\$ -	\$ -
Federal sources	23,614,860	-	-
State sources	8,609,142	1,787,787	-
Contributions - private grants	325,324	-	-
Payments in lieu of taxes	474,565	-	-
Charge for services	5,098,154	-	-
Investment and interest income	631	12,668	5,450
Miscellaneous	155,395	-	-
Total revenues	38,278,073	1,800,455	5,450
EXPENDITURES:			
Current:			
Instruction	16,182,450	-	-
Support Services			
Students	4,157,420	-	-
Instruction	335,440	-	-
General administration	1,457,493	-	-
School administration	132,059	-	-
Central services	283,312	-	-
Operation and maintenance	30,904	806,743	23,901
Student transportation	366,047	-	-
Food services operations	8,988,249	-	-
Capital outlay	5,287,298	43,790	1,095,597
Total expenditures	37,220,672	850,533	1,119,498
<i>Excess (deficiency) of revenues over expenditures</i>	1,057,401	949,922	(1,114,048)
Other financing sources & uses:			
Transfer out	(221,503)	-	-
Total other financing sources & uses	(221,503)	-	-
Net changes in fund balances	835,898	949,922	(1,114,048)
Fund balance - beginning	5,990,806	2,355,937	1,210,097
Fund balance - end of year	\$ 6,826,704	\$ 3,305,859	\$ 96,049

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS (CONTINUED)
JUNE 30, 2024

	Special Capital Outlay - State 31400	SB - 9 Match 31703	Public School Capital Outlay 20% 32100
REVENUES:			
Property taxes	\$ -	\$ -	\$ -
Federal sources	-	-	-
State sources	1,367,826	2,474,718	333,696
Contributions - private grants	-	-	-
Payments in lieu of taxes	-	-	-
Charge for services	-	-	-
Investment and interest income		2,819	
Miscellaneous	-	-	-
Total revenues	1,367,826	2,477,537	333,696
EXPENDITURES:			
Current:			
Instruction	-	-	-
Support Services			
Students	-	-	-
Instruction	-	-	-
General administration	-	-	-
School administration	-	-	-
Central services	-	-	-
Operation and maintenance	795,454	355,602	333,696
Student transportation	-	-	-
Food services operations	-	-	-
Capital outlay	581,121	465,935	-
Total expenditures	1,376,575	821,537	333,696
<i>Excess (deficiency) of revenues over expenditures</i>	(8,749)	1,656,000	-
Other financing sources & uses:			
Transfer out	-	-	-
Total other financing sources & uses	-	-	-
Net changes in fund balances	(8,749)	1,656,000	-
Fund balance - beginning	40	18,150	-
Fund balance - end of year	\$ (8,709)	\$ 1,674,150	\$ -

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS (CONTINUED)
JUNE 30, 2024

	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES:		
Property taxes	\$ -	\$ 2
Federal sources	-	23,614,860
State sources	5,964,027	14,573,169
Contributions - private grants	-	325,324
Payments in lieu of taxes	-	474,565
Charge for services	-	5,098,154
Investment and interest income	20,937	21,568
Miscellaneous	-	155,395
	<hr/>	<hr/>
Total revenues	5,984,964	44,263,037
EXPENDITURES:		
Current:		
Instruction	-	16,182,450
Support Services		
Students	-	4,157,420
Instruction	-	335,440
General administration	-	1,457,493
School administration	-	132,059
Central services	-	283,312
Operation and maintenance	2,315,396	2,346,300
Student transportation	-	366,047
Food services operations	-	8,988,249
Capital outlay	2,186,443	7,473,741
	<hr/>	<hr/>
Total expenditures	4,501,839	41,722,511
	<hr/>	<hr/>
<i>Excess (deficiency) of revenues over expenditures</i>	1,483,125	2,540,526
Other financing sources & uses:		
Transfer out	-	(221,503)
Total other financing sources & uses	-	(221,503)
	<hr/>	<hr/>
Net changes in fund balances	1,483,125	2,319,023
Fund balance - beginning	3,584,224	9,575,030
	<hr/>	<hr/>
Fund balance - end of year	\$ 5,067,349	\$ 11,894,053
	<hr/>	<hr/>

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
SCHEDULE OF BOND MATURITIES
JUNE 30, 2024

Bond/Note Issue	Year (s) Ending June 30,	Due During Fiscal Year 2025					
		Principal	Interest	Total	Avg Interest Rates	Principal	Interest
GO Series 2012	2025	\$ 2,300,000	\$ 23,000	\$,323,000	2.000 %	\$ 2,300,000	\$ 23,000
October 30, 2012	2026	-	-	-		-	-
Original Amount	2027	-	-	-		-	-
\$13,355,000	2028	-	-	-		-	-
Refunding Component	2029	-	-	-		-	-
of Bond Callable	2030-2034	-	-	-		-	-
Aug 1, 2022	2035-2036	-	-	-		-	-
	Total	\$ 2,300,000	\$ 23,000	\$,323,000		\$ 2,300,000	\$ 23,000
GO Series 2014	2025	\$ 4,000,000	\$ 118,000	\$,118,000	3.000 %	\$ 4,000,000	\$ 76,500
September 22, 2014	2026	1,100,000	41,500	,141,500	3.000 %	-	29,000
Original Amount	2027	1,000,000	12,500	,012,500	2.500 %	-	12,500
\$21,255,000	2028	-	-	-		-	-
Refunding Component	2029	-	-	-		-	-
of Bond Callable	2030-2034	-	-	-		-	-
Aug 1, 2023	2035-2036	-	-	-		-	-
	Total	\$ 6,100,000	\$ 172,000	\$,272,000		\$ 4,000,000	\$ 118,000
GO Series 2015	2025	\$ 1,000,000	\$ 240,800	\$,240,800	4.000 %	\$ 1,000,000	\$ 60,500
November 30, 2015	2026	2,700,000	180,300	,880,300	3.000 %	-	72,000
Original Amount	2027	2,800,000	108,300	,908,300	2.250 %	-	69,900
\$19,960,000	2028	2,560,000	38,400	,598,400	3.000 %	-	38,400
Refunding Component	2029	-	-	-		-	-
of Bond Callable	2030-2034	-	-	-		-	-
Aug 1, 2024	2035-2036	-	-	-		-	-
	Total	\$ 9,060,000	\$ 9,060,000	\$,060,000		\$ 1,000,000	\$ 240,800
GO Series 2016A	2025	\$ 900,000	\$ 206,344	\$,106,344	5.000 %	\$ 900,000	\$ 45,300
December 20, 2016	2026	1,520,000	161,044	,681,044	3.000 %	-	45,525
Original Amount	2027	1,515,000	115,519	,630,519	3.000 %	-	45,450
\$14,160,000	2028	1,515,000	70,069	,585,069	3.000 %	-	46,397
Non- Refunding Bond	2029	1,515,000	23,672	,538,672	3.125 %	-	23,672
Callable Aug 1, 2025	2030-2034	-	-	-		-	-
	2035-2036	-	-	-		-	-
	Total	\$ 6,965,000	\$ 6,965,000	\$,965,000		\$ 900,000	\$ 206,344

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
SCHEDULE OF BOND MATURITIES
JUNE 30, 2024

Bond/Note Issue	Year (s) Ending June 30,	Due During Fiscal Year 2025					
		Principal	Interest	Total	Avg Interest Rates	Principal	Interest
GO Series 2017A	2025	\$ 800,000	\$ 339,344	\$ 1,139,344	4.000 %	\$ 800,000	\$ 61,000
October 17, 2017	2026	1,800,000	278,344	2,078,344	5.000 %	-	90,000
Original Amount	2027	1,800,000	188,344	1,988,344	5.000 %	-	67,625
\$14,010,000	2028	1,810,000	120,719	1,930,719	2.500 %	-	44,297
Non-Refunding Bond	2029	3,650,000	103,797	3,753,797	2.688 %	-	76,422
Callable Aug 1, 2025	2030-2034	-	-	-		-	-
	2035-2036	-	-	-		-	-
Total		\$ 9,860,000	\$ 1,030,548	\$ 10,890,548		\$ 800,000	\$ 339,344
GO Series 2018	2025	\$ 900,000	\$ 368,500	\$ 1,268,500	3.000 %	\$ 900,000	\$ 31,500
October 3, 2018	2026	1,600,000	310,500	1,910,500	3.000 %	-	58,000
Original Amount	2027	1,600,000	238,500	1,838,500	2.500 %	-	72,000
\$15,000,000	2028	1,600,000	174,500	1,774,500		-	64,000
Non-Refunding Bond	2029	1,600,000	118,500	1,718,500		-	56,000
Callable Aug. 1, 2025	2030-2034	1,550,000	93,750	1,643,750		-	87,000
	2035-2036	-	-	-		-	-
Total		\$ 8,850,000	\$ 1,304,250	\$ 10,154,250		\$ 900,000	\$ 368,500
GO Series 2019	2025	\$ 500,000	\$ 326,800	\$ 826,800	5.000 %	\$ 500,000	\$ 49,125
September 26, 2019	2026	1,465,000	277,675	1,742,675	5.000 %	-	65,925
Original Amount	2027	1,465,000	211,750	1,676,750	4.000 %	-	58,600
\$15,000,000	2028	1,465,000	153,150	1,618,150	4.000 %	-	43,950
Non-Refunding Bond	2029	1,465,000	109,200	1,574,200	2.125 %	-	109,200
Callable Aug 1, 2026	2030-2034	4,365,000	144,813	4,509,813		-	-
	2035-2036	-	-	-		-	-
Total		\$ 10,725,000	\$ 1,223,388	\$ 10,725,000		\$ 500,000	\$ 326,800
GO Series 2020	2025	\$ 950,000	\$ 322,000	\$ 1,272,000	5.000 %	\$ 950,000	\$ 39,000
October 8, 2020	2026	1,000,000	283,000	1,283,000	3.000 %	-	43,000
Original Amount	2027	1,150,000	240,000	1,390,000	3.000 %	-	52,000
\$15,000,000	2028	1,450,000	188,000	1,638,000	3.000 %	-	50,750
Non- Refunding Bond	2029	1,450,000	137,250	1,587,250	3.125 %	-	28,500
Callable Aug 1, 2026	2030-2034	5,775,000	230,250	6,005,250		-	108,750
	2035-2036	-	-	-		-	-
Total		\$ 11,775,000	\$ 1,400,500	\$ 11,775,000		\$ 950,000	\$ 322,000

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
SCHEDULE OF BOND MATURITIES
JUNE 30, 2024

Bond/Note Issue	Year (s) Ending June 30,	Due During Fiscal Year 2025					
		Principal	Interest	Total	Avg Interest Rates	Principal	Interest
GO Series 2021A	2025	\$ 1,000,000	\$ 215,000	\$ 1,215,000	4.000 %	\$ 1,000,000	\$ 40,000
October 13, 2021	2026	1,000,000	175,000	1,175,000	4.000 %	-	40,000
Original Amount	2027	1,000,000	135,000	1,135,000	4.000 %	-	40,000
\$15,000,000	2028	1,000,000	95,000	1,095,000	4.000 %	-	25,000
Non-Refunding Bond	2029	1,000,000	233,750	1,233,750	1.200 %	-	62,500
Callable Aug 1, 2027	2030-2034	5,000,000	7,500	5,007,500	1.500 %	-	7,500
	2035-2036	-	-	-		-	-
	Total	\$ 10,000,000	\$ 861,250	\$10,861,250		\$ 1,000,000	\$ 215,000
GO Series 2021B	2025	\$ 4,125,000	\$ 43,438	\$ 4,168,438	0.500 %	\$ 4,125,000	\$ 17,137
October 13, 2021	2026	2,100,000	26,300	2,126,300	0.650 %	-	16,562
Original Amount	2027	2,050,000	9,738	2,059,738	0.950 %	-	9,738
\$9,940,000	2028	-	-	-		-	-
Refunding Bond	2029	-	-	-		-	-
	2030-2034	-	-	-		-	-
	2035-2036	-	-	-		-	-
	Total	\$ 8,275,000	\$ 79,476	\$ 8,354,476		\$ 4,125,000	\$ 43,437
GO Series 2022	2025	\$ 1,300,000	\$ 667,500	\$ 1,967,500	5.000 %	\$ 1,300,000	\$ 65,000
October 12, 2022	2026	1,300,000	602,500	1,902,500	5.000 %	-	65,000
Original Amount	2027	1,300,000	537,500	1,837,500	5.000 %	-	65,000
\$20,000,000	2028	1,300,000	472,500	1,772,500	5.000 %	-	65,000
Callable Aug 1, 2030	2029	1,300,000	1,387,500	2,687,500	5.000 %	-	325,000
	2030-2034	6,500,000	107,500	6,607,500	5.00	-	82,500
	2035-2036	1,000,000	-	1,000,000	5.00	-	-
	Total	\$ 14,000,000	\$3,775,000	\$14,000,000		\$ 1,300,000	\$ 667,500
GO Series 2023	2025	\$ 6,000,000	\$ 334,850	\$ 6,334,850	5.000 %	\$ 6,000,000	\$ 182,500
October 8, 2020	2026	355,000	175,975	530,975	3.000 %	-	13,850
Original Amount	2027	355,000	158,225	513,225	3.000 %	-	13,850
\$15,000,000	2028	355,000	140,475	495,475	3.000 %	-	13,850
Non- Refunding Bond	2029	355,000	122,725	477,725	3.125 %	-	13,850
Callable Aug 1, 2026	2030-2034	1,775,000	354,475	2,129,475		-	69,250
	2035-2036	805,000	34,100	839,100		-	27,700
	Total	\$ 10,000,000	\$ 1,320,825	\$10,000,000		\$ 6,000,000	\$ 334,850

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
SCHEDULE OF PLEDGED COLLATERAL
JUNE 30, 2024

<u>Description of Pledged Collateral</u>	<u>Market Value</u>	<u>Maturity Date</u>	<u>CUSIP Number</u>
Tiered Maturities			
US BANK			
FHLB Letter of Credit	\$71,500,000	2/3/2025	LOC # 573304
NEW MEXICO BANK AND TRUST			
GNMA Pool 4.500%	176,878	6/15/2040	36294SF28
FNMA Pool 3.500%	125,091	1/1/2050	3140FXRF1
FNMA Pool 6.000%	1,510,947	5/1/2058	3140FXJU7
FNMA Pool 3.950%	307,089	10/1/2024	3138L5AY6
FNR 2005-51 DZ 5.750%	42,766	6/25/2035	31394EBR8
FNR 2014-58 MZ 4.000%	8,208,236	9/25/2044	3136AKB93
FNR 2014-58 MZ 4.000%	8,208,236	9/25/2044	3136AKB93
SCRT 2017-4 HT 3.250%	917,375	6/25/2057	35563PDD8
SCRT 2021-1 MA 2.000%	1,461,049	9/25/2060	35563PUV9
SCRT 2021-1 MA 2.000%	<u>1,217,540</u>	9/25/2060	35563PUV9
TOTAL NEW MEXICO BANK AND TRUST	22,175,207		
BANK OF OKLAHOMA			
FN AB9823	8,356	7/1/2028	NONE
FN AB9823	25,071	7/1/2028	NONE
FN AB9823	668,554	7/1/2028	NONE
FNA 2017-M10 AV2	294,574	7/25/2024	NONE
FNA 2017-M10 AV2	58,915	7/25/2024	NONE
FNA 2017-M10 AV2	58,915	7/25/2024	NONE
FNA 2017-M10 AV2	<u>147,287</u>	7/25/2024	NONE
TOTAL BANK OF OKLAHOMA	<u>1,261,672</u>		
Total	<u>\$94,936,879</u>		

Rio Rancho Public School District No. 94 secures their public monies in United States Securities as listed above.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
SCHEDULE OF DEPOSITS AND INVESTMENT ACCOUNTS
JUNE 30, 2024

Bank Account Type	
<u>U.S. Bank</u>	
Checking - Non-Interest Bearing	\$ 23,713,625
Checking - Clearing Account - Non-Interest Bearing	7,613,545
General Account - Non-Interest Bearing	1,493,367
Capital Account - Non-Interest Bearing	43,562,003
<u>Bank of Albuquerque</u>	
Capital Account - Non-Interest Bearing	<u>1,095,553</u>
Total on Deposit	<u>77,478,093</u>
Reconciling Items	(11,789,355)
Reconciled Balance 6/30/2024	<u>\$ 65,688,738</u>
Add: Investments	<u>50,508,952</u>
Cash per Government-Wide Financial Statements	<u>\$ 116,197,690</u>

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
CASH RECONCILIATION
JUNE 30, 2024

		Beginning Cash 6/30/2023	Receipts	Disbursements	Ending Cash 6/30/2024
11000	Operational	33,935,475	228,169,526	234,728,997	27,376,004
13000	Transportation	6,013	4,809,469	4,815,482	-
15200	Local Revenue - AD Valorem	81,594	1,072,693	889,912	264,375
21000	Food Service	4,970,369	5,805,235	10,179,625	595,979
21100	Universal Free Lunch (state)	-	3,794,615	2,391,913	1,402,702
22000	Athletics	296,321	292,903	179,020	410,204
23000	Activities	2,609,091	4,122,450	4,061,731	2,669,810
24000	Federal Flowthrough	(6,799,263)	18,884,414	14,278,151	(2,193,000)
25000	Federal Direct	(418,833)	4,942,942	3,553,584	970,525
26000	Local Grants	59,438	59,092	54,182	64,348
27000	State Flowthrough	212,798	4,956,953	6,677,841	(1,508,090)
28000	State Direct	316,600	107,553	583,982	(159,829)
29000	Local/State	163,640	156,295	205,836	114,099
31100	Bond Building	23,699,881	10,240,515	4,218,816	29,721,580
31200	Public School Capital Outlay	2,355,937	1,800,455	767,807	3,388,585
31300	Special Capital Outlay-Local	1,210,097	5,450	1,119,498	96,049
31400	Special Capital Outlay-State	(412,422)	1,630,935	1,367,825	(149,312)
31700	Capital Improvement SB9	-	-	-	-
31701	Senate Bill Nine-Local	2,515,376	5,994,675	4,044,485	4,465,566
31703	Senate Bill State Match	96,134	2,477,537	852,704	1,720,967
32100	PSCOC 20%	-	333,696	333,696	-
41000	Go Bond	33,558,745	28,317,392	26,461,755	35,414,382
		<u>\$ 98,456,991</u>	<u>\$ 327,974,795</u>	<u>\$ 321,766,842</u>	<u>\$ 104,664,944</u>

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
CASH RECONCILIATION
JUNE 30, 2024

		Payroll Liabilities (Current Year)	Payroll Liabilities (Prior Year)	Adjustments	Change in Outstanding Loans	Total Cash on Report
11000	Operational	-	-	-	(3,860,919)	23,515,085
13000	Transportation	-	-	-	-	-
15200	Local Revenue - AD Valorem	-	-	-	-	264,375
21000	Food Service	-	-	-	-	595,979
21100	Universal Free Lunch (state)	-	-	-	-	1,402,702
22000	Athletics	-	-	-	-	410,204
23000	Activities	-	-	-	-	2,669,810
24000	Federal Flowthrough	-	-	-	2,193,000	-
25000	Federal Direct	-	-	-	-	970,525
26000	Local Grants	-	-	-	-	64,348
27000	State Flowthrough	-	-	-	1,508,090	-
28000	State Direct	-	-	-	159,829	-
29000	Local/State	-	-	-	-	114,099
31100	Bond Building	-	-	-	-	29,721,580
31200	Public School Capital Outlay	-	-	-	(149,312)	3,239,273
31300	Special Capital Outlay-Local	-	-	-	-	96,049
31400	Special Capital Outlay-State	-	-	-	149,312	-
31700	Capital Improvement SB9	-	-	-	-	-
31701	Senate Bill Nine-Local	-	-	-	-	4,465,566
31703	Senate Bill State Match	-	-	-	-	1,720,967
32100	PSCOC 20%	-	-	-	-	-
41000	Go Bond	-	-	-	-	35,414,382
		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 104,664,944</u>

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor Program Title	Assistance Listing Number	State ID Number	Federal Program Expenses
<u>U.S. Department of Agriculture</u>			
Child Nutrition Cluster			
National School Lunch Program*	10.555	21000	\$ 8,704,339
Fresh Fruit & Vegetable Program*	10.582	24118	<u>59,991</u>
Total Child Nutrition Cluster			8,764,330
<u>Department of Education</u>			
<i>PASS-THROUGH PROGRAM NEW MEXICO PUBLIC EDUCATION DEPARTMENT</i>			
<u>Special Education Cluster (IDEA)-Cluster</u>			
Department of Education			
Special Education Grants to States			
Entitlement IDEA-B	84.027	24106	3,658,345
Preschool IDEA-B	84.173	24109	74,137
Private School Share IDEA-B	84.027	24106	<u>15,334</u>
Total Special Education Cluster (IDEA)			3,747,816
Federal Programs			
Title I Grants to Local Educational Agencies	84.010	24101	2,147,134
Title II Teacher Quality	84.367	24154	524,913
Title III English Language	84.3565	24153	73,495
Student Support and Academic Enrichment	84.425	24308	122,538
Total Federal Programs			2,868,080
Education Stabilization Funds			
ESSER II*	84.425	24308	98,218
CRRSA SEL*	84.425	24309	20,039
CRRSA ESSER III*	84.425	24330	4,283,430
ESSER 3 Near Peer Tutoring*	84.425	24333	53,189
ESSER Round 1*	84.425	24341	124,368
Individuals w/Disabilities Act*	84.027	24346	<u>1,716</u>
Total Education Stabilization Programs			4,580,960
Education of Homeless Students			
Education of Homeless	84.196	24113	22,489
AARP Homeless Children & Youth	84.425	24350	1,343
CRRSA ESSER III	84.425	24355	<u>29,338</u>
Total Education of Homeless Students			53,170

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor Program Title	Assistance Listing Number	State ID Number	Federal Program Expenses
<u>Special Education Cluster (IDEA)-Cluster (Continued)</u>			
Carl Perkins Awards			
Carl Perkins - Culinary	84.048	24174	128,379
Carl Perkins Redistribution	84.048	24176	9,309
Total Carl Perkins Awards			137,688
<i>Subtotal PED Pass-Through Programs</i>			11,387,714
Indian Education Formula Grant	84.06	25184	171,165
Total Department of Education			11,558,879
Title XiX Medicaid*	93.778	25153	<u>5,126,607</u>
Total Federal Financial Assistance			<u>\$ 25,449,816</u>

* Indicates a major program

(1) Non- cash assistance

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

1. SCOPE OF AUDIT PURSUANT TO OMB UNIFORM GRANT GUIDANCE

All federal grant operations of Rio Rancho Public School District No. 94 (the District) are included in the scope of the Office of Management and Budget (OMB) Uniform Grant Guidance audit (the "Single Audit"). The Single Audit was performed in accordance with the provisions of the OMB Circular Compliance Supplement. Compliance testing of all requirements are described in the Compliance Supplement, was performed for the grants programs noted to ensure coverage of at least 20% (LOW risk auditee) of federally granted funds. Actual coverage is approximately 37.84% of total cash and non-cash federal award program expenditures. Total cash expenditures were in the amount of \$25,449,816 and all non-cash expenditures amounted to \$0.

BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the District under programs of the federal government for the year ended June 30, 2024. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget, Title 2 U.S. Code of Federal regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). The schedule is prepared using the accrual basis of accounting. Grant revenues are recorded for Donation Program are based upon commodities received, at amounts per standard price listing, published quarterly by the United States Department of Agriculture (the "USDA"). In addition, there is no federal insurance in effect during the year and loan or loan guarantee outstanding at year end. Since the schedule only presents a selected portion of the operations of the District, it is not intended to and does not present the financial position or changes in net position of the Rio Rancho Public School District No. 94.

ACCRUED AND DEFERRED REIMBURSEMENTS

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

2. INDIRECT COSTS

The District has not elected to use the 10% de minimus indirect cost. The District uses 5.71% indirect cost rate as determined by New Mexico Public Education Department.

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
NOTES TO THE EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

3. RECONCILIATION OF FEDERAL AWARDS TO EXPENDITURE OF FEDERAL AWARDS

The differences between the federal awards received (Intergovernmental source - federal) during the year ended June 30, 2024 and the federal awards expended during the year as follows:

	BALANCE
Federal expenditure as reported on Schedule of Expenditures of Federal Awards	
	\$ 25,449,816
Indirect costs recovery (Fund 11000)	1,361,941
Food program reimbursement in excess of meal costs (Fund 21000)	(2,949,339)
Reporting differences	<u>(247,558)</u>
Federal revenue as reported in the financial statements	
	<u>\$ 24,976,801</u>

COMPLIANCE SECTION



Beasley, Mitchell & Co.

Certified Public Accountants

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

To the Board of Education and Audit Committee of
Rio Rancho Public School District No. 94
Rio Rancho, New Mexico and
Dr. V. Sue Cleveland, Superintendent
Rio Rancho Public School District No. 94
Rio Rancho, New Mexico and
Joseph M. Maestas, P.E., CFE
State Auditor of the State of New Mexico
Santa Fe, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund and major special revenue funds of Rio Rancho Public School District No. 94 (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and the combined and individual funds and related budgetary comparisons presented as supplementary information, and have issued our report thereon dated November 12, 2024.

Report on Internal Control Over Financial Reporting

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

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

deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

Purpose of this Report

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


Beasley, Mitchell & Co., LLP
Las Cruces, New Mexico
November 12, 2024



Beasley, Mitchell & Co.

Certified Public Accountants

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

To the Board of Education and Audit Committee of
Rio Rancho Public School District No. 94
Rio Rancho, New Mexico and
Dr. V. Sue Cleveland, Superintendent
Rio Rancho Public School District No. 94
Rio Rancho, New Mexico and
Joseph M. Maestas, P.E., CFE
State Auditor of the State of New Mexico
Santa Fe, New Mexico

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Rio Rancho Public School District No. 94' compliance with the types of compliance requirements identified as subject to audit in the *OMG Compliance Supplement* that could have a direct and material effect on each of Rio Rancho Public School District No. 94' major federal programs for the year ended June 30, 2024. Rio Rancho Public School District No. 94' major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Rio Rancho Public School District No. 94 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, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Rio Rancho Public School District No. 94 and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Rio Rancho Public School District No. 94' compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Rio Rancho Public School District No. 94' federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Rio Rancho Public School District No. 94' compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Rio Rancho Public School District No. 94' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Rio Rancho Public School District No. 94' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Rio Rancho Public School District No. 94' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Rio Rancho Public School District No. 94' internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance.

Government Auditing Standards requires the auditor to perform limited procedures on Rio Rancho Public School District No. 94' response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Rio Rancho Public School District No. 94' response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Beasley, Mitchell & Co. LLP

Beasley, Mitchell & Co., LLP
Las Cruces, New Mexico
November 12, 2024

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
SUMMARY OF AUDIT RESULTS
FOR THE YEAR ENDED JUNE 30, 2024

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness (es) identified? No
- Significant deficiencies identified that are not considered to be material weaknesses? No

Noncompliance material to financial statements noted? No

Federal Awards

Type of auditors' report issued: Unmodified

Internal control over major programs

- Material weakness (es) identified? No
- Significant deficiencies identified that are not considered to be material weaknesses? No

Noncompliance material to financial statements noted? No

Type of auditors' report issued on compliance with major programs: Unmodified

- Any audit findings disclosed that are required to be reported in accordance with the Uniform Grant Guidance? No

Identification of Major Programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
10.555 & 10.582	Child Nutrition Cluster
93.778	Medicaid Cluster
84.425	COVID-19 CARES Act, CRRSA, & ARP Act

Dollar threshold used to distinguish between Type A and Type B programs \$ 811,315

Auditee qualified as low-risk auditee Yes

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

Section II -Findings

(1) Federal Award findings and questioned costs required by Uniform Guidance:

PRIOR AUDIT FINDINGS	Current status
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2023-002	Internal Controls Over Disbursements	Resolved
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CURRENT AUDIT FINDINGS	Current status
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None

(2) Financial Statement findings required by GAGAS:

PRIOR AUDIT FINDINGS	Current status
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2023-001	Internal Controls Over Disbursements	Resolved
2023-003	Internal Controls Over Activity Funds	Resolved
2023-004	Procurement	Resolved
2023-005	Purchases Made Prior to Approval	Resolved
2023-006	Travel Reimbursement	Resolved
2023-007	Personnel Files	Resolved
2023-008	Reporting Requirements	Resolved
2023-009	Cash Collateralization	Resolved
2023-010	Internal Control Over Budgetary Expenditures	Resolved

CURRENT AUDIT FINDINGS	Current status
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None

STATE OF NEW MEXICO
RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
ENTRANCE AND EXIT CONFERENCE
FINANCIAL STATEMENT PREPARATION
FOR THE YEAR ENDED JUNE 30, 2024

An entrance conference was conducted July 22, 2024 in a closed meeting of the Rio Rancho Public School District No. 94 pursuant to Section 12-6-5 NMSA, 1978 with the following individuals in attendance:

Rio Rancho Public School District No. 94

Beth Miller	Audit Committee Chair
Gary Tripp	Audit Committee Vice Chair
Dr. Sue Cleveland	Superintendent
Seth Muller	Parent Representative
David Vigil	Executive Director of Finance
Heather Gabaldon	Director of Finance
Kelley Wainwright	Business Representative
Michael Baker	Chief Operations Officer
Michael Madrid	Director of Purchasing/ CPO

Beasley, Mitchell & Co., LLP

Dahlia Garcia, CPA	Audit Partner
Isaac Mendoza	Senior Auditor

An exit conference was conducted November 12, 2024 in a closed meeting of the Rio Rancho Public School District No. 94 pursuant to Section 12-6-5 NMSA, 1978 with the following individuals in attendance:

Rio Rancho Public School District No. 94

Beth Miller	Audit Committee Chair
Gary Tripp	Audit Committee Vice Chair
Dr. Sue Cleveland	Superintendent
Seth Muller	Parent Representative
David Vigil	Executive Director of Finance
Heather Gabaldon	Director of Finance
Kelley Wainwright	Business Representative
Michael Baker	Chief Operations Officer
Michael Madrid	Director of Purchasing/ CPO

Beasley, Mitchell & Co., LLP

Juan Garcia, CPA	Audit Manager
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The financial statements of Rio Rancho Public School District No. 94 as of, and for the year ended June 30, 2024 were prepared by Beasley, Mitchell & Co., LLP, with the aid of responsible District personnel. Official responsible personnel agree that the presentations are made with their knowledge and agreement.

APPENDIX C

BOOK-ENTRY-ONLY SYSTEM

BOOK-ENTRY-ONLY SYSTEM

This section describes how ownership of the Bonds is to be transferred and how the principal of, premium, if any, and interest on the Bonds are to be paid to and credited by The Depository Trust Company, New York, New York ("DTC") while the Bonds are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The District and the municipal advisor believe the source of such information to be reliable, but take no responsibility for the accuracy or completeness thereof.

The District and the municipal advisor cannot and do not give any assurance that (1) DTC will distribute payments of debt service on the Bonds, or redemption notices or other notices to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Bonds), or redemption notices or other notices to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the United States Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of each respective series of the Bonds, each in the aggregate principal amount of such maturity and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a S&P Global Ratings rating of AA+. The DTC Rules applicable to its Participants are on file with the United States Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

All payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent/Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent/Registrar, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. All payments, with respect to the Bonds, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) are the responsibility of the District or the Paying Agent/Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor Securities depository). In that event, Bond certificates will be printed and delivered to bond holders.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District and the municipal advisor believe to be reliable, but neither the District nor the municipal advisor take any responsibility for the accuracy thereof.

Use of Certain Terms in Other Sections of this Official Statement

In reading this Official Statement it should be understood that while the Bonds are in the Book-Entry-Only System, references in other sections of this Official Statement to registered owners should be read to include the person for whom the Direct or Indirect Participant acquires an interest in the Bonds, but (i) all rights of ownership must be

exercised through DTC and the Book-Entry-Only System, and (ii) except as described above, notices that are to be given to registered owners under the Bond Order will be given only to DTC.

Effect of Termination of Book-Entry-Only System

In the event that the Book-Entry-Only System is discontinued by DTC or the use of the Book-Entry-Only System is discontinued by the District, printed Bonds will be issued to the holders and the Bonds will be subject to transfer, exchange and registration provisions as set forth in the Bond Resolution and summarized under "The Bonds" in this Official Statement.

APPENDIX D

FORM OF CONTINUING DISCLOSURE UNDERTAKING

CONTINUING DISCLOSURE UNDERTAKING

Section 1. Recitals. This Continuing Disclosure Undertaking (the “Undertaking”) is executed and delivered by the Rio Rancho Public School District No. 94, Sandoval County, New Mexico (the “District”), in connection with the issuance of the \$_____ Rio Rancho Public School District No. 94, Sandoval County, New Mexico, General Obligation School Bonds, Series 2025 (the “Bonds”). The Bonds are being issued pursuant to the Resolution of the District adopted on July 14, 2025 and the Pricing Certificate executed on September __, 2025, (collectively, the “Resolution”). Pursuant to the Resolution, to allow the underwriters of the Bonds to comply with the Rule (defined below), the District is required to make certain continuing disclosure undertakings for the benefit of owners (including beneficial owners) of the Bonds (the “Owners”). This Undertaking is intended to satisfy the requirements of the Rule.

Section 2. Definitions.

(a) “Annual Financial Information” means the financial information (which will be based on financial statements prepared in accordance with generally accepted accounting principles, as in effect from time to time (“GAAP”), for governmental units as prescribed by the Governmental Accounting Standards Board (“GASB”)) or operating data with respect to the District, delivered at least annually pursuant to Sections 3(a) and 3(b) of this Undertaking, consisting of information of the type included in the sections of the Official Statement entitled “DEBT AND OTHER FINANCIAL OBLIGATIONS,” “TAX BASE,” “TAX RATES,” “TAX COLLECTIONS,” “THE DISTRICT-Enrollment,” and “FINANCES OF THE EDUCATIONAL PROGRAM - State Equalization Guarantee Program; Statement of Revenues, Expenditures and Changes in Fund Balances; and Balance Sheet.” Annual Financial Information may, but is not required to, include Audited Financial Statements.

(b) “Audited Financial Statements” means the District’s annual financial statements, prepared in accordance with GAAP for governmental units as prescribed from time to time by GASB, which financial statements have been audited by such auditor as may then be required or permitted by the laws of the State.

(c) “EMMA” means the MSRB’s Electronic Municipal Market Access system located on the MSRB website at emma.msrb.org.

(d) “Event Information” means the information delivered pursuant to section 3(d).

(e) “Financial Obligation” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided however that a “financial obligation” shall not include municipal securities as to which a final official statement (as defined in Rule 15c2-12) has been provided to the MSRB consistent with Rule 15c2-12.

(f) “Official Statement” means the Official Statement delivered in connection with the original issue and sale of the Bonds.

(g) “Report Date” means March 31 of each year, beginning in 2026.

(h) “Rule” means Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934, as amended (17 C.F.R. Part 240, 5 240.15~2-12), as the same may be amended from time to time.

(i) “SEC” means the United States Securities and Exchange Commission.

(j) “State” means the State of New Mexico.

Section 3. Provision of Annual Financial Information and Reporting of Event Information.

(a) The District, or its designated agent, will provide the Annual Financial Information for the preceding fiscal year to EMMA on or before each Report Date while the Bonds are outstanding.

(b) If Audited Financial Statements are not provided as a part of the Annual Financial Information, the District, or its designated agent, will provide unaudited financial statements as part of the Annual Financial Information. In such cases, Audited Financial Statements will be provided to EMMA when and if available.

(c) The District, or its designated agent, may provide Annual Financial Information by specific reference to other documents, including information reports and official statements relating to other debt issues of the District, which have been submitted to EMMA or filed with the SEC; provided, however, that if the document so referenced is a “final official statement” within the meaning of the Rule, such final official statement must also be available from the MSRB.

(d) The District, or its designated agent, will provide to EMMA notice of any of the following events with respect to the Bonds in a timely manner not in excess of ten (10) business days after the occurrence of the event:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;

(v) substitution of credit or liquidity providers, or their failure to perform;

(vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability. Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax-exempt status of the security;

(vii) modifications to rights of security holders, if material;

(viii) bond calls, if material, or tender offers;

(ix) defeasances;

(x) release, substitution or sale of property securing repayment of the securities, if material;

(xi) rating changes;

(xii) bankruptcy, insolvency, receivership or a similar event with respect to the District or an obligated person;

(xiii) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) appointment of a successor or additional trustee, or a change of name of a trustee, if material;

(xv) the incurrence of a Financial Obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District, any of which affect security holders, if material; and

(xvi) a default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District, any of which reflect financial difficulties.

(e) The District or its designated agent, will provide, in a timely manner after the occurrence of the event, to EMMA, notice of failure of the District to timely provide the Annual Financial Information as specified in Sections 3(a) and 3(b).

Section 4. Method of Transmission. Unless otherwise required by law and subject to technical or economic feasibility, the District, or its designated agent, will employ such

methods of electronic or physical information transmission as are requested or recommended from time to time by EMMA, the MSRB or the SEC.

Section 5. Enforcement. The obligations of the District under this Undertaking are for the benefit of the Owners. Each Owner is authorized to take action to seek specific performance by court order to compel the District to comply with its obligations under this Undertaking, which action will be the exclusive remedy available to it or any other Owner. The District's breach of its obligations under this Undertaking will not constitute an event of default under the Resolution, and none of the rights and remedies provided by such Resolution will be available to the Owners with respect to such a breach.

Section 6. Term. The District's obligations under this Undertaking will be in effect from and after the issuance and delivery of the Bonds and will extend to the earliest of (i) the date all principal and interest on the Bonds has been paid or legally defeased pursuant to the terms of the Resolution; (ii) the date on which the District is no longer an "obligated person" with respect to the Bonds within the meaning of the Rule; or (iii) the date on which those portions of the Rule which require this Undertaking are determined to be invalid or unenforceable by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to the Bonds.

Section 7. Amendments. The District may amend this Undertaking from time to time, without the consent of any Owner, upon the District's receipt of an opinion of independent counsel experienced in federal securities laws to the effect that such amendment:

- (a) is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law or a change in the identity, nature or status of the District;

- (b) would have complied with the Rule at the time of the initial issue and sale of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any changes in circumstances; and

- (c) does not materially impair the interests of the Owners.

Any Annual Financial Information containing amended operating data or financial information will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided. If an amendment changes the accounting principles to be followed in preparing financial statements, the Annual Financial Information and Audited Financial Statements for the year in which the change is made will present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 8. Beneficiaries. This Undertaking binds and inures to the sole benefit of the District and the Owners and creates no rights in any other person or entity.

Section 9. Undertaking Does Not Create General Obligation Debt. The District's performance of its obligations under this Undertaking shall be subject to the availability of necessary funds from annual operating revenues of the District and this Undertaking shall not be deemed to create a long-term general obligation indebtedness of the District.

Section 10. Governing Law. This Undertaking is governed by and is to be construed in accordance with the law of the State.

Date: October ____, 2025

RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94

By: _____
President, Board of Education

APPENDIX E

FORM OF BOND COUNSEL OPINION

October __, 2025

Rio Rancho Public School District No. 94
Rio Rancho, New Mexico

Re: Rio Rancho Public School District No. 94, Sandoval County, New Mexico \$_____ General Obligation School Bonds, Series 2025

Ladies and Gentlemen:

We have acted as bond counsel to the Rio Rancho Public School District No. 94 (the “District”) in connection with the issuance of its \$_____ General Obligation School Bonds, Series 2025 (the “Bonds”), dated their date of issuance, with interest payable on February 1, 2026, and semi-annually thereafter on August 1 and February 1, in each year in which the Bonds are outstanding, being issued in registered form and maturing serially on August 1 in the years 20__ through 20__, inclusive. The Bonds are being issued pursuant to a Resolution adopted by the Board of Education of the District on July 14, 2025, as supplemented by the Pricing Certificate executed on September __, 2025 (collectively, the “Bond Resolution”).

We have examined the transcript of proceedings (the “Transcript”) relating to the issuance of the Bonds and the law under authority of which the Bonds are issued. Based on our examination, we are of the opinion that, under the law existing on the date of this opinion, subject to the provisions of federal bankruptcy law and other laws affecting creditors’ rights and further subject to exercise of judicial discretion in accordance with general principles of equity:

1. The Bonds constitute valid and binding general obligations of the District and are to be paid from the proceeds of the levy of ad valorem taxes on all taxable property within the District without limitation as to rate or amount.

2. Under existing laws, regulations, rulings and judicial decisions, interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “Code”), as amended, and is not a specific item of tax preference for purposes of the federal alternative minimum tax under the Code; however, interest on the Bonds is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Although we are of the opinion that interest on the Bonds is excludable from gross income for federal income tax purposes, the accrual or receipt of interest on the Bonds may otherwise affect the federal income tax liability of the recipient. The extent of these other tax consequences will depend upon the recipient’s particular tax status or other items of income or deduction. We express no opinion regarding any such consequences.

3. The Bonds and the income from the Bonds are exempt from all taxation by the State or any political subdivision of the State.

The opinions set forth above in paragraph 2 are subject to continuing compliance by the District with covenants regarding federal tax law contained in the proceedings and other documents relevant to the issuance by the District of the Bonds. Failure to comply with these covenants may result in interest on the Bonds being included in gross income retroactive to their date of issuance.

The opinions expressed herein are based upon existing laws as of the date of issuance and delivery of the Bonds. We express no opinion as of any date subsequent hereto, and our engagement with respect to the Bonds has concluded with their issuance. We disclaim any obligation to update this opinion.

The obligations of the District related to the Bonds are subject to the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of the powers (including bankruptcy powers) delegated to it by the United States Constitution. The obligations of the District and the security provided therefor, as contained in the Bond Resolution, may be subject to general principles of equity which permit the exercise of judicial discretion and are subject to the provisions of applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect.

The opinions expressed herein represent our legal judgment based upon a review of existing legal authorities as of the date of issuance and delivery of the Bonds that we deem relevant to render such opinions and are not a guarantee of a result. We express no opinion with respect to any pending legislation.

We are passing upon only those matters set forth in this opinion and are not passing upon the accuracy or completeness of any statement made in connection with any sale of the Bonds or upon any tax consequences arising from the receipt or accrual or interest on, or the ownership of, the Bonds except those specifically addressed in paragraphs 2 and 3 above.

Respectfully Submitted,

APPENDIX F

OFFICIAL NOTICE OF BOND SALE WITH FORM OF ISSUE PRICE CERTIFICATE

OFFICIAL NOTICE OF BOND SALE

\$28,000,000

RIO RANCHO PUBLIC SCHOOL DISTRICT NO. 94
COUNTY OF SANDOVAL, STATE OF NEW MEXICO
GENERAL OBLIGATION SCHOOL BONDS, SERIES 2025

PUBLIC NOTICE IS HEREBY GIVEN that the Superintendent and Executive Director of Finance of Rio Rancho Public School District No. 94 (“District”), Sandoval County, New Mexico, will receive and publicly open bids using the facilities of PARITY at the hour of 8:30 a.m., prevailing Mountain Time (note: bidding will begin at 8:00 a.m. Mountain Time and will end at 8:30 a.m. Mountain Time), on September 9, 2025 for the purchase of the District’s General Obligation School Bonds, Series 2025 (the “Bonds”) in the aggregate principal amount of \$28,000,000. Bids will be submitted as an electronic bid using the facilities of PARITY. No other method of submitting bids will be accepted. The Superintendent and/or Executive Director of Finance of the District will thereafter take action to award the Bonds and certify to the Board in writing that the final terms comply with the parameters and conditions established in the Notice of Sale Resolution adopted by the Board on July 14, 2025.

DESCRIPTION OF ISSUE: The Bonds in the aggregate principal amount of \$28,000,000 will be issued for the purpose of erecting, remodeling, equipping and furnishing school buildings, purchasing or improving school grounds, purchasing computer software and hardware for student use in public schools, providing matching funds for capital outlay projects funded pursuant to the Public School Capital Outlay Act, or any combination of these purposes and to pay the costs of issuance of the Bonds (the “Improvement Project”). The Bonds will be dated the date of delivery, and will mature on August 1st in the following amounts:

Years	Amounts
<u>Maturing*</u>	<u>Maturing*</u>
2026	\$20,500,000
2027	1,000,000
2028	1,000,000
2029	1,000,000
2030	1,000,000
2031	1,000,000
2032	1,000,000
2033	1,000,000
2034	500,000

*Subject to Change

The Bonds will be fully registered bonds in the denomination of \$5,000 each, or any integral multiple thereof. Interest will be payable on February 1, 2026 and semiannually thereafter on August 1 and February 1 of each year.

ADJUSTMENT OF PRINCIPAL AMOUNTS, MODIFICATION OR CLARIFICATION PRIOR TO BID DEADLINE: The Superintendent and/or Executive Director of Finance may, after consultation with the Board's financial and bond advisors, in the Superintendent's or Executive Director of Finance's sole discretion and prior to the examination of bids, (i) adjust the aggregate principal amount set forth herein; (ii) adjust individual maturities; and/or (iii) modify or clarify any other term hereof by issuing a notification of the adjusted amounts, modification or clarification via Thomson Municipal News ("TM3") and/or Bloomberg Financial Services no later than 8:30 a.m., prevailing Mountain Time, on the Bid Date.

RESCHEDULING OF BID DATE AND DEADLINE: The Superintendent and/or Executive Director of Finance may, after consultation with the Board's financial and bond advisors, in the Superintendent's and/or Executive Director of Finance's sole discretion on notice given at least twenty-four (24) hours prior to the Original Deadline, reschedule the Original Bid Date and Original Deadline, and may, at that time or a subsequent time on at least twenty-four (24) hours prior notice, in each case via TM3 and/or Bloomberg Financial Services, establish a Rescheduled Bid Date and Rescheduled Deadline and a place where electronic bids will be publicly examined.

ADJUSTMENT OF PRINCIPAL AMOUNT OF THE BONDS AFTER BIDS RECEIVED: The District in consultation with its financial and bond advisors reserves the right to adjust the principal amount of the Bonds by increasing or decreasing the principal amount of each maturity, no later than four (4) hours following receipt of bids to obtain sufficient funds to complete the improvements with respect to the Bonds and/or maintain the debt service mill levy at an acceptable level; notice of any adjustment will be given promptly to the winning bidder and any adjustment will be done in a "spread neutral" manner.

In the event the District exercises its right to make adjustments to the aggregate principal amount of the Bonds and/or the maturity schedule for such series after the deadline for the submission of bids, the winning bidder must execute and promptly deliver to the District an acknowledgment of and agreement with such modification and adjusted maturity schedule, and the Bonds shall be payable in the principal amounts contained therein and shall bear interest at the respective interest rates submitted by the winning bidder in its bid.

For purposes of bids received through the electronic bidding process, the time as maintained by PARITY shall constitute the official time.

BIDS DELIVERED TO THE BOARD: Bids must be submitted as an electronic bid using the facilities of PARITY. No other method of submitting bids will be accepted.

ELECTRONIC BIDDING PROCEDURES: Any prospective bidder that intends to submit a bid must submit its electronic bid through the facilities of PARITY. Subscription to i-Deal's BIDCOMP Competitive Bidding System is required in order to submit an electronic bid. The

Board will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

An electronic bid made through the facilities of PARITY shall be deemed an irrevocable offer to purchase the Bonds on the terms provided in this Official Notice of Bond Sale ("Notice"), and shall be binding upon the bidder. The Board and the Board's financial and bond advisors shall not be responsible for any malfunction or mistake made by or as a result of the use of the facilities of PARITY, the use of such facilities being the sole risk of the prospective bidder.

If any provisions of this Notice conflict with information provided by PARITY, as the approved provider of electronic bidding services, this Notice shall control. Further information about PARITY, including any fee charged, may be obtained from BIDCOMP/PARITY, 1359 Broadway, 2nd Floor, New York, New York 10018, i-Deal Prospectus: (212) 849-5024 or (212) 849-5025; BidComp/Parity: (212) 849-5021.

For information purposes only, bidders are requested to state in their electronic bids the true interest cost to the Board, as described under "BASIS OF AWARD" below. All electronic bids shall be deemed to incorporate the provisions of this Notice and the Official Bid Form.

The Bonds are not private activity bonds.

OPTIONAL REDEMPTION: The Bonds maturing on and after August 1, 2033 are subject to optional redemption on August 1, 2032, or on any date thereafter, in one or more units of principal of \$5,000 in such order of maturities as the District may determine at par plus accrued interest, if any, to the date of redemption.

PAYMENT OF PURCHASE PRICE: The purchaser will be required to make payment of the balance of the purchase price of the Bonds (after credit for the bidder's good faith deposit, without interest to the purchaser) in immediately available funds at a depository designated by the District on the date of closing.

INTEREST RATE, BID LIMITATIONS: The maximum net effective interest rate permitted on the Bonds is ten percent (10%), and no interest rate on any maturity of the Bonds may be greater than ten percent (10%) per annum. It is permissible to bid different or split rates of interest; provided, however, that: (1) no bid shall specify more than one interest rate for each maturity; (2) each bid shall specify one interest rate applicable for each common maturity of the Bonds; (3) each interest rate specified must be stated in a multiple of one-eighth (1/8) or one-twentieth (1/20) of one percent (1%) per annum; (4) the maximum interest rate specified for any maturity may not exceed the minimum interest rate specified for any other maturity by no more than three percent (3%); and (5) the bid premium shall not exceed 6%. A bid of zero percent is not permitted. The purchaser's discount shall not exceed 3% of the aggregate principal amount of the Bonds.

The Bonds will not be sold for less than 100% of par.

Bidders are required to submit a bid specifying the lowest rate or rates of interest and premium, if any, at which such bidder will purchase the Bonds. For informational purposes only, each bidder is requested to specify: (a) the method of payment of the good faith deposit, (b) the True Interest Cost on the Bonds stated as a nominal annual percentage rate (see "BASIS OF AWARD" below), (c) gross interest cost, (d) premium, if any, and (e) net interest cost. Only unconditional bids shall be considered. Bids should be submitted as an electronic bid using the facilities of PARITY. No other method of submitting bids will be accepted (see "FURTHER INFORMATION" below).

NEW MEXICO CREDIT ENHANCEMENT PROGRAM: The District will qualify the Bonds for the New Mexico Credit Enhancement Program created under Section 22-18-13, NMSA 1978 and the District will apply and pay for a Moody's Investor's Service, Inc., rating on the Bonds based on the New Mexico Credit Enhancement Program.

BASIS OF AWARD: The Bonds will be awarded to the best bidder, considering the interest rate or rates specified and the premium offered, if any, and subject to the right of the Board to reject any and all bids and re-advertise. The best bid will be determined and will be awarded on the basis of the True Interest Cost of the Bonds (i.e., using a True Interest Cost method) for each bid received, and an award will be made (if any is made) to the responsible bidder submitting the bid that results in the lowest actuarial yield on the Bonds. "True Interest Cost" of the Bonds, as used herein, means that yield, which if used to compute the present worth, as of the date of the Bonds, of all payments of principal and interest to be made on the Bonds, from their date to their respective maturity dates, as specified in the maturity schedule and without regard to the possible optional prior redemption with respect to the Bonds, using the interest rates specified in the bid, produces an amount equal to the principal amount of the Bonds plus any premium bid. No adjustment shall be made in such calculation for accrued interest on the Bonds from their date to the date of delivery thereof. Such calculation shall be based on a 360-day year consisting of twelve thirty day months and a semiannual compounding interval. The purchaser must pay accrued interest from the date of the Bonds to the date of delivery. The Bonds will not be sold for less than par plus accrued interest. The District reserves the right to waive any irregularity or informality in any bid, except time of filing.

GOOD FAITH DEPOSIT: Not later than 2:00 p.m. (prevailing Mountain Time) on September 9, 2025, and prior to the official award of the Bonds, the successful bidder must send an electronic wire transfer to such account as the District shall specify in immediately available funds a good faith deposit of \$560,000. If such wire transfer is not received from the successful bidder by 2:00 p.m. (prevailing Mountain Time) on September 9, 2025, the next best bidder may be awarded the Bonds. No interest on the deposit will accrue to the best bidder. The deposit will be applied to the purchase price of the Bonds.

If the successful bidder fails or neglects to complete the purchase of the Bonds within thirty (30) days following the acceptance of the bid or within ten (10) days after the Bonds are made ready and are offered by the District for delivery, whichever is later, the amount of the deposit shall be forfeited to the District as liquidated damages, and, in that event, the Board may accept the next best bid. If all bids are rejected, the Board shall re-advertise the Bonds for sale in the same manner as herein provided for the original advertisement. If there be two or more equal

bids and such bids are the best bids received, the Superintendent and/or Executive Director of Finance shall determine which bid shall be accepted.

TIME OF AWARD AND DELIVERY: The Superintendent and/or Executive Director of Finance will take action awarding the Bonds or rejecting all bids not later than 24 hours after the expiration of the time herein prescribed for the receipt of the bids. Delivery of the Bonds will be made to the successful bidder through the facilities of The Depository Trust Company, New York, New York, within 60 days of the acceptance of the bid. If for any reason delivery cannot be made within 60 days, the successful bidder shall have the right to purchase the Bonds during the succeeding 30 days upon the same terms, or at the request of the successful bidder, during said succeeding 30 days, the good faith deposit will be returned, and such bidder shall be relieved of any further obligation. It is anticipated that the delivery of the Bonds will be on or about October 1, 2025.

ESTABLISHMENT OF ISSUE PRICE (HOLD-THE-OFFERING-PRICE RULE MAY APPLY IF COMPETITIVE SALE REQUIREMENTS ARE NOT SATISFIED FOR THE BONDS):

The winning bidder shall assist the District in establishing the issue price of the Bonds and shall execute and deliver to the District at closing an “issue price” or similar certificate, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the District and Bond Counsel. All actions to be taken by the District to establish the issue price of the Bonds may be taken on behalf of the District by the District’s municipal advisor identified herein and any notice or report to be provided to the District may be provided to the District’s municipal advisor.

(a) The District intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “competitive sale requirements”) because:

(i) the District shall disseminate a Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;

(ii) all bidders shall have an equal opportunity to bid;

(iii) the District may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

(iv) the District anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to the Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

In the event that the competitive sale requirements described above in subparagraph (a) are not satisfied with respect to the Bonds, the District shall so advise the winning bidder. The District may determine to treat (i) the first price at which 10% of each maturity of the Bonds is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis. The winning bidder shall advise the District if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The District shall promptly advise the winning bidder, at or before the time of award of the Bonds, which maturities of the Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule during the Holding Period, as defined in subparagraph (d)(i) below. Bids will not be subject to cancellation in the event that the District determines to apply the hold-the-offering-price rule to any maturity of the Bonds.

(b) By submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the Holding Period, as defined in subparagraph (c)(i) below.

(c) The following terms are defined below:

(i) Hold-the-Offering-Price Maturity means a maturity of the Bonds of which less than 10% has been sold to the Public on the Sale Date.

(ii) Holding Period means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (a) the close of the fifth business day after the Sale Date, or (b) the date on which the winning bidder sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Holding-the-Offering-Price Maturity.

(iii) Maturity means Bonds with the same credit and payment terms. Bond with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(iv) Public means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(v) Sale Date means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is expected to be September 9, 2025.

(vi) Underwriter means (i) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

FURTHER INFORMATION: Information concerning the Bonds, information regarding electronic bidding procedures, bid submission and other matters related to the Bonds, including printed copies of this Notice and the Preliminary Official Statement (“Preliminary Official Statement”), may be obtained from the District’s financial advisor, RBC Capital Markets, LLC, 6301 Uptown Blvd. NE, Suite 110, Albuquerque, New Mexico 87110. This Notice, the Official Bid Form and the Preliminary Official Statement is available for viewing in electronic format at www.fmhub.com (MuniHub) and at www.i-dealprospectus.com. The District has prepared the accompanying Preliminary Official Statement for dissemination to potential purchasers of the Bonds, but will not prepare any other document or version for such purpose except as described below. In addition, any NASD registered broker-dealers or dealer banks with The Depository Trust Company clearing arrangements who bid on the Bonds are advised that they may either: (a) print out a copy of the Preliminary Official Statement on their own printer or (b) at any time prior to the sale date, elect to receive a photocopy of the Preliminary Official Statement in the mail by requesting it from the District’s financial advisor. All bidders must review the Preliminary Official Statement, and by submitting a bid for the Bonds, each bidder certifies that such bidder has done so prior to participating in the bidding.

The District will agree in a separate agreement to provide certain periodic information and notices of material events in accordance with Securities and Exchange Commission Rule 15c2-12 (“Rule”), as described in the Preliminary Official Statement under “Continuing Disclosure of Information.” The Preliminary Official Statement is deemed final by the District for purposes of Rule 15c2-12(b)(1) except for the omission of the following information: the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, any other terms or provisions required by an insurer of such securities to be specified in the winning bid, ratings, other terms of the securities depending on such matters, and the identity of the purchaser. The Board will furnish to the successful bidder or bidders, acting through a designated senior representative, in accordance with instructions received from such successful bidder(s) in order to comply with the Rule, within seven (7) business days from the sale date an aggregate of 20 copies of the final Official Statement, reflecting interest rates and other terms relating to the initial reoffering of the Bonds. The cost of preparation of the Official Statement shall be borne by the District except for the cost of any final Official Statement in excess of the number specified shall be borne by the successful bidder(s).

TRANSCRIPT AND LEGAL OPINIONS: The Bonds are subject to the written approval of the New Mexico Attorney General as to form and legality. In addition, the legality of the Bonds will be approved by Modrall, Sperling, Roehl, Harris & Sisk, P.A., Attorneys at Law, Albuquerque, New Mexico, whose opinion approving the legality of the Bonds will be furnished to the successful bidder at no cost to the successful bidder. The opinion will state in substance that the issue of the Bonds is valid and legally binding upon the District, that all of the taxable property in the District is subject to the levy of a tax to pay the same without limitation of rate or amount, and that interest on the Bonds is excludable from gross income for purposes of federal income tax (see Preliminary Official Statement for the form of Bond Counsel Opinion). The successful bidder (without cost to such bidder) will also be furnished with a complete transcript of the legal proceedings, including a no-litigation certificate stating that to the knowledge of the signer or signers thereof, as of the date of the delivery of the Bonds, no litigation is pending affecting their validity or the levy or collection of such taxes for their payment.

BOOK-ENTRY ONLY OBLIGATIONS: The Bonds will be issued in book-entry only form through the facilities of the Depository Trust Company (see Preliminary Official Statement).

CUSIP NUMBERS: CUSIP identification numbers may be typed or printed on the Bonds, but neither the failure to provide such number on any of the Bonds nor any error with respect thereto will constitute cause for failure or refusal by the purchaser thereof to accept delivery of and to pay for the Bonds in accordance with the terms hereof. The District's Financial Advisor shall make timely application in writing to the CUSIP Service Bureau for and shall obtain CUSIP numbers. CUSIP identification numbers may be typed or printed on the Bonds, but neither the failure to provide such number on any Bond nor any error with respect thereto will constitute cause for failure or refusal by the purchaser thereof to accept delivery of and to pay for the Bonds in accordance with the terms hereof. All expenses in relation to the CUSIP Service charge for the assignment of said numbers will be the responsibility of and will be paid for by the District's Financial Advisor.

BLUE SKY LAWS: The District has not investigated the eligibility of any institution or person to purchase or participate in the underwriting of the Bonds under any applicable legal investment, insurance, banking, or other laws.

By submitting a bid, the initial purchaser represents that the sale of the Bonds in states other than New Mexico will be made only under exemptions from registration, or, wherever necessary, the initial purchaser will register the Bonds in accordance with the securities laws of the state in which the Bonds are offered or sold. The District agrees to cooperate with the initial purchaser, at the initial purchaser's written request and expense, in registering the Bonds or obtaining an exemption from registration in any state where such action is necessary but will not consent to service of process in any such jurisdiction.

EXHIBIT A

FORM OF CERTIFICATE REGARDING ISSUE PRICE

(For use where three or more bids for the Bonds were received by the District)

The undersigned hereby certifies as follows with respect to the \$28,000,000 principal amount of Rio Rancho Public School District No. 94, Sandoval County, General Obligation School Bonds, Series 2025 (the "Bonds").

1. *Reasonably Expected Initial Offering Price.*

- (a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by the Underwriter are the prices listed in Schedule A (the "Expected Offering Prices"). The Expected Offering Prices are the prices for the Maturities of the Bonds used by the Underwriter in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by the Underwriter to purchase the Bonds.
- (b) The Underwriter was not given the opportunity to review other bids prior to submitting its bid.
- (c) The bid submitted by the Underwriter constituted a firm offer to purchase the Bonds.

2. *Defined Terms.*

- (a) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.
- (b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.
- (c) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is September 9, 2025.
- (d) *Underwriter* means (i) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or

indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Underwriter's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the District with respect to certain of the representations set forth in the Tax Compliance Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Modrall, Sperling, Roehl, Harris & Sisk, P.A., as Bond Counsel in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the District from time to time relating to the Bonds.

By: _____

Name: _____

Dated: _____

CERTIFICATE REGARDING ISSUE PRICE

(For use where the District did not receive three or more bids for the Bonds)

The undersigned hereby certifies as follows with respect to the \$28,000,000 principal amount of Rio Rancho Public School District No. 94, Sandoval County, General Obligation School Bonds, Series 2025 (the "Bonds").

1. *Hold-the-Price.*

- (a) Other than the Bonds maturing in ____ ("Hold-the-Price Maturities"), if any, the first prices at which at least ten percent ("Substantial Amount") of the principal amount of each Maturity was sold on the Sale Date to the Public are their respective initial offering prices ("Initial Offering Prices"), as listed in the pricing wire or equivalent communication for the Bonds that is attached to this Certificate as Schedule A.
- (b) On or before the Sale Date, the Purchaser offered to the Public each Maturity of the Hold-the-Price Maturities at their respective Initial Offering Prices, as set forth in Schedule A hereto.
- (c) As set forth in the Notice of Sale, the Purchaser agreed in writing to neither offer nor sell any of the Hold-the-Price Maturities to any person at any higher price than the Initial Offering Price for such Hold-the-Price Maturity until the earlier of the close of the fifth business day after the Sale Date or the date on which the Purchaser sells a Substantial Amount of a Hold-the-Price Maturity of the Bonds to the Public at no higher price than the Initial Offering Price for such Hold-the-Price Maturity.

2. *Defined Terms.*

- (a) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.
- (b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.
- (c) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is September 9, 2025.

- (d) *Underwriter* means (i) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Underwriter's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the District with respect to certain of the representations set forth in the Tax Compliance Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Modrall, Sperling, Roehl, Harris & Sisk, P.A., as Bond Counsel in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the District from time to time relating to the Bonds.

By: _____
Name: _____
Dated: _____