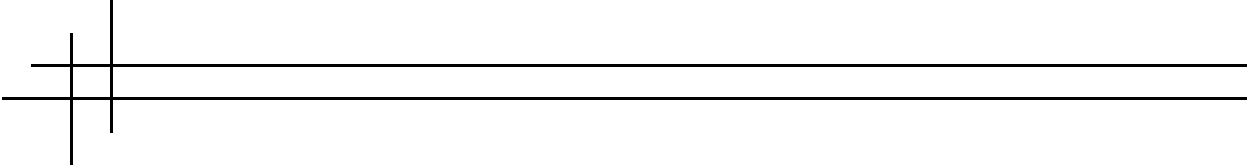




STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50

ANNUAL FINANCIAL REPORT
June 30, 2009

De'Aun Willoughby CPA, PC
Certified Public Accountant
Melrose, New Mexico



	<u>Page</u>
Official Roster.....	5
Independent Auditor's Report.....	6-7

FINANCIAL SECTION

Basic Financial Statements

Government Wide Financial Statements

Statement of Net Assets.....	9
Statement of Activities.....	10

Fund Financial Statements

Government Funds - Balance Sheet.....	11-13
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets.....	14

Statement of Revenues, Expenditures, and Changes in Fund Balances.....	15-17
---	-------

Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities.....	18
--	----

MAJOR FUNDS

GENERAL FUND

Operational - 11000

Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).....	19-20
--	-------

Teacherage-12000

Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).....	21
--	----

Transportation-13000

Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).....	22
--	----

Instructional Materials-14000

Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).....	23
--	----

SPECIAL REVENUE FUNDS

Teacher/Principal Training - 24154

Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).....	24
--	----

	<u>Page</u>
Florida Power & Light-29129	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).....	25
Statement of Fiduciary Net Assets and Liabilities-Agency Funds.....	26
Notes to Financial Statements.....	27-40
SUPPLEMENTAL INFORMATION RELATED TO MAJOR FUNDS	
Bond Building - 31100	
Statement of Revenues, Expenditures, and Changes in Cash Balance- Budget and Actual (Budgetary Basis).....	42
SUPPLEMENTAL INFORMATION RELATED TO NON MAJOR FUNDS	
Combining Non-Major Governmental Funds	
Combining Balance Sheet - by Fund Type.....	46-52
Combining Statement of Revenues, Expenditures and Changes in Fund Balance and Changes in Fund Balance - by Fund Type.....	53-59
Food Service - 21000	
Statement of Revenues, Expenditures, and Changes in Cash Balance- Budget and Actual (Budgetary Basis).....	60
Athletics - 22000	
Statement of Revenues, Expenditures, and Changes in Cash Balance- Budget and Actual (Budgetary Basis).....	61
Title I - 24101	
Statement of Revenues, Expenditures, and Changes in Cash Balance- Budget and Actual (Budgetary Basis).....	62
IDEA B, Entitlement - 24106	
Statement of Revenues, Expenditures, and Changes in Cash Balance- Budget and Actual (Budgetary Basis).....	63
IDEA B, Discretionary - 24107	
Statement of Revenues, Expenditures, and Changes in Cash Balance- Budget and Actual (Budgetary Basis).....	64
IDEA B, Preschool - 24109	
Statement of Revenues, Expenditures, and Changes in Cash Balance- Budget and Actual (Budgetary Basis).....	65
Title V-A - 24150	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).....	66
Safe & Drug Free School - 24157	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).....	67
REAP - 25233	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).....	68

	<u>Page</u>
Technology for Education - 27117	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).....	69
Beginning Teacher Mentoring - 27154	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).....	70
Breakfast for Elementary Students - 27155	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).....	71
Distant Educaion Legislation - 27165	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).....	72
Go Libraries - 27170	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).....	73
State Directed Activities - 27200	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).....	74
School Library Material - 27549	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).....	75
 NON MAJOR CAPITAL PROJECTS FUNDS	
Senate Bill Nine - 31700	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).....	76
 NON MAJOR DEBT SERVICE	
Debt Service - 41000	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).....	77
 OTHER SUPPLEMENTAL INFORMATION	
Activity	
Statement of Fiduciary Net Assets and Liabilities-Agency Funds.....	80
Cash Reconciliations-All Funds.....	81-85
 COMPLIANCE	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance with <i>Government Auditing Standards</i>	86-87
Findings and Responses.....	88

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
Official Roster
For the Year Ended June 30, 2009

BOARD OF EDUCATION

Carl Parmer	President
Rachelle Moon	Vice-President
Bill Noland	Secretary
Hilous Hargrove	Member

SCHOOL OFFICIALS

Lecil Richards	Superintendent
Marsha Stowe	Business Manager

De'Aun Willoughby CPA, PC

Certified Public Accountant

P.O. Box 223 Melrose, NM 88124

(575) 253-4313

Independent Auditor's Report

Mr. Hector Balderas
State Auditor of the State of New Mexico
Board Members of the HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50

Mr. Balderas and Members of the Board

We have audited the accompanying basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50, (District), as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's non major governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2009, as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and with standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above, present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2009, and the respective changes in financial position, and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the District as of June 30, 2009, and the respective changes in financial position and the respective budgetary comparisons for all nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated August 24, 2009, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* and should be considered in assessing the results of our audit.

The District has not presented the Management's Discussion and Analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be a part of, the basic financial statements and the combining and individual financial statements and budgetary comparisons presented as supplemental information.

Our audit was conducted for the purpose of forming opinions on the basic financial statements and the combining and individual fund financial statements and budgetary comparisons. The additional schedules listed as "other supplemental information" in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements of the District. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

De'Ann Willoughby CPA PC

August 24, 2009

FINANCIAL SECTION

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
 Government-Wide Statement of Net Assets
 June 30, 2009

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 1,044,392
Taxes Receivable	263
Due from Grantor	10,190
Inventory	990
Total Current Assets	<u>1,055,835</u>
Noncurrent Assets	
Capital Assets	4,326,131
Less: Accumulated Depreciation	<u>(1,964,619)</u>
Total Noncurrent Assets	<u>2,361,512</u>
 Total Assets	 <u>3,417,347</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	13,767
Current Portion of Long-Term Debt	<u>0</u>
Total Current Liabilities	<u>13,767</u>
Noncurrent Liabilities	
Bonds and Notes, Net	<u>494,911</u>
Total Noncurrent Liabilities	<u>494,911</u>
 Total Liabilities	 <u>508,678</u>
NET ASSETS	
Invested in Capital Assets	2,361,512
Restricted for Capital Projects	492,625
Unrestricted	<u>54,532</u>
Total Net Assets	<u>\$ 2,908,669</u>

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
 Government-Wide Statement of Activities
 For the Year Ended June 30, 2009

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
Instruction	\$ 1,275,149	\$ 0	\$ 285,014	\$ 0	\$ (990,135)
Support Services-Instruction	12,676	0	0	0	(12,676)
Support Services-Students	174,243	0	0	0	(174,243)
General Administration	106,815	0	0	0	(106,815)
Central Services	61,124	0	0	0	(61,124)
Operation of Plant	183,763	0	0	0	(183,763)
Student Transportation	213,125	0	213,125	0	0
Teacherage	1,719	0	0	0	(1,719)
Food Services Operations	65,131	13,557	11,940	0	(39,634)
Interest	3,006	0	0	0	(3,006)
Total Governmental Activities	\$ <u>2,096,751</u>	\$ <u>13,557</u>	\$ <u>510,079</u>	\$ <u>0</u>	\$ <u>(1,573,115)</u>
General Revenues					
Taxes					
Property Taxes, Levied for General Purposes				\$	4,322
Property Taxes, Levied for Debt Service					0
Property Taxes, Levied for Capital Projects					17,061
Federal and State aid not restricted to specific purpose					
General					1,540,036
Interest and investment earnings					786
Miscellaneous					29,376
Subtotal, General Revenues					<u>1,591,581</u>
Change in Net Assets					18,466
Net Assets - beginning					<u>2,890,203</u>
Net Assets - ending				\$	<u><u>2,908,669</u></u>

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2009

	General Fund		
	Operational 11000	Teacherage 12000	Transportation 13000
ASSETS			
Cash and Cash Equivalents	\$ 145,190	\$ 7,867	\$ 0
Receivables			
Taxes	227	0	0
Interfund Balances	10,190	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 155,607</u>	<u>\$ 7,867</u>	<u>\$ 0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balances	\$	\$ 0	\$ 0
Accounts Payable	11,802	0	0
Total Liabilities	<u>11,802</u>	<u>0</u>	<u>0</u>
Fund Balances			
Reserved for:			
Inventory	0	0	0
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in:			
General	143,805	7,867	0
Special Revenue	0	0	0
Capital Outlay	0	0	0
Debt Service	0	0	0
Total Fund Balances	<u>143,805</u>	<u>7,867</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 155,607</u>	<u>\$ 7,867</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2009

	<u>General Fund</u>			
	Instructional		Title V	Florida
	Materials		24154	Power & Light
	14000			29129
	<u> </u>		<u> </u>	<u> </u>
ASSETS				
Cash and Cash Equivalents	\$ 54	\$	0	\$ 277,614
Receivables				
Taxes	0		0	0
Interfund Balances	0		0	0
Due From Grantor	0		7,993	0
Inventory	0		0	0
Total Assets	<u>\$ 54</u>	<u>\$</u>	<u>7,993</u>	<u>\$</u> <u>277,614</u>
 LIABILITIES AND FUND BALANCE				
Liabilities				
Interfund Balances	\$ 0	\$	7,993	\$ 0
Accounts Payable	<u>0</u>		<u>0</u>	<u>465</u>
Total Liabilities	<u>0</u>		<u>7,993</u>	<u>465</u>
 Fund Balances				
Reserved for:				
Inventory	0		0	0
Capital Improvements	0		0	0
Unreserved, Undesignated, reported in:				
General	54		0	0
Special Revenue	0		0	277,149
Capital Outlay	0		0	0
Debt Service	0		0	0
Total Fund Balances	<u>54</u>		<u>0</u>	<u>277,149</u>
 Total Liabilities and Fund Balances	 <u>\$ 54</u>	 <u>\$</u>	 <u>7,993</u>	 <u>\$</u> <u>277,614</u>

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2009

	Bond Building 31100	Other Governmental Funds	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 492,625	\$ 121,042	\$ 1,044,392
Receivables			
Taxes	0	36	263
Interfund Balances	0	0	10,190
Due From Grantor	0	2,197	10,190
Inventory	0	990	990
Total Assets	<u>\$ 492,625</u>	<u>\$ 124,265</u>	<u>\$ 1,066,025</u>
 LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balances	\$ 0	\$ 2,197	\$ 10,190
Accounts Payable	<u>0</u>	<u>1,500</u>	<u>13,767</u>
Total Liabilities	<u>0</u>	<u>3,697</u>	<u>23,957</u>
 Fund Balances			
Reserved for:			
Inventory	0	990	990
Capital Improvements	492,625	0	492,625
Unreserved, Undesignated, reported in:			
General	0	0	151,726
Special Revenue	0	18,039	295,188
Capital Outlay	0	101,291	101,291
Debt Service	0	248	248
Total Fund Balances	<u>492,625</u>	<u>120,568</u>	<u>1,042,068</u>
 Total Liabilities and Fund Balances	 <u>\$ 492,625</u>	 <u>\$ 124,265</u>	 <u>\$ 1,066,025</u>

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
 Reconciliation of the Governmental Funds
 Balance Sheet to the Statement of Net Assets
 June 30, 2009

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

Total Fund Balance - Governmental Funds	\$	1,042,068
---	----	-----------

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

The cost of capital assets	\$	4,326,131	
Accumulated depreciation is		<u>(1,964,619)</u>	<u>2,361,512</u>

Long-term and certain other liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term and other liabilities at year end consist of :

Bond payable		(540,000)	
Issue Costs		48,095	
Accumulated Amortization of Issue Costs	\$	<u>(3,006)</u>	<u>(494,911)</u>

Total net assets - governmental activities	\$	<u><u>2,908,669</u></u>
--	----	-------------------------

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and Changes
in Fund Balance
For the Year Ended June 30, 2009

	General Fund		
	Operational 11000	Teachergage 12000	Transportation 13000
Revenues			
Fees	\$ 0	\$ 0	\$ 0
Property Taxes	4,322	0	0
Interest Income	0	0	0
Federal Grants	0	0	0
State and Local Grants	1,540,036	0	213,125
Miscellaneous	26,256	2,400	0
Total Revenues	1,570,614	2,400	213,125
Expenditures			
Current			
Instruction	983,422	0	0
Support Service-Students	131,804	0	0
Support Service-Instruction	12,098	0	0
Support Services-General Administration	104,896	0	0
Central Services	61,124	0	0
Operation & Maintenance of Plant	155,755	0	0
Transportation	0	0	213,125
Food Services	46,562	0	0
Capital Outlay	0	0	0
Debt Service			
Bond Issue Costs	0	0	0
Total Expenditures	1,495,661	0	213,125
Excess (Deficiency) of Revenues Over Expenditures	74,953	2,400	0
Other Financing Sources (Uses)			
Bond Issue	0	0	0
Total Other Sources (Uses)	0	0	0
Net Changes in Fund Balance	74,953	2,400	0
Fund Balances at Beginning of Year	68,852	5,467	0
Fund Balance End of Year	\$ 143,805	\$ 7,867	\$ 0

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and Changes
in Fund Balance
For the Year Ended June 30, 2009

	<u>General Fund</u>		
	<u>Instructional Materials 14000</u>	<u>Title V 24154</u>	<u>Florida Power & Light 29129</u>
Revenues			
Fees	\$ 0	\$ 0	\$ 0
Property Taxes	0	0	0
Interest Income	0	0	0
Federal Grants	0	10,019	65,286
State and Local Grants	9,744	0	0
Miscellaneous	0	0	0
Total Revenues	<u>9,744</u>	<u>10,019</u>	<u>65,286</u>
Expenditures			
Current			
Instruction	9,112	0	0
Support Service-Students	0	10,019	32,420
Support Service-Instruction	578	0	0
Support Services-General Administration	0	0	0
Central Services	0	0	0
Operation & Maintenance of Plant	0	0	0
Transportation	0	0	0
Food Services	0	0	0
Capital Outlay	0	0	0
Debt Service			
Bond Issue Costs	0	0	0
Total Expenditures	<u>9,690</u>	<u>10,019</u>	<u>32,420</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>54</u>	<u>0</u>	<u>32,866</u>
Other Financing Sources (Uses)			
Bond Issue	0	0	0
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Changes in Fund Balance	54	0	32,866
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>244,283</u>
Fund Balance End of Year	<u>\$ 54</u>	<u>\$ 0</u>	<u>\$ 277,149</u>

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and Changes
in Fund Balance
For the Year Ended June 30, 2009

	Bond Building 31100	Other Governmental Funds	Total Governmental Funds
Revenues			
Fees	\$ 0	\$ 13,557	\$ 13,557
Property Taxes	0	17,061	21,383
Interest Income	0	786	786
Federal Grants	0	100,078	175,383
State and Local Grants	0	111,827	1,874,732
Miscellaneous	720	0	29,376
Total Revenues	<u>720</u>	<u>243,309</u>	<u>2,115,217</u>
Expenditures			
Current			
Instruction	0	126,662	1,119,196
Support Service-Students	0	0	174,243
Support Service-Instruction	0	0	12,676
Support Services-General Administration	0	174	105,070
Central Services	0	0	61,124
Operation & Maintenance of Plant	0	10,539	166,294
Transportation	0	0	213,125
Food Services	0	17,457	64,019
Capital Outlay	0	0	0
Debt Service			
Bond Issue Costs	48,095	0	48,095
Total Expenditures	<u>48,095</u>	<u>154,832</u>	<u>1,963,842</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(47,375)</u>	<u>88,477</u>	<u>151,375</u>
Other Financing Sources (Uses)			
Bond Issue	540,000	0	540,000
Total Other Sources (Uses)	<u>540,000</u>	<u>0</u>	<u>540,000</u>
Net Changes in Fund Balance	492,625	88,477	691,375
Fund Balances at Beginning of Year	<u>0</u>	<u>32,091</u>	<u>350,693</u>
Fund Balance End of Year	<u>\$ 492,625</u>	<u>\$ 120,568</u>	<u>\$ 1,042,068</u>

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

STATE OF NEW MEXICO

HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50

Reconciliation of the Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balance
to the Statement of Activities

For the Year Ended June 30, 2009

Net Change in Fund Balance-Governmental Funds \$ 691,375

Amounts reported for Governmental Activities in the Statement of Activities are different because:

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

Depreciation expense	\$	(177,998)	
Capital Outlays		<u>0</u>	<u>(177,998)</u>

The issuance of long-term debt provides current financial resources to governmental funds but has no effect on net assets.

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.

Principal paid for bonds (Note G)		(540,000)	
-----------------------------------	--	-----------	--

Bond issue costs are amortized in the Statement of Activities but are netted with proceeds of bond issues in the year of issue on the Statement of Revenues, Expenditures and Changes in Fund Balances. This is the amount of the amortized bond issue costs.

Bond Issue Costs this year		48,095	
Amortization of Issue Costs this Year	\$	<u>(3,006)</u>	<u>45,089</u>

Change in Net Assets of Governmental Activities		\$	<u><u>18,466</u></u>
---	--	----	----------------------

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
GENERAL FUND-OPERATIONAL-11000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Taxes	\$ 4,185	\$ 4,185	\$ 4,174	\$ (11)
Other Revenue	4,770	22,758	26,256	3,498
State Grants	1,462,654	1,546,654	1,540,036	(6,618)
Total Revenues	<u>1,471,609</u>	<u>1,573,597</u>	<u>1,570,466</u>	<u>(3,131)</u>
Expenditures				
Instruction				
Personnel Services	729,798	747,792	740,295	7,497
Employee Benefits	225,457	218,363	213,083	5,280
Professional & Tech Services	13,000	19,419	12,870	6,549
Purchased Services	17,250	16,882	11,404	5,478
Supplies	8,339	32,164	5,560	26,604
Total Instruction	<u>993,844</u>	<u>1,034,620</u>	<u>983,212</u>	<u>51,408</u>
Support Services-Students				
Personnel Services	75,634	75,634	75,634	0
Employee Benefits	40,761	40,761	39,221	1,540
Professional & Tech Services	17,050	17,050	6,856	10,194
Purchased Services	750	750	216	534
Supplies	10,000	19,000	11,175	7,825
Support Services-Students	<u>144,195</u>	<u>153,195</u>	<u>133,102</u>	<u>20,093</u>
Support Services-Instruction				
Purchased Services	<u>17,371</u>	<u>17,371</u>	<u>12,098</u>	<u>5,273</u>
Support Services-Students	<u>17,371</u>	<u>17,371</u>	<u>12,098</u>	<u>5,273</u>
Support Services-General Administration				
Personnel Services	92,500	92,500	85,169	7,331
Professional & Tech Services	7,314	17,850	10,464	7,386
Purchased Services	3,950	7,679	3,822	3,857
Supplies	2,300	535	436	99
Total Support Services- General Administration	<u>106,064</u>	<u>118,564</u>	<u>99,891</u>	<u>18,673</u>
Central Services				
Personnel Services	45,225	45,226	45,225	1
Employee Benefits	9,821	9,420	9,316	104
Professional & Tech Services	500	1,900	995	905
Supplies	750	6,750	5,638	1,112
Total Central Services	<u>\$ 56,296</u>	<u>\$ 63,296</u>	<u>\$ 61,174</u>	<u>\$ 2,122</u>

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
GENERAL FUND-OPERATIONAL-11000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Operation & Maintenance of Plant				
Personnel Services	\$ 46,396	\$ 46,396	\$ 45,946	\$ 450
Employee Benefits	20,644	20,644	13,049	7,595
Professional & Tech Services	1,000	1,000	1,000	0
Purchased Property Services	64,500	72,500	59,073	13,427
Purchased Services	28,132	28,132	28,132	0
Supplies	12,586	19,836	8,842	10,994
Total Operation & Maintenance of Plant	<u>173,258</u>	<u>188,508</u>	<u>156,042</u>	<u>32,466</u>
Food Service Operations				
Personnel Services	32,229	32,229	31,584	645
Employee Benefits	22,783	23,875	14,791	9,084
Professional & Tech Services	1,500	408	0	408
Supplies	500	500	387	113
Total Food Services Operations	<u>57,012</u>	<u>57,012</u>	<u>46,762</u>	<u>10,250</u>
Total Expenditures	<u>1,548,040</u>	<u>1,632,566</u>	<u>1,492,281</u>	<u>140,285</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(76,431)</u>	<u>(58,969)</u>	<u>78,185</u>	<u>137,154</u>
Cash Balance Beginning of Year	<u>77,195</u>	<u>77,195</u>	<u>77,195</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 764</u>	<u>\$ 18,226</u>	<u>\$ 155,380</u>	<u>\$ 137,154</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 78,185	
Net Change in Taxes Receivable			148	
Net Change in Accounts Payable			(3,380)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 74,953</u>	

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
GENERAL FUND-TEACHERAGE-12000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Rentals	\$ 2,400	\$ 2,400	\$ 2,400	\$ 0
Total Revenues	<u>2,400</u>	<u>2,400</u>	<u>2,400</u>	<u>0</u>
Expenditures				
Teacherage				
Supplies	<u>7,867</u>	<u>7,867</u>	0	<u>7,867</u>
Total Pupil Transportation	<u>7,867</u>	<u>7,867</u>	0	<u>7,867</u>
Total Expenditures	<u>7,867</u>	<u>7,867</u>	0	<u>7,867</u>
Excess (Deficiency) of Revenues Over Expenditures	(5,467)	(5,467)	2,400	7,867
Cash Balance Beginning of Year	<u>5,467</u>	<u>5,467</u>	<u>5,467</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>7,867</u>	\$ <u>7,867</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>2,400</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>2,400</u>	

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
GENERAL FUND-TRANSPORTATION-13000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 225,259	\$ 225,259	\$ 215,871	\$ (9,388)
Total Revenues	<u>225,259</u>	<u>225,259</u>	<u>215,871</u>	<u>(9,388)</u>
Expenditures				
Pupil Transportation				
Personnel Services	42,956	42,836	42,836	0
Employee Benefits	51,906	47,120	47,120	0
Purchased Property Services	45,273	45,726	45,726	0
Other Purchased Services	79,733	72,938	72,938	0
Supplies	5,391	4,505	4,505	0
Total Pupil Transportation	<u>225,259</u>	<u>213,125</u>	<u>213,125</u>	<u>0</u>
Total Expenditures	<u>225,259</u>	<u>213,125</u>	<u>213,125</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	12,134	2,746	(9,388)
Cash Balance Beginning of Year	<u>(2,746)</u>	<u>(2,746)</u>	<u>(2,746)</u>	<u>0</u>
Cash Balance End of Year	<u><u>\$ (2,746)</u></u>	<u><u>\$ 9,388</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (9,388)</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 2,746	
Net change is Receivables			<u>(2,746)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>\$ 0</u></u>	

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
GENERAL FUND-INSTRUCTIONAL MATERIALS-14000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 9,690	\$ 9,690	\$ 9,744	\$ 54
Total Revenues	<u>9,690</u>	<u>9,690</u>	<u>9,744</u>	<u>54</u>
Expenditures				
Instruction				
Supplies	9,112	9,112	9,112	0
Total Instruction	<u>9,112</u>	<u>9,112</u>	<u>9,112</u>	<u>0</u>
Support Services Instruction				
Supplies	578	578	578	0
Total Support Services Instruction	<u>578</u>	<u>578</u>	<u>578</u>	<u>0</u>
Total Expenditures	<u>9,690</u>	<u>9,690</u>	<u>9,690</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	54	54
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 54</u>	<u>\$ 54</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 54	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 54</u>	

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

STATE OF NEW MEXICO

HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50

SPECIAL REVENUE FUND-TEACHER/PRINCIPAL TRAINING-24154

Statement of Revenues, Expenditures, and Changes in Cash Balance -

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 5,057	\$ 10,036	\$ 2,026	\$ (8,010)
Total Revenues	<u>5,057</u>	<u>10,036</u>	<u>2,026</u>	<u>(8,010)</u>
Expenditures				
Instruction				
Supplies	5,057	10,036	10,019	17
Total Instruction	<u>5,057</u>	<u>10,036</u>	<u>10,019</u>	<u>17</u>
Total Expenditures	<u>5,057</u>	<u>10,036</u>	<u>10,019</u>	<u>17</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(7,993)	(7,993)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (7,993)</u>	<u>\$ (7,993)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (7,993)	
Net change in Due from Grantor			<u>7,993</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO

HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50

SPECIAL REVENUE FUND-Florida Power & Light-29129

Statement of Revenues, Expenditures, and Changes in Cash Balance -

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Local Grant	\$ 66,255	\$ 66,255	\$ 65,287	\$ (968)
Total Revenues	<u>66,255</u>	<u>66,255</u>	<u>65,287</u>	<u>(968)</u>
Expenditures				
Instruction				
Professional & Tech Services	7,690	7,690	3,874	3,816
Other Purchased Services	87,000	87,000	28,771	58,229
Property	194,373	194,373	0	194,373
Total Instruction	<u>289,063</u>	<u>289,063</u>	<u>32,645</u>	<u>256,418</u>
Total Expenditures	<u>289,063</u>	<u>289,063</u>	<u>32,645</u>	<u>256,418</u>
Excess (Deficiency) of Revenues Over Expenditures	(222,808)	(222,808)	32,642	255,450
Cash Balance Beginning of Year	<u>244,972</u>	<u>244,972</u>	<u>244,972</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 22,164</u>	<u>\$ 22,164</u>	<u>\$ 277,614</u>	<u>\$ 255,450</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 32,642	
Net Change in Accounts Payable			<u>224</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 32,866</u>	

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
Statement of Fiduciary Net Assets and Liabilities-Agency Funds
June 30, 2009

	<u>Agency Funds</u>
Assets	
Cash and Cash Equivalents	\$ <u>44,112</u>
Total Assets	\$ <u><u>44,112</u></u>
Liabilities	
Deposits Held for Others	\$ <u>44,112</u>
Total Liabilities	\$ <u><u>44,112</u></u>

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

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the House Municipal School (District) , has 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. Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued prior to November 30, 1989 that do not conflict with or contradict GASB pronouncements. The more significant of the District's accounting policies are described below.

Financial Reporting Entity

The District has been in existence since the early nineteen hundreds, and is currently operating under the provisions of the Public School District Code, Chapter 22, of the New Mexico Statutes Annotated, 1978 Compilation. The District operates with a local board of education - superintendent form of government and provides a supervised program of instruction designed to educate students at the elementary and secondary level.

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

The District has no component units, defined by GASB Statement No. 14 as other legally separate organizations for which the elected District members are financially accountable. There are no other primary governments with which the School Board Members are financially accountable. There are no other primary governments with which the District has a significant relationship.

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The funds of the District are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate fund types. The fund classification and a description of each existing fund type follows below:

Governmental Funds

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 general long-term debt.

General Fund - The General Fund is the general operating fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds.

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

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

Capital Projects Fund - The Capital Projects Fund is used to account for all resources for the acquisition of capital facilities by the District.

Fiduciary Fund Type

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the District.

The Student Activity Fund, an agency fund, accounts for assets held by the District as an agent for the District organizations. These organizations exist with the explicit approval of and are subject to revocation by the District's Board of Education. This accounting reflects the District's agency relationship with the student activity organizations.

Major Funds

The District reports the following major governmental funds:

GENERAL FUND (11000)(12000)(13000)(14000)

The General Fund consist of four sub funds. The first is the operational fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. The Teacherage Fund is to provide teachers affordable housing to entice them to teach there. The Transportation fund includes a state grant to provide transportation for students in the District. The Instructional Materials fund accounts for a state grant to provide text books for students in the District.

SPECIAL REVENUE FUND

Teacher & Principal Training & Recruiting (24154)

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

Florida Power & Light (29129)

To account for resources and expenditures from a non-profit organization, Parents Reaching Out for the purpose of development and implementation of the School Parent Community Involvement Plan. The fund was created by grant provisions.

CAPITAL PROJECT FUNDS

Bond Building (31100)

The revenues are derived from a School Building Bond Issue. The expenditures are restricted to major capital improvements.

Measurement Focus and Basis of Accounting

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary Funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

The Statement of Net Assets and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirement of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions."

Program Revenues

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues. Program revenues include: 1) charges for food service and 2) program-specific operating grants and contributions for instruction, transportation and food service.

Fund Financial Statements (FFS)

Governmental Funds

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 30 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Any effect of interfund activity has been eliminated from the district-wide financial statements.

Revenues

Ad valorem taxes are susceptible to full accrual on the government wide financial statements. Property Tax revenues recognize revenues net of estimated refunds and uncollectible accounts in the period for which the taxes are levied.

Entitlement and shared revenues (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met.

Other receipts become measurable and available when cash is received by the District and are recognized as revenue at that time.

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
Notes to the Financial Statements
June 30, 2009

Expenditures

Salaries are recorded as paid. Salaries for nine-month employees are paid prior to the end of the fiscal year and therefore are not accrued. Salaries for the twelve month employees payroll are accrued.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, etc.) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Basis of Budgeting

Formal budgetary integration is employed as a management control device during the year.

Budgets for the General, Special Revenue, Debt Service and Capital Projects Funds are adopted on a basis inconsistent with generally accepted accounting principles (GAAP). These budgets are prepared using the cash basis of accounting. Budgetary comparisons for the various funds in this report are on the non-GAAP budgetary basis.

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

1. Prior to April 15, (unless a later date is fixed by the Secretary of Education) the local school board submits to the School Budget and Finance Analysis Unit (SBFAU) of the New Mexico Public Education Department an estimated budget for the District for the ensuing fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the New Mexico Public Education Department (PED) by the district shall contain headings and details as prescribed by law.
2. Prior to June 20, of each year, the proposed "operating" budget will be reviewed and approved by the SBFAU and certified and approved by the local school board at the public hearing of which notice has been published by the local school board which fixed the estimated budget for the district for the ensuing fiscal year.
3. The "operating" budget will be used by the District until they have been notified that the budget has been approved by the SBFAU and the local school board. The budget shall be integrated formally in to the accounting system. Encumbrances shall be used as an element for control and shall be integrated into the budget system.
4. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the SBFAU.
5. No school board or officer or employee of the District shall make any expenditures or incur any obligation for the expenditures of public funds unless such expenditure or contractual obligation is made in accordance with an operating budget approved by the division. But this does not prohibit the transfer of funds between line items within a series of a budget.
6. Budget change requests are processed in accordance with Supplement I (Budget Preparation and Maintenance) of the *Manual of Procedures Public School Accounting and Budgeting*. Such changes are initiated by the District and approved by the SBFAU.
7. Legal budget control for expenditures is by function.

8. Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget of the District has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and

Cash and Cash Equivalents

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.

The District is authorized under the provisions of Chapter 6, Article 10, paragraph 10, NMSA 1978, to deposit its money in banks, savings and loan associations and/or credit unions whose accounts are insured by an agency of the United States.

Investments

All money not immediately necessary for the public uses of the District may be invested in :

(a) bonds or negotiable securities of the United States, the state or any county, municipality or school district which has a taxable valuation of real property for the last preceding year of at least one million dollars (1,000,000) and has not defaulted in the payment of any interest or sinking fund obligation or failed to meet any bonds at maturity at any time within five years last preceding; or

(b) securities that are issued by the United States government or by its agencies or instrumentalities and that are either direct obligations of the United States or are backed by the full faith and credit of the United States government or agencies guaranteed by the United States government.

(c) in contracts with banks, savings and loan associations or credit unions for the present purchase and resale at a specified time in the future of specific securities at specified prices at a price differential representing the interest income to be earned by the investor. The contract shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with the investment. The contract shall be fully secured by obligations of the United States having a market value of at least one hundred two percent of the contract. The collateral required for investment in the contracts provided for in this subsection shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with investment.

Receivables and Payables

Receivables include property taxes, interfund loans that are expected to be paid back and amount due from state government agencies related to various grant agreements. Payables represent routine monthly bills for services rendered and products purchased and accrued salaries and benefits.

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
Notes to the Financial Statements
June 30, 2009

Property Taxes

The County collects the District's share of property taxes assessed. Property taxes attach an enforceable lien on property as of January 1st. Tax notices are sent by the County treasurer to property owners by November 1st of each year to be paid in whole or in two installments by November 10th and April 10th of each year. The County collects such taxes and distributes them to the District on a monthly basis. The District accounts for its share of property taxes in the General, Debt Service and Capital Projects Funds. Only those collections received are recorded as revenues for the budget presentation.

Elimination and Reclassifications of Certain Receivables and Payables

In the process of aggregating data for the Statement of Net Assets and the Statement of Activities, some amounts reported as interfund balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

Inventories and Prepaid Items

Purchased inventory is valued at the lower of cost (first-in, first-out) or market. Inventory in the Cafeteria Fund consists of purchased food and non-food items and United States Department of Agriculture (USDA) commodities. Commodities are shown at the USDA procurement cost. Costs are recorded as expenditures at the time individual inventory items are used (consumption method). Reported inventories are equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both District-wide and fund financial statements.

Capital Assets

Capital assets are recorded at historical costs and depreciated over their estimated useful lives (with no salvage value). Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Donated capital assets are recorded at their estimated fair market value on the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Capital expenditures made on the school district's building construction projects by the NM Public School Facilities Authority are appropriately included in the school district's capital assets disclosures and financial statements.

Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Buildings & Improvements	20-50 Years
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	3-15 Years

Capital Leases

Capital leases are recorded at the inception of the leases as expenditures and other financing sources in governmental fund financial statement at the present value of the future minimum lease payments, using the stated or implicit interest rate in the leases. Lease payments are recorded as expenditures on the due date. Capital leases are recorded as a liability in the government-wide financial statement at the time of inception and the corresponding asset is recorded in the capital asset section on the balance sheet. There are no outstanding Capital Leases.

Short -Term Debt

Short-term debt results from borrowings characterized by anticipation notes, use of lines of credit, and similar loans. The District does not have any activity in short-term debt.

Long-Term Liabilities

For district-wide reporting, the costs associated with the bonds are recognized over the life of the bond. As permitted by GASB Statement No. 34 the amortization of the costs of bonds will be amortized prospectively from the date of adoption of GASB Statement No. 34.

Restricted Net Assets

For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net assets use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available it will first be applied to restricted resources.

Fund Balances of Fund Financial Statements

Reserved fund balance indicates that portion of fund equity which has been segregated for specific purposes.

Unreserved fund balance indicates that portion of fund equity which is available for budgeting in future periods.

Interfund Transactions

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

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
 Notes to the Financial Statements
 June 30, 2009

Deferred Revenue

The District reports deferred revenues on its Statement of Net Assets and Fund Balance Sheet. Deferred revenues arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the District has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized. Deferred revenues also occur in the fund financial statements when revenue is earned but is not available. The revenue becomes available if received within 30 days of the fiscal year end.

Compensated Absences

The District contracts all employees on an annual basis. A terminated employee is paid through the date of dismissal in accordance with their contract. Due to this practice, there are no compensated absences accrued.

Estimates

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

NOTE B: CASH AND INVESTMENTS

The District is required by New Mexico State Statute (Section 6-10-17) to be 50% collateralized. Following is a schedule calculating the requirement and disclosing the pledged securities.

Citizens Bank	Balance Per Bank 06-30-09	Reconciled Balance	Type
<u>Name of Account</u>	<u> </u>	<u> </u>	
Operational	\$ 332,653	\$ 331,970	Checking
Fund Accounts	7,252	7,112	Checking
Budgeted Activities	6,872	6,780	Checking
Lunch Fund	14,731	10,642	Checking
Payroll Clearing	142,063	0	Checking
House Schools	70,000	70,000	CD
House Schools	37,000	37,000	CD
House Schools	400,000	400,000	CD
House Schools	225,000	225,000	CD
TOTAL Deposited	<u>1,235,571</u>	<u>\$ 1,088,504</u>	
Less: FDIC Coverage	<u>(250,000)</u>		
Uninsured Amount	985,571		
50% collateral requirement	492,786		
Pledged securities	<u>3,671,560</u>		
Over (Under) requirement	<u>\$ 3,178,775</u>		

The difference between the bank balance and the reconciled balance is outstanding deposits, outstanding checks and pending bank adjustments.

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
 Notes to the Financial Statements
 June 30, 2009

The following securities are pledged at **Citizens Bank**:

<u>Description</u>	<u>CUSIP #</u>	<u>Market Value</u>	<u>Maturity Date</u>	<u>Location</u>
FHLMC	3136F7BE6	\$ 1,556,100	06/21/2010	San Antonio, TX
FNMA	31398ACs9	2,115,460	06/07/2022	San Antonio, TX
		<u>\$ 3,671,560</u>		

Custodial Credit Risk-Deposits

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ 250,000
Collateralized:	
Collateral held by the pledging bank in District's name	985,571
Uninsured and uncollateralized	0
Total Deposits	<u>\$ 1,235,571</u>

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2009 none of the District's bank balance of \$1,235,571 was exposed to custodial credit risk.

NOTE C: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances is as follows:

<u>Receivable</u>	<u>Payable</u>	
	<u>Title V Fund</u>	<u>Non-Major Funds</u>
General Fund	\$ 7,993	\$ 2,197
Totals	<u>\$ 7,993</u>	<u>\$ 2,197</u>

The above interfund balances resulted from reimbursement grants. The shortfalls were covered by the General Fund. All transactions will be repaid within one year.

NOTE D: TAXES RECEIVABLE

Following is a schedule of property taxes receivable as of the fiscal year end:

	<u>Operational</u>	<u>Senate Bill Nine</u>	<u>Total</u>
Property Taxes Receivable:			
Available	\$ 227	36	263
Unavailable	0	0	0
TOTAL Property Taxes Receivable	<u>\$ 227</u>	<u>\$ 36</u>	<u>\$ 263</u>

NOTE E: DEFERRED REVENUES

For the fiscal year ended there were no deferred revenues.

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
Notes to the Financial Statements
June 30, 2009

NOTE F: CAPITAL ASSETS

Capital Assets Balances and Activity for the fiscal year end is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital Assets not being Depreciated				
Land	\$ 7,875	\$ 0	\$ 0	\$ 7,875
Total Capital Assets not being Depreciated	<u>7,875</u>	<u>0</u>	<u>0</u>	<u>7,875</u>
Capital Assets, being Depreciated				
Buildings & Improvements	3,719,987	0	0	3,719,987
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	<u>607,469</u>	<u>0</u>	<u>9,200</u>	<u>598,269</u>
Total Capital Assets, being Depreciated	<u>4,327,456</u>	<u>0</u>	<u>9,200</u>	<u>4,318,256</u>
Total Capital Assets	<u>4,335,331</u>	<u>0</u>	<u>9,200</u>	<u>4,326,131</u>
Less Accumulated Depreciation				
Buildings & Improvements	1,446,886	154,491	0	1,601,377
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	<u>348,935</u>	<u>23,507</u>	<u>9,200</u>	<u>363,242</u>
Total Accumulated Depreciation	<u>1,795,821</u>	<u>177,998</u>	<u>9,200</u>	<u>1,964,619</u>
Capital Assets, net	<u>\$ 2,539,510</u>	<u>\$ (177,998)</u>	<u>\$ 0</u>	<u>\$ 2,361,512</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 155,953
Support Services-General Administration	1,745
Operation & Maintenance of Plant	17,469
Food Services Operations	1,112
Teacherage	1,719
Total depreciation expenses	<u>\$ 177,998</u>

NOTE G: LONG TERM DEBT

Long Term Debt

A summary of activity in the long term debt is as follows:

	Beginning of Year	Additions	Reductions	End of Year	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General Obligation					
Bonds	\$ 0	\$ 540,000	\$ 0	\$ 540,000	\$ 0
Total Bonds	<u>\$ 0</u>	<u>\$ 540,000</u>	<u>\$ 0</u>	<u>\$ 540,000</u>	<u>\$ 0</u>

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
 Notes to the Financial Statements
 June 30, 2009

Payments on the general obligation bonds are made by the Debt Service Funds.

The following bonds were issued for the purpose of erecting, furnishing, remodeling and making additions to District buildings and improving District grounds. A tax is annually assessed, levied and collected upon all taxable property within the District for the purpose of providing the necessary funds to meet the interest and principal payments as they become due.

Series	Date of Issue	Original Amount	Interest Rate	Balance
2009	5/15/09	\$ 540,000	3.4%-5%	\$ 540,000
				<u>\$ 540,000</u>

The annual requirements to amortize the general obligation bonds, including interest payments are as follows:

	Principal	Interest	Total
2009	\$ 0	\$ 0	0
2010	25,000	21,600	46,600
2011	25,000	20,600	45,600
2012	30,000	19,600	49,600
2013	30,000	18,400	48,400
2014-2018	165,000	73,400	238,400
2019-2023	195,000	37,800	232,800
2024-2025	70,000	3,800	73,800
	<u>\$ 540,000</u>	<u>\$ 195,200</u>	<u>\$ 735,200</u>

Reconciliation of Long-Term Debt disclosed in Note H to the Long-Term Debt reported in the Statement of Net Assets.

Note G	\$ 540,000
Issue Costs	(48,095)
Accumulated Amortization	3,006
Statement of Net Assets	<u>\$ 494,911</u>
Long-Term Per Government Wide Financial Statements	\$ 494,911
Current Portion	0
Statement of Net Assets	<u>\$ 494,911</u>

NOTE H: COMMITMENTS

The District has various construction commitments including a roofing project for most of the building at the District. Funding is provided by the bond issue.

NOTE I: PENSION PLAN

Substantially all of the District's full-time employees participate in a public employee retirement system authorized under the Educational Retirement Act (Chapter 22, Article 11, 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, P.O. Box 26129, Santa Fe, NM 87502. The report is also available on ERB's website at www.nmerb.org.

Plan members are required to contribute 7.9% of their gross salary. The District is required to contribute 11.65% of the gross covered salary. The employer contribution will increase .75% each year until July 1, 2011 when the employer contribution will be 13.9%. The contribution requirements of plan members and the District are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District's contributions to ERB for the fiscal years ending June 30, 2009, 2008, and 2007, were \$ 190,707, \$168,643 and \$175,380 respectively, which equal the amount of the required contributions for each fiscal year.

NOTE J: RETIREE HEALTH CARE ACT CONTRIBUTIONS

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

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

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

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. The statute requires each participating employer to contribute 1.3% of each participating employee's annual salary; each participating employee is required to contribute .65% of their salary.

Employers joining the program after 1/1/98 are also required to make a surplus-amount contribution to the RHCA based on one of two formulas at agreed-upon intervals.

The RHCA plan is financed on a pay-as-you-go basis. The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the contributions can be changed by the New Mexico State Legislature

The District's contributions to the RHCA for the years ended June 30, 2009, 2008 and 2007 were \$19,463, \$17,562 and \$19,103 respectively, which equal the required contributions for each year.

NOTE K: RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS STATEMENTS

The Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - all Governmental Fund Types is presented on the budgetary basis to provide a comparison of actual results with the budget. The major differences between the budget basis and GAAP (Generally Accepted Accounting Principles) basis are that:

- A. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- B. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).

The adjustments necessary to convert the results of operations for the year from GAAP basis to the budget basis for the governmental funds are presented on each individual Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).

Reconciliations are located at the bottom of each budget actual.

NOTE L: INSURANCE COVERAGE

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; error and omissions; and injuries to employees; and natural disasters. The District, as a New Mexico Public School, is insured through the New Mexico Public Schools Insurance Authority (NMPSIA). Annual premiums are paid by the District to NMPSIA for coverage provided in the following areas:

- Workers Compensation
- Property and Automobile Liability and Physical Damage
- Liability and Civil Rights and Personal Injury
- Contract School Bus Coverage; and
- Crime

NOTE M: SURETY BOND

The officials and certain employees of the District are covered by a surety bond as required by Section 12-6-7, NMSA, 1978 Compilation.

NOTE N: JOINT POWERS AGREEMENTS

A joint powers agreement was entered into with the Regional Education Cooperative No. 6 (REC). The purpose of the agreement is to allow the submission of a consolidated application to the State Department of Education for certain funds granted to the State of New Mexico by the United States Department of Education under the Education of the Handicapped Act, Part B, PL 94-142 among others. The REC is the fiscal agent and responsible for the audit.

There are ten schools that participate in the REC, they are Dora, Elida, Floyd, Fort Sumner, Grady, House, Logan, Melrose, San Jon, and Texico. The agreement became effective on July 1, 1995 and is to remain in effect until the end of any fiscal year during which the school gives notice of intent to terminate.

The REC passed-through \$49,095, to the District for salaries and fringe benefits. As required by SAO 2.2.2.12 C (3) (d), the REC funds were reported as revenues and expenditures in the following special revenue funds:

24106	IDEA, Part B Entitlement
27200	State Directed

The audit report is available at the REC located at 1500 South Ave K, Station 9, Portales, New Mexico 88130.

**SUPPLEMENTAL INFORMATION RELATED TO
MAJOR FUNDS**

STATE OF NEW MEXICO

HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50

CAPITAL PROJECTS FUND-BOND BUILDING-31100

Statement of Revenues, Expenditures, and Changes in Cash Balance -

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Bond Issue	\$ 0	\$ 540,000	\$ 540,000	\$ 0
Interest Income	0	0	720	720
Total Revenues	<u>0</u>	<u>540,000</u>	<u>540,720</u>	<u>720</u>
Expenditures				
Capital Outlay				
Professional & Tech Services	0	48,095	48,095	0
Property	0	0	0	0
Total Capital Outlay	<u>0</u>	<u>48,095</u>	<u>48,095</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>48,095</u>	<u>48,095</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	491,905	492,625	720
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 491,905</u>	<u>\$ 492,625</u>	<u>\$ 720</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 492,625</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 492,625</u>	

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

**SUPPLEMENTAL INFORMATION RELATED TO
NON MAJOR FUNDS**

NONMAJOR FUNDS

Food Services (21000)

To account for revenue and expenditures associated with the school breakfast and lunch program. Funding is provided from fees from patrons and USDA food reimbursements. Authority for creation of this fund is NMSA 22-13-13.

Athletics (22000)

To account for revenue and expenditures associated with the District's budgeted athletic activities. (NMAC 6.20.2).

TITLE I (24101)

To account for a program funded by a Federal grant to supplement the regular instructional program for educationally deprived students. Funding authorized by the Elementary and Secondary Act of 1965, Chapter I of Title I, as amended, Public Laws 100-297, 20 U.S.C. 2701. The fund was created by the authority of federal grant provisions.

IDEA Part B, Entitlement, Discretionary, Preschool (24106) (24107) (24109).

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

Title V-A (24150)

To account for monies received to improve elementary and secondary education for children attending both public and private schools. The fund was created by grant provisions. (PL 103-382).

Safe & Drug Free Schools & Communities (24157).

To offer a disciplined environment conducive to learning, by preventing violence in and around schools and strengthen programs that prevent the illegal use of alcohol, tobacco, and drugs, involve parents, and coordinated with related Federal, State, and community efforts and resources. Elementary and Secondary Education Act , Title IV, Part A, Subpart 1, as amended. 20 USC 7111-7118.

Rural Education Achievement Program (REAP) (25233)

To provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools. Elementary and Secondary Education Act of 1965 (ESEA), Title VI, Part B, as amended.

Technology for Education (27117)

To account for funds received from the Technology for Education Grant created by the 1994 State Legislation to establish funding of any costs associated with educational technology. Funding provided by the State of New Mexico. (NMSA 22-15A-1-10).

Beginning Teacher Mentoring Program (27154)

To account for revenues and expenditures from a state grant provided for tutoring and student enhancement activities in reading, math, and study skills for grades six through eight. The fund was created by state grant provisions.

NONMAJOR FUNDS

Breakfast for Elementary Students (27155).

To account for revenues and expenditures from a state grant for the purpose of providing a free breakfast to elementary students. The fund was created by state grant provisions.

Distant Education Legislation (27165)

To account for funds received from the New Mexico Public Education Department for improving education in rural areas of New Mexico, based on the concept of holistic community revitalization and the inclusion of economic development with significant school involvement.

Library GO Bonds (27170)

To account for revenues and expenditures from a state grant to provide for public school and juvenile detention libraries. The funding made available to update and expand library collections in order to circulate and provide access of materials to students and teachers. Funding provided by the State of New Mexico.

State Directed Activities (27200)

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

School Library Material (27549)

To account for funds received from the New Mexico Public Education Department for purchasing library books. The fund was created by state grant provisions.

NONMAJOR CAPITAL OUTLAY FUND

Senate Bill Nine (31700)

The revenues are derived from a district tax levy and matched by the state. Expenditures are restricted to capital improvements.

NONMAJOR DEBT SERVICE FUND

DEBT SERVICE FUND (41000)

To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The resources of this fund are generated by a tax levy based upon property values.

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue		
	Food Service 21000	Athletics 22000	Title I 24101
ASSETS			
Cash and Cash Equivalents	\$ 10,641	\$ 6,780	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	3
Inventory	990	0	0
Total Assets	<u>\$ 11,631</u>	<u>\$ 6,780</u>	<u>\$ 3</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balances	\$ 0	\$ 0	\$ 3
Payables	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>3</u>
Fund Balance			
Reserved for Inventory	990	0	0
Undesignated, reported in			
Special Revenue	10,641	6,780	0
Capital Outlay	0	0	0
Debt Service	0	0	0
Total Fund Balance	<u>11,631</u>	<u>6,780</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 11,631</u>	<u>\$ 6,780</u>	<u>\$ 3</u>

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue		
	IDEA B, Entitlement 24106	IDEA B, Discretionary 24107	IDEA B, Preschool 24109
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balances	\$ 0	\$ 0	\$ 0
Payables	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance			
Reserved for Inventory	0	0	0
Undesignated, reported in			
Special Revenue	0	0	0
Capital Outlay	0	0	0
Debt Service	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue		
	Title V-A 24150	Safe & Drug Free School 24157	REAP 25233
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	30	0	0
Inventory	0	0	0
Total Assets	<u>\$ 30</u>	<u>\$ 0</u>	<u>\$ 0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balances	\$ 30	\$ 0	\$ 0
Payables	0	0	0
Total Liabilities	<u>30</u>	<u>0</u>	<u>0</u>
Fund Balance			
Reserved for Inventory	0	0	0
Undesignated, reported in			
Special Revenue	0	0	0
Capital Outlay	0	0	0
Debt Service	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 30</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue		
	Technology For Education 27117	Beginning Teacher Mentoring 27154	Breakfast For Elem Student 27155
ASSETS			
Cash and Cash Equivalents	\$ 338	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 338</u>	<u>\$ 0</u>	<u>\$ 0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balances	\$ 0	\$ 0	\$ 0
Payables	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance			
Reserved for Inventory	0	0	0
Undesignated, reported in			
Special Revenue	338	0	0
Capital Outlay	0	0	0
Debt Service	0	0	0
Total Fund Balance	<u>338</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 338</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue		
	Distant Education 27165	Library GO Bonds 27170	State Directed Activities 27200
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	2,164
Inventory	0	0	0
Total Assets	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,164</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balances	\$ 0	\$ 0	\$ 2,164
Payables	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>2,164</u>
Fund Balance			
Reserved for Inventory	0	0	0
Undesignated, reported in			
Special Revenue	0	0	0
Capital Outlay	0	0	0
Debt Service	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,164</u>

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	<u>Special Revenue</u>	<u>Capital Outlay</u>	<u>Debt Service</u>
	School Library Material 27549	SB 9 31700	Debt Service 41000
ASSETS			
Cash and Cash Equivalents	\$ 280	\$ 102,755	\$ 248
Receivables			
Taxes	0	36	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 280</u>	<u>\$ 102,791</u>	<u>\$ 248</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balances	\$ 0	\$ 0	\$ 0
Payables	0	1,500	0
Total Liabilities	<u>0</u>	<u>1,500</u>	<u>0</u>
Fund Balance			
Reserved for Inventory	0	0	0
Undesignated, reported in			
Special Revenue	280	0	0
Capital Outlay	0	101,291	0
Debt Service	0	0	248
Total Fund Balance	<u>280</u>	<u>101,291</u>	<u>248</u>
Total Liabilities and Fund Balance	<u>\$ 280</u>	<u>\$ 102,791</u>	<u>\$ 248</u>

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	<u>Total</u>
ASSETS	
Cash and Cash Equivalents	\$ 121,042
Receivables	
Taxes	36
Due From Grantor	2,197
Inventory	990
Total Assets	<u>\$ 124,265</u>
LIABILITIES AND FUND BALANCE	
Liabilities	
Interfund Balances	\$ 2,197
Payables	<u>1,500</u>
Total Liabilities	<u>3,697</u>
Fund Balance	
Reserved for Inventory	990
Undesignated, reported in	
Special Revenue	18,039
Capital Outlay	101,291
Debt Service	<u>248</u>
Total Fund Balance	<u>120,568</u>
Total Liabilities and Fund Balance	<u>\$ 124,265</u>

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
And Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue		
	Food Service 21000	Athletics 22000	Title I 24101
Revenues			
Fees	\$ 10,360	\$ 3,197	\$ 0
Taxes	0	0	0
Interest Income	0	298	0
Federal Grants	11,940	0	18,976
State and Local Grants	0	0	0
Total Revenues	<u>22,300</u>	<u>3,495</u>	<u>18,976</u>
Expenditures			
Current			
Instruction	0	6,055	18,976
Support Services-General Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Service	17,457	0	0
Total Expenditures	<u>17,457</u>	<u>6,055</u>	<u>18,976</u>
Excess (Deficiency) of Revenues Over Expenditures	4,843	(2,560)	0
Fund Balances at Beginning of Year	<u>6,788</u>	<u>9,340</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 11,631</u>	<u>\$ 6,780</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
And Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue		
	IDEA B, Entitlement 24106	IDEA B, Discretionary 24107	IDEA B, Preschool 24109
Revenues			
Fees	\$ 0	\$ 0	\$ 0
Taxes	0	0	0
Interest Income	0	0	0
Federal Grants	24,737	853	4,375
State and Local Grants	0	0	0
Total Revenues	<u>24,737</u>	<u>853</u>	<u>4,375</u>
Expenditures			
Current			
Instruction	24,737	853	4,375
Support Services-General Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Service	0	0	0
Total Expenditures	<u>24,737</u>	<u>853</u>	<u>4,375</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
And Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue		
	Safe & Drug		
	Title V 24150	Free School 24157	REAP 25233
Revenues			
Fees	\$ 0	\$ 0	\$ 0
Taxes	0	0	0
Interest Income	0	0	0
Federal Grants	30	1,500	13,309
State and Local Grants	0	0	0
Total Revenues	<u>30</u>	<u>1,500</u>	<u>13,309</u>
Expenditures			
Current			
Instruction	30	1,500	13,309
Support Services-General Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Service	0	0	0
Total Expenditures	<u>30</u>	<u>1,500</u>	<u>13,309</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
And Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue		
	Technology For Education <u>27117</u>	Beginning Teacher Mentoring <u>27154</u>	Breakfast For Elem Student <u>27155</u>
Revenues			
Fees	\$ 0	\$ 0	\$ 0
Taxes	0	0	0
Interest Income	0	0	0
Federal Grants	0	0	0
State and Local Grants	<u>4,388</u>	<u>524</u>	<u>3,182</u>
Total Revenues	<u>4,388</u>	<u>524</u>	<u>3,182</u>
Expenditures			
Current			
Instruction	4,050	895	3,182
Support Services-General Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Service	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>4,050</u>	<u>895</u>	<u>3,182</u>
Excess (Deficiency) of Revenues Over Expenditures	338	(371)	0
Fund Balances at Beginning of Year	<u>0</u>	<u>371</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 338</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
And Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue		
	Distant Education <u>27165</u>	Library GO Bonds <u>27170</u>	State Directed Activities <u>27200</u>
Revenues			
Fees	\$ 0	\$ 0	\$ 0
Taxes	0	0	0
Interest Income	0	0	0
Federal Grants	0	0	24,358
State and Local Grants	<u>0</u>	<u>4,128</u>	<u>0</u>
Total Revenues	<u>0</u>	<u>4,128</u>	<u>24,358</u>
Expenditures			
Current			
Instruction	0	4,128	24,358
Support Services-General Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Service	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>4,128</u>	<u>24,358</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
And Changes in Fund Balance
For the Year Ended June 30, 2009

	<u>Special Revenue</u>	<u>Capital Outlay</u>	<u>Debt Service</u>
	School Library Material <u>27549</u>	SB 9 <u>31700</u>	Debt Service <u>41000</u>
Revenues			
Fees	\$ 0	\$ 0	\$ 0
Taxes	0	17,061	
Interest Income	0	488	0
Federal Grants	0	0	0
State and Local Grants	<u>280</u>	<u>99,325</u>	<u>0</u>
Total Revenues	<u>280</u>	<u>116,874</u>	<u>0</u>
Expenditures			
Current			
Instruction	0	20,214	0
Support Services-General Administration	0	174	
Operation & Maintenance of Plant	0	10,539	0
Food Service	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>30,927</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	280	85,947	0
Fund Balances at Beginning of Year	<u>0</u>	<u>15,344</u>	<u>248</u>
Fund Balance End of Year	<u>\$ 280</u>	<u>\$ 101,291</u>	<u>\$ 248</u>

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
And Changes in Fund Balance
For the Year Ended June 30, 2009

	<u>Total</u>
Revenues	
Fees	\$ 13,557
Taxes	17,061
Interest Income	786
Federal Grants	100,078
State and Local Grants	<u>111,827</u>
Total Revenues	<u>243,309</u>
Expenditures	
Current	
Instruction	126,662
Support Services-General Administration	174
Operation & Maintenance of Plant	10,539
Food Service	<u>17,457</u>
Total Expenditures	<u>154,832</u>
Excess (Deficiency) of Revenues Over Expenditures	88,477
Fund Balances at Beginning of Year	<u>32,091</u>
Fund Balance End of Year	<u>\$ 120,568</u>

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
SPECIAL REVENUE FUND-FOOD SERVICE-21000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Fees	\$ 14,400	\$ 14,400	\$ 10,360	\$ (4,040)
Interest Income	100	100	0	(100)
Federal Grant	15,500	15,500	11,940	(3,560)
Total Revenues	<u>30,000</u>	<u>30,000</u>	<u>22,300</u>	<u>(7,700)</u>
Expenditures				
Food Service Operations				
Professional & Tech Services	1,270	1,270	25	1,245
Other Purchased Services	0	0	0	0
Supplies	34,528	34,528	17,432	17,096
Total Food Service Operations	<u>35,798</u>	<u>35,798</u>	<u>17,457</u>	<u>18,341</u>
Total Expenditures	<u>35,798</u>	<u>35,798</u>	<u>17,457</u>	<u>18,341</u>
Excess (Deficiency) of Revenues Over Expenditures	(5,798)	(5,798)	4,843	10,641
Cash Balance Beginning of Year	<u>5,798</u>	<u>5,798</u>	<u>5,798</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 10,641</u>	<u>\$ 10,641</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 4,843</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 4,843</u>	

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
SPECIAL REVENUE FUND-ATHLETICS-22000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Fees	\$ 6,000	\$ 6,000	\$ 3,197	\$ (2,803)
Interest Income	170	170	298	128
Total Revenues	<u>6,170</u>	<u>6,170</u>	<u>3,495</u>	<u>(2,675)</u>
Expenditures				
Instruction				
Purchased Services	9,000	9,000	6,055	2,945
Supplies	6,503	6,503	0	6,503
Total Instruction	<u>6,503</u>	<u>6,503</u>	<u>6,055</u>	<u>6,503</u>
Total Expenditures	<u>6,503</u>	<u>6,503</u>	<u>6,055</u>	<u>6,503</u>
Excess (Deficiency) of Revenues Over Expenditures	(333)	(333)	(2,560)	(2,227)
Cash Balance Beginning of Year	<u>9,340</u>	<u>9,340</u>	<u>9,340</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 9,007</u>	<u>\$ 9,007</u>	<u>\$ 6,780</u>	<u>\$ (2,227)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>(2,560)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>(2,560)</u>	

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
SPECIAL REVENUE FUND-TITLE I-24101
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 21,696	\$ 26,846	\$ 26,843	\$ (3)
Total Revenues	<u>21,696</u>	<u>26,846</u>	<u>26,843</u>	<u>(3)</u>
Expenditures				
Instruction				
Personnel Services	5,177	5,177	5,177	0
Employee Benefits	5,960	2,135	2,135	0
Professional & Tech Services	0	880	880	0
Supplies	2,689	10,784	10,784	0
Total Instruction	<u>13,826</u>	<u>18,976</u>	<u>18,976</u>	<u>0</u>
Total Expenditures	<u>13,826</u>	<u>18,976</u>	<u>18,976</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	7,870	7,870	7,867	(3)
Cash Balance Beginning of Year	<u>(7,870)</u>	<u>(7,870)</u>	<u>(7,870)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (3)</u>	<u>\$ (3)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 7,867	
Net Change in Due from Grantor			<u>(7,867)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO

HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50

SPECIAL REVENUE FUND-IDEA B, ENTITLEMENT-24106

Statement of Revenues, Expenditures, and Changes in Cash Balance -

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 25,473	\$ 25,484	\$ 25,484	\$ 0
Total Revenues	<u>25,473</u>	<u>25,484</u>	<u>25,484</u>	<u>0</u>
Expenditures				
Instruction				
Personnel Services	10,000	10,000	10,000	0
Employee Benefits	12,586	12,073	12,073	0
Professional & Tech Services	0	779	779	0
Supplies	2,140	1,885	1,885	0
Total Instruction	<u>24,726</u>	<u>24,737</u>	<u>24,737</u>	<u>0</u>
Total Expenditures	<u>24,726</u>	<u>24,737</u>	<u>24,737</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	747	747	747	0
Cash Balance Beginning of Year	<u>(747)</u>	<u>(747)</u>	<u>(747)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 747	
Net Change in Due from Grantor			<u>(747)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO

HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50

SPECIAL REVENUE FUND-IDEA B, DISCRETIONARY-24107

Statement of Revenues, Expenditures, and Changes in Cash Balance -

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 8,799	\$ 32,118	\$ 9,652	\$ (22,466)
Total Revenues	<u>8,799</u>	<u>32,118</u>	<u>9,652</u>	<u>(22,466)</u>
Expenditures				
Instruction				
Personnel Services	0	12,500	0	12,500
Employee Benefits	0	9,966	0	9,966
Professional & Tech Services	0	145	145	0
Supplies	0	708	708	0
Total Instruction	<u>0</u>	<u>23,319</u>	<u>853</u>	<u>22,466</u>
Total Expenditures	<u>0</u>	<u>23,319</u>	<u>853</u>	<u>22,466</u>
Excess (Deficiency) of Revenues Over Expenditures	8,799	8,799	8,799	0
Cash Balance Beginning of Year	<u>(8,799)</u>	<u>(8,799)</u>	<u>(8,799)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 8,799	
Net Change in Due from Grantor			<u>(8,799)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO

HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50

SPECIAL REVENUE FUND-IDEA B, PRESCHOOL-24109

Statement of Revenues, Expenditures, and Changes in Cash Balance -

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 4,375	\$ 4,375	\$ 0
Total Revenues	<u>0</u>	<u>4,375</u>	<u>4,375</u>	<u>0</u>
Expenditures				
Instruction				
Professional & Tech Services	0	765	765	0
Supplies	0	3,610	3,610	0
Total Instruction	<u>0</u>	<u>4,375</u>	<u>4,375</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>4,375</u>	<u>4,375</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

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

STATE OF NEW MEXICO

HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50

SPECIAL REVENUE FUND-TITLE V-A-24150

Statement of Revenues, Expenditures, and Changes in Cash Balance -

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 889	\$ 919	\$ 889	\$ (30)
Total Revenues	<u>889</u>	<u>919</u>	<u>889</u>	<u>(30)</u>
Expenditures				
Instruction				
Supplies	<u>0</u>	<u>30</u>	<u>30</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>30</u>	<u>30</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>30</u>	<u>30</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	889	889	859	(30)
Cash Balance Beginning of Year	<u>(889)</u>	<u>(889)</u>	<u>(889)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (30)</u>	<u>\$ (30)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 859	
Net change in Due from Grantor			<u>(859)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO

HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50

SPECIAL REVENUE FUND-SAFE & DRUG FREE SCHOOL-24157

Statement of Revenues, Expenditures, and Changes in Cash Balance -

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 1,500	\$ 1,500	\$ 0
Total Revenues	<u>0</u>	<u>1,500</u>	<u>1,500</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	1,500	1,500	0
Total Instruction	<u>0</u>	<u>1,500</u>	<u>1,500</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>1,500</u>	<u>1,500</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO

HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50

SPECIAL REVENUE FUND-REAP-25233

Statement of Revenues, Expenditures, and Changes in Cash Balance -

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 26,236	\$ 26,236	\$ 13,309	\$ (12,927)
Total Revenues	<u>26,236</u>	<u>26,236</u>	<u>13,309</u>	<u>(12,927)</u>
Expenditures				
Instruction				
Supplies	26,236	26,236	13,309	12,927
Total Instruction	<u>26,236</u>	<u>26,236</u>	<u>13,309</u>	<u>12,927</u>
Total Expenditures	<u>26,236</u>	<u>26,236</u>	<u>13,309</u>	<u>12,927</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO

HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50

SPECIAL REVENUE FUND-TECHNOLOGY FOR EDUCATION-27117

Statement of Revenues, Expenditures, and Changes in Cash Balance -

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 2,522	\$ 6,910	\$ 6,909	\$ (1)
Total Revenues	<u>2,522</u>	<u>6,910</u>	<u>6,909</u>	<u>(1)</u>
Expenditures				
Instruction				
Supplies	0	4,388	4,049	339
Total Instruction	<u>0</u>	<u>4,388</u>	<u>4,049</u>	<u>339</u>
Total Expenditures	<u>0</u>	<u>4,388</u>	<u>4,049</u>	<u>339</u>
Excess (Deficiency) of Revenues Over Expenditures	2,522	2,522	2,860	338
Cash Balance Beginning of Year	<u>(2,522)</u>	<u>(2,522)</u>	<u>(2,522)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 338</u>	<u>\$ 338</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 2,860	
Net change in Due from Grantor			<u>(2,522)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 338</u>	

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
SPECIAL REVENUE FUND-BEGINNING TEACHER MENTORING-27154
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 523	\$ 524	\$ 1
Total Revenues	<u>0</u>	<u>523</u>	<u>524</u>	<u>1</u>
Expenditures				
Instruction				
Supplies	<u>372</u>	<u>895</u>	<u>895</u>	<u>0</u>
Total Instruction	<u>372</u>	<u>895</u>	<u>895</u>	<u>0</u>
Total Expenditures	<u>372</u>	<u>895</u>	<u>895</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	(372)	(372)	(371)	1
Cash Balance Beginning of Year	<u>371</u>	<u>371</u>	<u>371</u>	<u>0</u>
Cash Balance End of Year	\$ <u>(1)</u>	\$ <u>(1)</u>	\$ <u>0</u>	\$ <u>1</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>(371)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>(371)</u>	

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

STATE OF NEW MEXICO

HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50

SPECIAL REVENUE FUND-BREAKFAST FOR ELEM STUDENTS-27155

Statement of Revenues, Expenditures, and Changes in Cash Balance -

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 3,263	\$ 3,182	\$ (81)
Total Revenues	<u>0</u>	<u>3,263</u>	<u>3,182</u>	<u>(81)</u>
Expenditures				
Instruction				
Supplies	0	3,263	3,182	81
Total Instruction	<u>0</u>	<u>3,263</u>	<u>3,182</u>	<u>81</u>
Total Expenditures	<u>0</u>	<u>3,263</u>	<u>3,182</u>	<u>81</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Net change in Due from Grantor			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
SPECIAL REVENUE FUND-DISTANT EDUCATION LEGISLATION-27165
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 9,831	\$ 9,831	\$ 9,831	\$ 0
Total Revenues	<u>9,831</u>	<u>9,831</u>	<u>9,831</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	0	0	0
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	9,831	9,831	9,831	0
Cash Balance Beginning of Year	<u>(9,831)</u>	<u>(9,831)</u>	<u>(9,831)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 9,831	
Net Change in Due from Grantor			<u>(9,831)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO

HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50

SPECIAL REVENUE FUND-LIBRARY GO BONDS-27170

Statement of Revenues, Expenditures, and Changes in Cash Balance -

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 9,177	\$ 9,177	\$ 8,128	\$ (1,049)
Total Revenues	<u>9,177</u>	<u>9,177</u>	<u>8,128</u>	<u>(1,049)</u>
Expenditures				
Instruction				
Supplies	5,177	5,177	4,128	1,049
Total Instruction	<u>5,177</u>	<u>5,177</u>	<u>4,128</u>	<u>1,049</u>
Total Expenditures	<u>5,177</u>	<u>5,177</u>	<u>4,128</u>	<u>1,049</u>
Excess (Deficiency) of Revenues Over Expenditures	4,000	4,000	4,000	0
Cash Balance Beginning of Year	<u>(4,000)</u>	<u>(4,000)</u>	<u>(4,000)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 4,000	
Net change in Due from Grantor			<u>(4,000)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO

HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50

SPECIAL REVENUE FUND-STATE DIRECTED ACTIVITIES-27200

Statement of Revenues, Expenditures, and Changes in Cash Balance -

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 24,358	\$ 22,194	\$ (2,164)
Total Revenues	<u>0</u>	<u>24,358</u>	<u>22,194</u>	<u>(2,164)</u>
Expenditures				
Instruction				
Personnel Services	0	9,704	9,704	0
Employee Benefits	0	6,066	6,066	0
Professional & Tech Services	0	847	847	0
Supplies	0	7,741	7,741	0
Total Instruction	<u>0</u>	<u>24,358</u>	<u>24,358</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>24,358</u>	<u>24,358</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(2,164)	(2,164)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (2,164)</u>	<u>\$ (2,164)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (2,164)	
Net change in Due from Grantor			<u>2,164</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO

HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50

SPECIAL REVENUE FUND-SCHOOL LIBRARY MATERIAL-27549

Statement of Revenues, Expenditures, and Changes in Cash Balance -

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 280	\$ 280
Total Revenues	<u>0</u>	<u>0</u>	<u>280</u>	<u>280</u>
Expenditures				
Instruction				
Supplies	0	0	0	0
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	280	280
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 280</u>	<u>\$ 280</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 280	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 280</u>	

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

STATE OF NEW MEXICO

HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50

CAPITAL PROJECT FUND-SENATE BILL NINE-31700

Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Taxes	\$ 17,761	\$ 17,761	\$ 17,367	\$ (394)
Interest Income	300	300	487	187
State Grant	99,325	99,325	99,325	0
Total Revenues	<u>117,386</u>	<u>117,386</u>	<u>117,179</u>	<u>(207)</u>
Expenditures				
Instruction				
Professional & Tech Services	13,000	20,214	20,214	0
Total Instruction	<u>13,000</u>	<u>20,214</u>	<u>20,214</u>	<u>0</u>
Support Services-General Administration				
Professional & Tech Services	180	180	174	6
Total Support Services- General Administration	<u>180</u>	<u>180</u>	<u>174</u>	<u>6</u>
Operation and Maintenance of Plant				
Supplies	0	12,682	12,682	0
Total Operation and Maintenance of Plant	<u>0</u>	<u>12,682</u>	<u>12,682</u>	<u>0</u>
Capital Outlay				
Supplies	33,908	16,908	0	16,908
Fixed Assets	5,000	5,000	0	5,000
Total Capital Outlay	<u>38,908</u>	<u>21,908</u>	<u>0</u>	<u>21,908</u>
Total Expenditures	<u>52,088</u>	<u>54,984</u>	<u>33,070</u>	<u>21,914</u>
Excess (Deficiency) of Revenues Over Expenditures	65,298	62,402	84,109	21,707
Cash Balance Beginning of Year	<u>18,646</u>	<u>18,646</u>	<u>18,646</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 83,944</u>	<u>\$ 81,048</u>	<u>\$ 102,755</u>	<u>\$ 21,707</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 84,109	
Net change in Taxes Receivables-Current			(306)	
Net change in Accounts Payable			2,144	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 85,947</u>	

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

STATE OF NEW MEXICO

HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50

DEBT SERVICE-41000

Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Taxes	\$ 10	\$ 10	\$ 0	\$ (10)
Total Revenues	<u>10</u>	<u>10</u>	<u>0</u>	<u>(10)</u>
Expenditures				
Support Services-General Administration				
Professional & Tech Services	<u>201</u>	<u>201</u>	<u>0</u>	<u>201</u>
Total Operation and Maintenance of Plant	<u>201</u>	<u>201</u>	<u>0</u>	<u>201</u>
Total Expenditures	<u>201</u>	<u>201</u>	<u>0</u>	<u>201</u>
Excess (Deficiency) of Revenues Over Expenditures	(191)	(191)	0	191
Cash Balance Beginning of Year	<u>248</u>	<u>248</u>	<u>248</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 57</u>	<u>\$ 57</u>	<u>\$ 248</u>	<u>\$ 191</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

OTHER SUPPLEMENTAL INFORMATION

Activity Trust Fund

To account for funds of various student groups that are custodial in nature.

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
 AGENCY FUNDS - ACTIVITY
 Statement of Fiduciary Net Assets and Liabilities-Agency Funds
 For the Year Ended June 30, 2009

	Balance 06/30/08	Additions	Deletions	Balance 06/30/09
ASSETS				
General	\$ 7,406	\$ 8,248	8,082	\$ 7,572
Class of 2011	946	800	0	1,746
Class of 2014	0	697	0	697
Class of 2013	315	683	0	998
Publications	2,859	4,068	5,577	1,350
Future Farmers of America	2,122	7,979	5,965	4,136
Future Homemakers of America	13,217	11,248	12,261	12,204
Business Professionals of America	2,312	1,179	1,351	2,140
Student Council	251	750	195	806
Class of 2012	823	701	500	1,024
TLC Book Deposit	3,485	4,136	5,699	1,922
Elementary Athletics	1,848	2,063	1,538	2,373
Rural Vision	1,297	0	1,297	0
Athletics	2,430	1,850	66	4,214
Class of 2010	1,445	1,715	2,476	684
Class of 2009	309	1,014	1,323	0
Accelerated Reader	990	451	216	1,225
Honor Society	593	811	383	1,021
Fellowship of Christian Athletes	30	0	30	0
Total Assets	<u>\$ 42,678</u>	<u>\$ 48,393</u>	<u>\$ 46,959</u>	<u>\$ 44,112</u>
LIABILITIES				
Deposits Held for Others	<u>\$ 42,678</u>	<u>\$ 48,393</u>	<u>\$ 46,959</u>	<u>\$ 44,112</u>
Total Liabilities	<u>\$ 42,678</u>	<u>\$ 48,393</u>	<u>\$ 46,959</u>	<u>\$ 44,112</u>

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
 Cash Reconciliations - All Funds
 For the Year Ended June 30, 2009

	<u>Operational</u>	<u>Teacherage</u>	<u>Transportation</u>
Net Cash in Bank 6/30/08			
Cash in Bank	\$ 77,195	\$ 5,467	\$ (2,747)
Balance 6/30/08	<u>77,195</u>	<u>5,467</u>	<u>(2,747)</u>
Add: 2008-09			
Revenues	1,574,827	2,400	218,579
Transfers	0	0	0
Loans from other funds	0	0	0
TOTAL Cash Available	<u>1,652,022</u>	<u>7,867</u>	<u>215,832</u>
Less: 2008-09			
Expenditures	1,496,642	0	215,832
Transfers	0	0	0
Loan to other funds	0	0	0
	<u>1,496,642</u>	<u>0</u>	<u>215,832</u>
 TOTAL Cash 6/30/09	 <u>\$ 155,380</u>	 <u>\$ 7,867</u>	 <u>\$ 0</u>

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
 Cash Reconciliations - All Funds
 For the Year Ended June 30, 2009

	<u>Instructional Materials</u>	<u>Food Service</u>	<u>Athletics</u>
Net Cash in Bank 6/30/08			
Cash in Bank	\$ 0	\$ 5,798	\$ 9,340
Balance 6/30/08	<u>0</u>	<u>5,798</u>	<u>9,340</u>
Add: 2008-09			
Revenues	9,744	22,300	3,495
Transfers	0	0	0
Loans from other funds	0	0	0
TOTAL Cash Available	<u>9,744</u>	<u>28,098</u>	<u>12,835</u>
Less: 2008-09			
Expenditures	9,690	17,457	6,055
Transfers	0	0	0
Loan to other funds	0	0	0
	<u>9,690</u>	<u>17,457</u>	<u>6,055</u>
 TOTAL Cash 6/30/09	 <u>\$ 54</u>	 <u>\$ 10,641</u>	 <u>\$ 6,780</u>

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
 Cash Reconciliations - All Funds
 For the Year Ended June 30, 2009

	<u>Activities</u>	<u>Federal Flowthrough</u>	<u>Federal Direct</u>
Net Cash in Bank 6/30/08			
Cash in Bank	\$ 42,678	\$ (18,304)	\$ 0
Balance 6/30/08	<u>42,678</u>	<u>(18,304)</u>	<u>0</u>
Add: 2008-09			
Revenues	48,392	70,769	13,309
Transfers	0	0	0
Loans from other funds	0	0	0
TOTAL Cash Available	<u>91,070</u>	<u>52,465</u>	<u>13,309</u>
Less: 2008-09			
Expenditures	46,959	60,490	13,309
Transfers	0	0	0
Loan to other funds	0	0	0
	<u>46,959</u>	<u>60,490</u>	<u>13,309</u>
 TOTAL Cash 6/30/09	 <u>\$ 44,111</u>	 <u>\$ (8,025)</u>	 <u>\$ 0</u>

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
Cash Reconciliations - All Funds
For the Year Ended June 30, 2009

	<u>State Flowthrough</u>	<u>Local</u>	<u>Bond Building</u>
Net Cash in Bank 6/30/08			
Cash in Bank	\$ (15,981)	\$ 244,972	\$ 0
Balance 6/30/08	<u>(15,981)</u>	<u>244,972</u>	<u>0</u>
Add: 2008-09			
Revenues	51,047	65,287	492,855
Transfers	0	0	0
Loans from other funds	0	0	0
TOTAL Cash Available	<u>35,066</u>	<u>310,259</u>	<u>492,855</u>
Less: 2008-09			
Expenditures	36,613	32,645	230
Transfers	0	0	0
Loan to other funds	0	0	0
	<u>36,613</u>	<u>32,645</u>	<u>230</u>
 TOTAL Cash 6/30/09	 <u>\$ (1,547)</u>	 <u>\$ 277,614</u>	 <u>\$ 492,625</u>

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

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
Cash Reconciliations - All Funds
For the Year Ended June 30, 2009

	<u>SB-9</u>	<u>Debt Service</u>	<u>Totals</u>
Net Cash in Bank 6/30/08			
Cash in Bank	\$ 18,646	\$ 248	\$ 367,312
Balance 6/30/08	<u>18,646</u>	<u>248</u>	<u>367,312</u>
Add: 2008-09			
Revenues	117,179	0	2,690,183
Transfers	0	0	0
Loans from other funds	0	0	0
TOTAL Cash Available	<u>135,825</u>	<u>248</u>	<u>3,057,495</u>
Less: 2008-09			
Expenditures	33,070	0	1,968,992
Transfers	0	0	0
Loan to other funds	0	0	0
	<u>33,070</u>	<u>0</u>	<u>1,968,992</u>
			<u>0</u>
TOTAL Cash 6/30/09	<u>\$ 102,755</u>	<u>\$ 248</u>	<u>\$ 1,088,503</u>

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

De'Aun Willoughby CPA, PC

Certified Public Accountant

P.O. Box 223 Melrose, NM 88124
(505) 253-4313

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*

Mr. Hector Balderas
State Auditor of the State of New Mexico
Board Members of the HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50

Mr. Balderas and Members of the Board

We have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons for the general fund and major special revenue funds, and the combining and individual funds presented as supplemental information of HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50, (District), as of and for the year ended June 30, 2009, and have issued our report thereon dated August 24, 2009. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing the auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the District's financial statements that is more than inconsequential will not be prevented or detected by the District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the District's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the administration, the board members, the Public Education Department, the Office of the State Auditor, the New Mexico State Legislature and federal grantors and is not intended to be and should not be used by anyone other than these specified parties.

 De'Ann Willoughby CPA PC

August 24, 2009

STATE OF NEW MEXICO
HOUSE MUNICIPAL SCHOOL DISTRICT NO. 50
Schedule of Findings and Responses
For the Year Ended June 30, 2009

Prior Year Audit Findings

There were no prior year audit findings

Current Year Audit Findings

There are no current year audit findings.

Financial Statement Preparation

The financial statements were prepared by De'Aun Willoughby CPA. However, they are the responsibility of management.

Exit Conference

An exit conference was held on August 24, 2009. Present were Hilous Hargrove, Member, Lecil Richards, Superintendent and Marsha Stowe-Business Manager, and De'Aun Willoughby, CPA.