Financial Statements
and
Report of Independent Auditors

June 30, 2012

CITY OF LAS CRUCES

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2012

Prepared by
Finance Department
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Assistant City Manager

Cover photo by Martha L. Flores
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City of Las Cruces

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City of Las Cruces

City of Las Cruces®

November 14, 2012

Honorable Mayor and City Council,
City of Las Cruces, New Mexico

We are pleased to submit the Comprehensive Annual Financial Report for the City of Las Cruces (City), New Mexico, for the fiscal year ended June 30, 2012, in accordance with Article V, Section 5.09, of the City Charter. Responsibility for the accuracy of the presented data and the completeness and fairness of presentation, including all disclosures, rests with the City. We believe the data, as presented, are accurate in all material respects and are presented in a manner that fairly sets forth the financial position and results of operations of the City. Furthermore, we believe that all disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

In the Financial Section of this report, the independent auditor's report is immediately followed by Management's Discussion & Analysis (MD&A). The MD&A provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the City

The City of Las Cruces, incorporated in 1946 and chartered in 1985, is a home-rule municipality with a Council/Manager form of government consisting of a mayor and six council members. The mayor is elected at large for a four-year term. Council members are elected from six member districts for a four-year term. Elections are held on a bi-annual basis. The city manager, appointed by the City Council, is responsible for the management of all City employees and the administration of all City affairs.

This report includes financial statements of the funds required for those activities, organizations, and functions related to the City and that are controlled by or dependent upon the City's governing body, the City Council. The financial reporting entity consists of the City, a discretely presented component unit: South Central Solid Waste Authority, and one blended component unit: the Downtown Tax Increment Development District. These component units are included in the City's reporting entity because of the significance of their operational relationship or financial relationship with the City. Considering the above criteria, this report includes all funds of the City.

The City provides a full range of services. These services include public safety (police and fire); community services (culture and recreation); facilities; streets, public improvements; planning, zoning, engineering; public utilities (gas, water, wastewater, and solid waste) and general administration of services.

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Honorable Mayor and City Council,
City of Las Cruces, New Mexico
11/14/2012

Economic Condition and Outlook

With some notable exceptions, the City of Las Cruces has experienced the same lack luster recovery from the "Great Recession". The City's economic outlook calls for slow growth in most indicators. One exception is new residential construction which has yet to experience a turn around. Total construction valuation is anticipated to show little change in the coming fiscal year with residential gains being partially offset by a mild recovery in commercial activity. On a positive note, Lodging tax receipts have shown resilience and continue to point to the area's emergence as a travel destination plus the positive contributions of the City's new Convention Center.

Population migration continues to be hampered by the national housing market. The inability of people to sell homes in other parts of the country and relocate or retire to Las Cruces has yet to abate. In addition to slower population growth holding down residential construction the residential units being built have, on average, become smaller. This reflects the residential market adjusting to homes that are affordable based on local labor market conditions.

The City's revenue growth has been influenced by the slow economic conditions. Gross Receipts Tax (GRT), which is by far the City's largest revenue source, is largely dependent on construction activity and job growth.

A key to achieving the rate of employment growth forecast for the Las Cruces area is the relationship between the private and government sectors. Las Cruces is highly dependent on public sector employment because of the presence of the Federal Government and New Mexico State University. The recovery to date has been concentrated in private jobs with public jobs actually declining in recent years. The outlook anticipates all new jobs being created in the private sector while the public sector remains stagnant.

One financial indicator of the City's financial health is change in fund balance for the General Fund. Since this fund is the main source for providing city services, growth in fund balance reflects financial management practices that, while mindful of meeting increasing demands, demonstrate prudent fiscal management grounded in a long run perspective.

While the General Fund balances are anticipated to ebb slightly over the time horizon, the City can continue to provide its citizens services. This ability is a dividend of the City's prudent fiscal management practice for the past several years, and is allowing the City to navigate the recession while maintaining services.

Long Term Plans and Major Initiatives

The City has invested in major facilities, including the convention center and regional aquatic center. Both facilities opened during the FY11 fiscal year. The convention center will support local tourism, with financial benefits expected in lodgers' tax and convention center fees. The lodgers' tax and convention center fees have been pledged for debt service on the facility. Gross receipts tax seen have an uptick from tourist trade. The regional aquatic center was funded by state legislative appropriations and may provide future opportunities for swimming events, with similar financial benefits in gross receipts tax, lodgers' tax, and convention center fees. The City has implemented renewable energy at the Las Cruces Convention Center. Photo-voltaic (solar) array were installed and are operational. Routine monitoring of the power generated is underway. This currently provides about 12-15% of the energy needs of the complex. During the FY12 fiscal year, the City also focused on projects deferred in previous years, such as fleet replacement and facility maintenance. The City has attained bronze status as a bicycle friendly community for the time period of 2011 -2015.

Long range plans continue to include the need to provide utility services, public safety, and recreational facilities in newly developed areas. The major project included in the FY13 budget is funding for the transit intermodal center at $1.6 million.

During fiscal year 2010 the City Council formalized a strategic plan, which serves as a guide to plan the use of City resources and direct the future of City programs. The guiding principles of the plan are excellence, integrity, customer focus, fiscal responsibility, and goal-oriented management. Each year the City's financial and operational performance is measured against the plan and outcomes are reported to the City Council and the community at large.

The plan encompasses seven strategic goals and a number of specific objectives. The key strategic goals are:

1. Ensure a Safe and Secure Community
2. Acknowledge and Promote our Community Identity
3. Proactively Plan our Land Use, Infrastructure and Connectivity, Unite Land Use with Function
4. Protect and Promote our Natural and Energy Resources
5. Foster a Vibrant Economic Environment
6. Operate an Accountable, Response and Engaged City Government
7. Be the Employer of Choice

The strategic plan, with progress updates, is available on the City's website for public review.

Internal Control Framework

Integrated within the business systems of the City are the policies and procedures over accounting and financial reporting that make up the internal control framework. The internal control framework provides assurance that the accounting systems and underlying data are reliable; however, there are certain limitations inherent in the internal control framework. Management may choose to accept certain risks because the cost to prevent all risks is not reasonable. Management is responsible for establishing and maintaining effective internal controls. Although some level of risk within the internal control framework is unavoidable, the City's management maintains an attitude of supporting strong and effective internal controls.

Financial Information, Management and Control

The financial position and operating results of the City are provided in the financial statements. Management's discussion and analysis includes financial highlights, describes the financial statements, and provides financial analysis of the City's financial position and results of operations. Following is a brief description of financial information, management of financial resources, and financial obligations.

Budgetary Control

In New Mexico, state statutes mandate that municipalities operate within the confines of a balanced budget. Annual budgets are adopted for all funds. If a fund is not overspent, it is in compliance with state law. All unexpended budget appropriations lapse at the end of the fiscal year.

The City Manager is responsible for presenting an annual budget to the City Council. The Council sets hearings for annual budget review and approves the final budget. The final budget is then submitted to the New Mexico Department of Finance and Administration, Local Government Division. The Local Government Division must then approve and certify the City's operating budget, budget increases and budget transfers between funds.

The adopted budget becomes a document that details a clear and precise picture of the cost of public services that will be provided. The budget is controlled through an integrated accounting system to assure effective fiscal management and accountability. Budget adjustments requested throughout the fiscal year that increase fund expenditures must be approved by the City Council.

Taxes

The allocation of the property tax for fiscal year 2012 and the two preceding years is based on the mill levy below:

Purpose	2012	2011	2010
Operational mill levy:			
Residential	6.614	6.452	6.155
Non-residential	7.120	7.120	7.120

The City has no outstanding general obligation bonds. Therefore, the debt service levy for all three years is zero.

The gross receipts tax rate on receipts within the City was 7.5625% at June 30, 2012. The breakdown and sources of the gross receipts tax rate include:

	Tax Rate	Percent of Total Rate
State General Fund	3.9000%	51.6%
State shared-municipal distribution	1.2250%	16.2%
Municipal GRT- general purpose	1.2500%	16.5%
Municipal GRT-infrastructure	0.1250%	1.7%
Municipal GRT-public safety	0.1250%	1.7%
Municipal Environmental GRT	0.0625%	0.8%
Dona Ana County-local option taxes	0.8750%	11.5%
	7.5625%	100.0%

Debt Administration

The City has significant capacity for future capital and infrastructure acquisitions, should the need arise. The City's current unused general obligation (G.O.) bond capacity is in excess of $70 million. The City currently has no outstanding G.O. bonds.

The City had eleven bond issues outstanding at June 30, 2012. Gross receipts tax revenues finance seven bond issues outstanding. Four issues are Joint Utilities Revenue Bonds secured by the net operating revenues of the utility system. The amount of bonds outstanding at June 30, 2012 was $73.4 million in governmental bonds and $58.0 million in utility revenue bonds. Principal payments on bonds totaled $10.3 million during the fiscal year excluding refinancing activities. In addition, the City had fifteen loans

outstanding from New Mexico Finance Authority totaling $19.4 million with principal payments during the fiscal year of $2.5 million, excluding refinancing activities.

During the year the City refunded one gross receipts tax bond totaling $2.2 million in outstanding principal, one gas tax bond totaling $2.2 million, and issued new debt in loans totaling $6.5 million. The net present value on the refunding activities was approximately $500 thousand. Additional information on the debt refunded and issues is available in Note 7.

The Financial Services Department monitors the opportunity for refinancing and consolidating the City's outstanding debt. The opportunity for significant savings in debt service payments was taken in October 2011 and June 2012 when 2 bonds were refinanced in two separate NMFA loans. Both Moody's Investor Service and Fitch Ratings Favorable issued favorable bond ratings related to this financing activity. The City began to realize the debt service savings during fiscal year 2012.

Financial Policies

To achieve enhanced levels of service in key areas of the city, organizational changes have been made including the development of the Transportation Department, combining of the Street Department and Traffic Operations into a single operational unit with combined responsibilities, and creation of the one-stop-shop within the Community Development Department.

Independent Audit

New Mexico State law requires that an annual audit of a governmental unit's financial statements be performed by independent public accountants. Federal law requires that a single audit be performed for federal grant funds as required by the Single Audit Act Amendments of 1996, Office of Management and Budget Circular A-133, and ARRA requirements. Additionally, the City Charter requires an annual audit of all accounts of the City by an independent certified public accountant.

The independent auditor's reports on the financial statements, required supplementary information, and other supplementary information are included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

The independent firm of certified public accountants, Moss Adams, LLP, has audited the financial statements and related notes. The financial statements have been prepared in accordance with generally accepted accounting principles (GAAP) for local governments as prescribed by the Governmental Accounting Standards Board (GASB).

GFOA Award

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Las Cruces for the comprehensive annual financial report for the fiscal year ended June 30, 2011. This was the seventh consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of

Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must demonstrate proficiencies in both generally accepted accounting principles and applicable legal requirements.

We believe that this current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine eligibility for the certificate. This award represents the highest form of recognition in governmental accounting and financial reporting. This is an outstanding accomplishment that demonstrates the professionalism residing in the City's Financial Services Department.

The preparation of the annual CAFR is primarily the responsibility of the Accounting Department. I would like to recognize Mark Winson, Assistant City Manager, Melissa Nelson and Maria Villa, Accounting Supervisors, and the Accounting staff including Maria Sanchez, Joy Ann Lucero, Karin DeVogel, Veronica Armendariz, Gilbert Rodriguez, Maricela Ortiz, Erika Jaquez and James Williams for their efforts in this accomplishment.

Acknowledgments

The annual audit cannot be completed without the efforts and dedication of the Financial Services Department staff. I would like to express my appreciation to staff for their many hours of hard work devoted to this year's audit.

I would also like to thank the Mayor, City Council, and City Management for their interest and support in planning and conducting the financial affairs of the City in a responsible and progressive manner.

Respectfully submitted,

Robert L. Garza, PE
City Manager

City of Las Cruces
June 30, 2012

LIST OF PRINCIPAL OFFICIALS

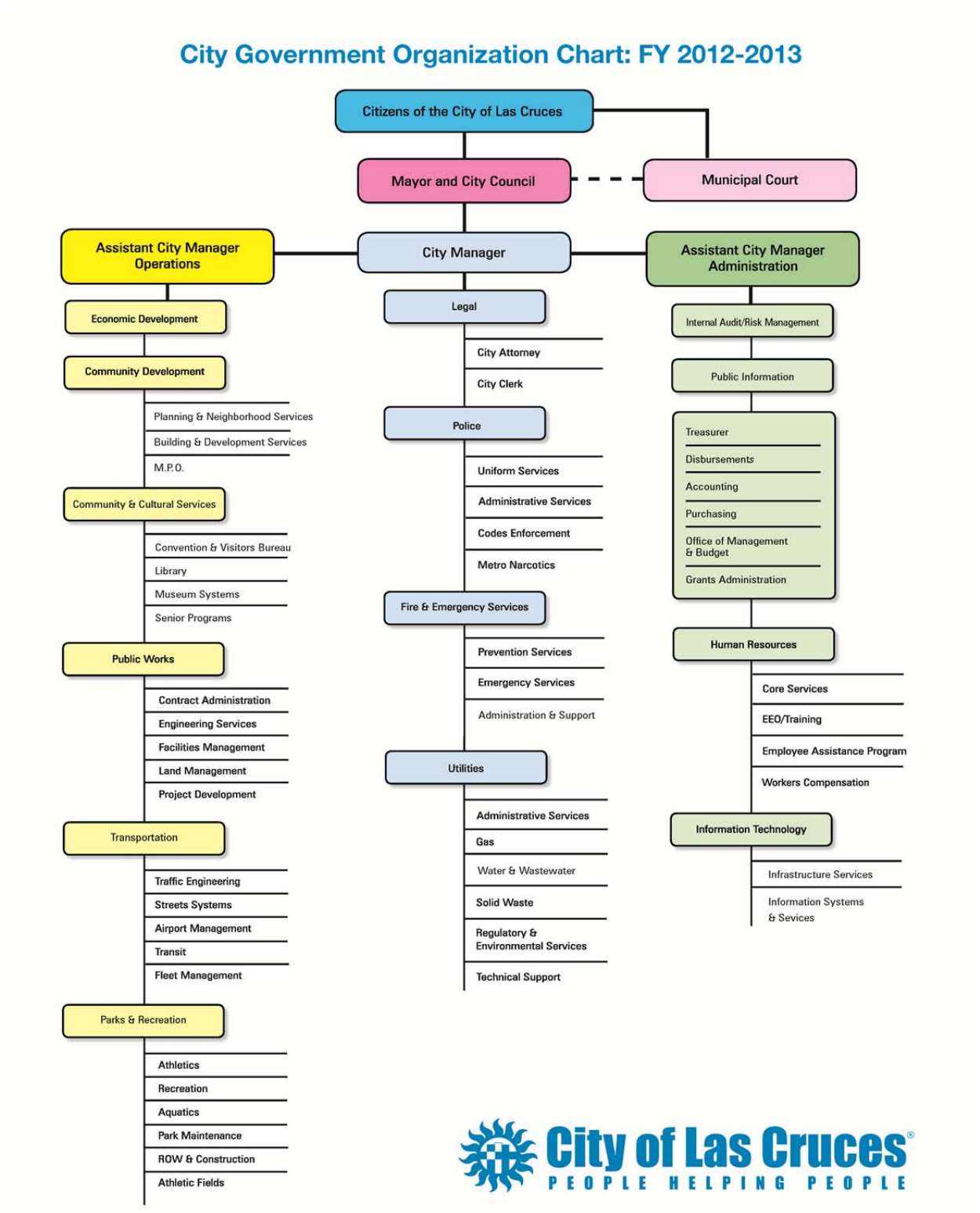
City Council

Ken Miyagishima	Mayor
Sharon K. Thomas	Mayor Pro-Tem
Miguel G. Silva	Councilor
Gregory Z. Smith	Councilor
Olga Pedroza	Councilor
Nathan P. Small	Councilor
Gill M. Sorg	Councilor

Other officials

Robert Garza, P.E.	City Manager
Brian Denmark	Chief Operating Officer/ACM
Mark Winson	Chief Administrative Officer/ACM

City of Las Cruces



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Las Cruces
New Mexico

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

City of Las Cruces

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Certified Public Accountants | Business Consultants

Report of Independent Auditors

Mr. Hector H. Balderas, New Mexico State Auditor
and the Honorable Mayor and City Council Members
of the City of Las Cruces

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of the City of Las Cruces, New Mexico (the City), as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the City's nonmajor governmental, nonmajor enterprise, internal service, and agency funds presented in the accompanying combining financial statements, and the budgetary comparison schedules for the proprietary funds, the major debt service fund, and nonmajor governmental funds as of and for the year ended June 30, 2012, as listed in the table of contents. These financial statements and schedules are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements and schedules based on our audit. We did not audit the financial statements of the City of Las Cruces Public Housing Authority (PHA), which represent 79 percent, 78 percent, and 75 percent, respectively, of the assets, net assets, and revenues of the discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for PHA, is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and schedules are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and schedules. 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, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Las Cruces, New Mexico as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparisons for the general fund

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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 and schedules referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental, nonmajor enterprise, internal service, and fiduciary fund of the City of Las Cruces, New Mexico as of June 30, 2012, and the respective changes in financial position, cash flows, where applicable thereof, and the respective budgetary comparisons of the proprietary funds, the major debt service fund, and nonmajor governmental 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 our report dated December 17, 2012 on our consideration of the City of Las Cruces, New Mexico's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the accompanying management's discussion and analysis, and budgetary comparison information on pages 36 – 38, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the supplemental information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying information identified in the table of contents as supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The accompanying supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying information identified in

MOSS-ADAMS LLP

the table of contents as supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole. The information in the introductory section and the information in the statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Moss Adams LLP

December 17, 2012
Albuquerque, New Mexico

Management's Discussion and Analysis

Management's Discussion and Analysis presents an overview of the City's financial activities for the fiscal year ended June 30, 2012. It is intended to be read in conjunction with the Letter of Transmittal and the City's financial statements. In accordance with Governmental Accounting Standards Board standards, comparisons to prior-year balances and activity are presented.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The *government-wide financial statements* consist of two statements and are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business.

The S*tatement of Net Assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets.

The *Statement of Activities* presents information showing how the government's net assets changed during fiscal year 2012. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned, but unused, vacation leave). These financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include General Government, Police, Fire, Community Development, Public Works, Information Technology, Transportation, and Community and Cultural Services. The business-type activities of the City include Gas, Water, Wastewater, Solid Waste, Transit, and Alternative Fuels.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also the following legally separate component units: Public Housing Authority (PHA), South Central Solid Waste Authority (SCSWA), and the Las Cruces Downtown Tax Increment Development District (TIDD). PHA and SCSWA are discretely presented component units and the financial information for these component units is reported separately from the primary government itself.

In January 2012, the Public Housing Authorities of the City and Doña Ana County merged, forming a separate legal entity known as the Mesilla Valley Public Housing Authority (MVPHA). An evaluation of the new organization by the New Mexico State Auditor's Office has resulted in a determination that the MVPHA is not a component unit of either the City or Doña Ana County. Accordingly, the financial statements for PHA are only for the six-month period of July 1 through December 31, 2011.

The TIDD is a blended component unit of the City, whose board is comprised of the members of the City Council. The purpose of the TIDD is to finance public infrastructure serving the downtown area. The TIDD is presented as a special revenue fund in the financial statements. The funds to acquire or construct public infrastructure within the TIDD is presented as a capital project fund in the financial statements.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources,* as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide reconciliations to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains one hundred twenty-nine individual governmental funds; ten of which combine into the General Fund. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the funds that comprise the General Fund, which is considered to be a major fund. Three other governmental funds; Sonoma Ranch, Telshor Facility, and the Debt Service fund are also reported as major funds. The remaining one hundred sixteen governmental funds are combined into a single, aggregated presentation as Other Governmental Funds. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* in the Combining Financial Statements section of this report.

The City adopts an annual appropriated budget for its general, special revenue, debt service, and capital projects funds. A budgetary comparison schedule has been provided for these funds to demonstrate budgetary compliance.

Proprietary Funds

The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for the fiscal activities relating to Gas, Water, and Wastewater Utilities, as well as Solid Waste disposal. The City also uses enterprise funds to account for Transit and Alternative Fuels, which are reported as nonmajor enterprise funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its vehicle maintenance and self-insurance. These services have been allocated to *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Gas, Water, and Wastewater Utilities, as well as Solid Waste funds, which are considered to be major funds of the City. Data from the nonmajor enterprise funds, as well as all the internal service funds, is combined into single, aggregated presentations in the proprietary fund financial statements. Individual fund data for the nonmajor enterprise funds and the internal service funds is provided in the form of *combining statements* in the Combining Financial Statements section of this report.

The City adopts an annual appropriated budget for its proprietary funds. A budgetary comparison schedule has been provided for these funds to demonstrate budgetary compliance.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside of the primary government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The Statement of Fiduciary Assets and Liabilities for the agency funds is presented in the basic financial statements section of this report.

Notes to the Financial Statements

The notes provide additional information which is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes follow the financial statements, and are an integral part of the financial statements.

Other Information

The budgetary schedules for each fund are presented in the Budgetary Comparison Schedules section of this report.

Statistics

The statistical section provides statistical data on financial trends, revenue and debt capacity, demographic and economic data, and operating information.

Government-wide Financial Analysis

At the end of fiscal year 2012, the City reported positive balances in all three categories of net assets, including the government-wide, governmental activities, and business-type activities. Comparative information is presented for fiscal years 2012, 2011, and 2010.

Net Assets (in 000's)

	Governmental Activities			Business-type Activities			Total		
	2012	2011	2010	2012	2011	2010	2012	2011	2010
Current and Other Assets	$ 162,933	$ 140,276	$ 137,994	$ 68,182	$ 69,611	$ 73,401	$ 231,116	$ 209,887	$ 211,395
Capital Assets	361,932	364,612	349,533	214,964	217,011	208,973	576,896	581,623	558,506
Total Assets	$ 524,865	$ 504,888	$ 487,528	$ 283,147	$ 286,623	$ 282,373	$ 808,012	$ 791,511	$ 769,901
Current and Other Liabilities	$ 39,475	$ 36,500	$ 42,058	$ 10,098	$ 10,678	$ 12,591	$ 49,573	$ 47,178	$ 54,649
Long-term Liabilities	98,080	92,615	96,046	58,056	63,142	67,047	156,136	155,757	163,093
Total Liabilities	137,555	129,115	138,104	68,154	73,820	79,638	205,709	202,935	217,741
Net Assets:									
Invested in Capital Assets, net of related debt	251,703	276,355	258,566	153,707	152,450	140,672	405,410	428,805	399,238
Restricted Net Assets	58,634	34,983	33,168	18,590	21,757	22,870	77,224	56,740	56,038
Unrestricted Net Assets	76,973	64,435	57,690	42,696	38,596	39,193	119,669	103,031	96,883
Total Net Assets	387,310	375,773	349,424	214,993	212,803	202,735	602,303	588,575	552,160
Total Liabilities and Net Assets	$ 524,865	$ 504,888	$ 487,528	$ 283,147	$ 286,623	$ 282,373	$ 808,012	$ 791,511	$ 769,901

Sixty-five percent of the City's net assets are invested in capital assets (i.e., land, land improvements, buildings, equipment, utility infrastructure), net of any related outstanding debt used to acquire those assets. This compares with seventy-four percent in fiscal year 2011. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Fifteen percent of the City's net assets are resources that are subject to external restrictions on how they may be used. This amount increased by six percent from 2011. The remaining balance of *unrestricted net* assets ($78 million) may be used to meet the government's ongoing obligations to citizens and creditors.

Changes in net assets during 2012 and comparative amounts for 2011 and 2010 were:

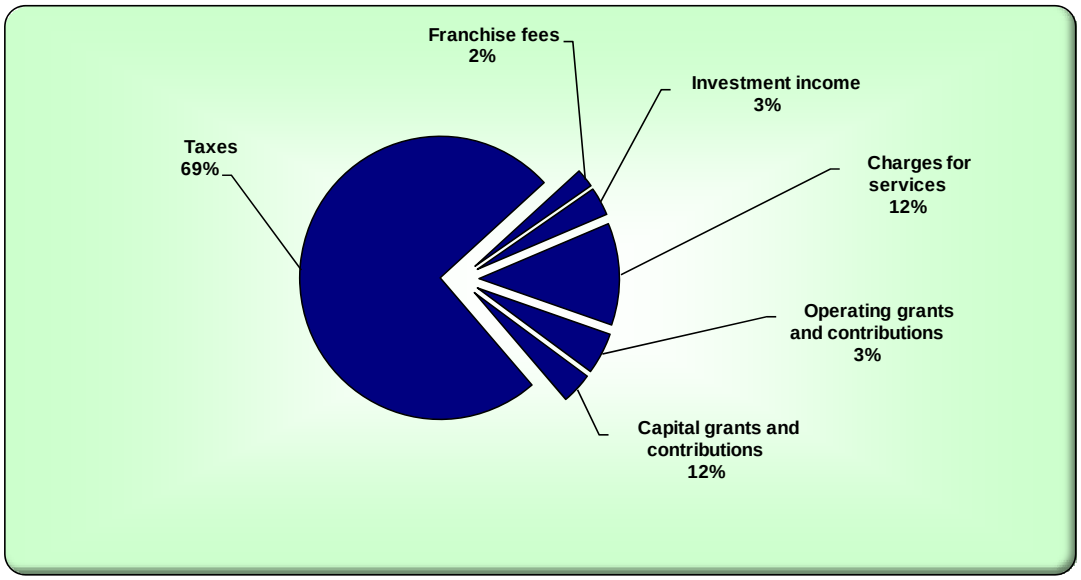
Summary of Changes in Net Assets (in 000's)

	Governmental Activities			Business-type Activities			Total		
	2012	2011	2010	2012	2011	2010	2012	2011	2010
Revenues:									
Program Revenues:									
Charges for services	$ 15,017	$ 15,341	$ 12,336	$ 62,838	$ 60,898	$ 59,516	$ 77,855	$ 76,239	$ 71,851
Operating grants and contributions	6,125	10,078	11,899	1,766	1,614	1,376	7,891	11,692	13,276
Capital grants and contributions	4,593	9,655	25,986	-	9,209	2,275	4,593	18,864	28,262
General Revenue:									
Taxes-GRT and property	95,393	90,696	87,750	-	-	-	95,393	90,696	87,749
Franchise fees/lodgers tax	2,743	2,952	3,436	-	-	-	2,743	2,952	3,436
Investment income	4,172	3,462	3,569	2,258	306	1,302	6,430	3,768	4,871
Telshor Facility income	-	5,473	139	-	-	-	-	5,473	139
Miscellaneous	-	2,876	2,684	39	10	457	39	2,886	3,140
Capital asset contribution	1,044	443	-	46	(443)	-	1,090	-	-
Total Revenue	129,087	140,976	147,799	66,947	71,594	64,926	196,034	212,570	212,723
Expenses:									
General Government	18,106	16,667	16,102	-	-	-	18,106	16,667	16,102
Facilities	-	13,237	13,629	-	-	-	-	13,237	13,629
Police	26,719	26,627	26,885	-	-	-	26,719	26,627	26,886
Fire	11,984	11,339	11,155	-	-	-	11,984	11,339	11,155
Community Development	4,743	5,835	7,586	-	-	-	4,743	5,835	7,586
Community and Cultural Services	9,033	9,833	10,506	-	-	-	9,033	9,833	10,506
Public Works	26,085	20,285	19,728	-	-	-	26,085	20,285	19,728
Information Technology	2,948	3,245	-	-	-	-	2,948	3,245	-
Transportation	4,045	-	-	-	-	-	4,045	-	-
Parks and Recreation	9,214	-	-	-	-	-	9,214	-	-
Gas	-	-	-	24,045	25,500	25,834	24,045	25,500	25,834
Water	-	-	-	14,194	13,997	14,474	14,194	13,997	14,474
Wastewater	-	-	-	11,832	11,212	11,217	11,832	11,212	11,217
Solid waste	-	-	-	11,146	10,151	10,430	11,146	10,151	10,431
Other	-	-	-	4,370	4,363	4,309	4,370	4,363	4,310
Interest on long-term debt	3,843	3,862	4,564	-	-	-	3,843	3,862	4,564
Total Expenses	116,720	110,930	110,155	65,587	65,223	66,265	182,307	176,153	176,421
Increase in net assets before transfers	12,367	30,046	37,644	1,360	6,371	(1,339)	13,727	36,417	36,302
Transfers	(830)	(3,697)	(3,442)	830	3,697	3,440	-	-	-
Change in Net Assets	11,537	26,349	34,202	2,190	10,068	2,101	13,727	36,417	36,302
Net Assets - beginning	375,773	349,424	315,222	212,803	202,735	200,634	588,576	552,160	515,857
Net Assets - ending	$ 387,310	$ 375,773	$ 349,424	$ 214,993	$ 212,803	$ 202,735	$ 602,304	$ 588,575	$ 552,160

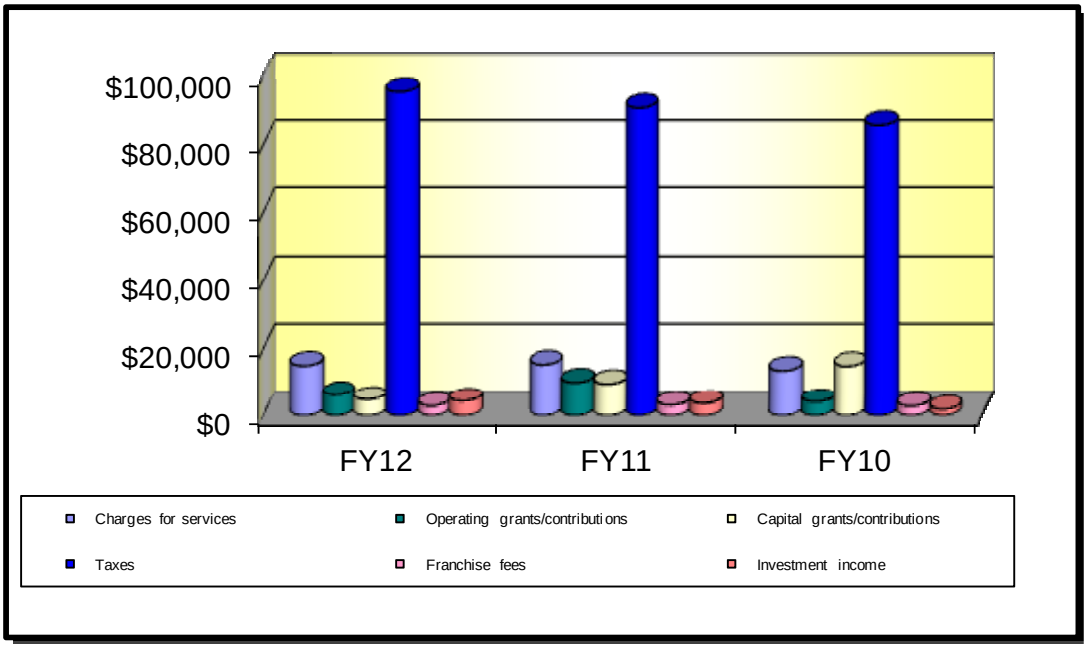
Governmental Activities

Governmental activities increased the City's net assets during the current fiscal year by $11.5 million. Gross receipts tax, property tax, and franchise fees increased from $93.6 million in fiscal year 2011 to $98.1 million in fiscal year 2012.

Governmental Revenues



Revenue by Source – Governmental Activities

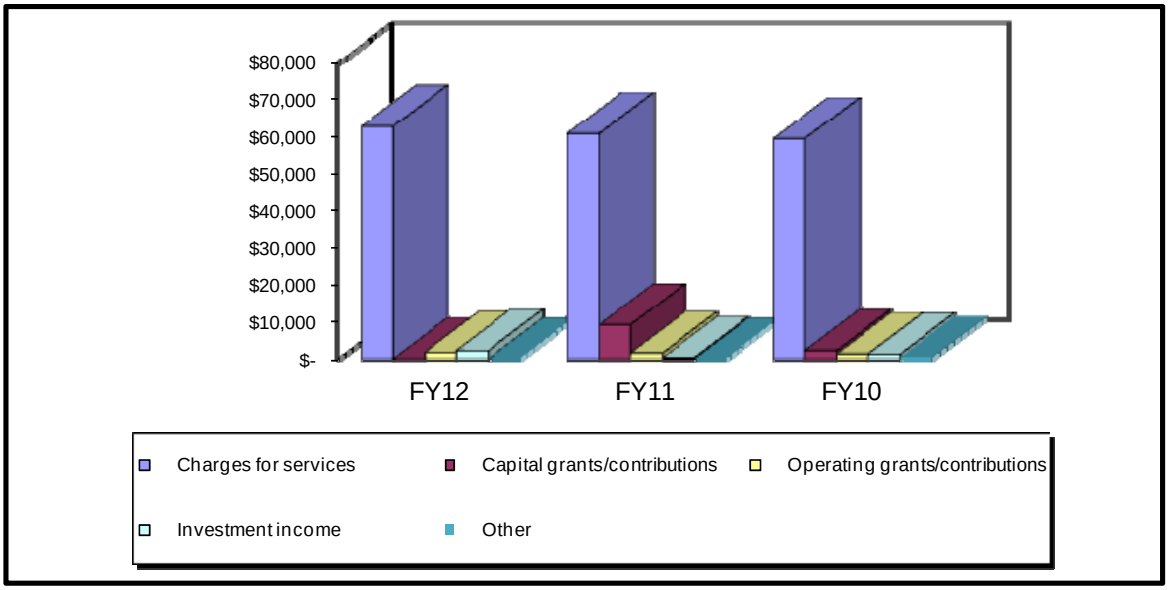


Expenses of the City's governmental activities increased from $110.9 million in fiscal year 2011 to $116.7 million in 2012. The City reorganized several departments during fiscal year 2012. The Facilities department was distributed among Public Works, Transportation, and Parks and Recreation. The increase in expenses was related to the establishment of the new Transportation and Parks and Recreation departments.

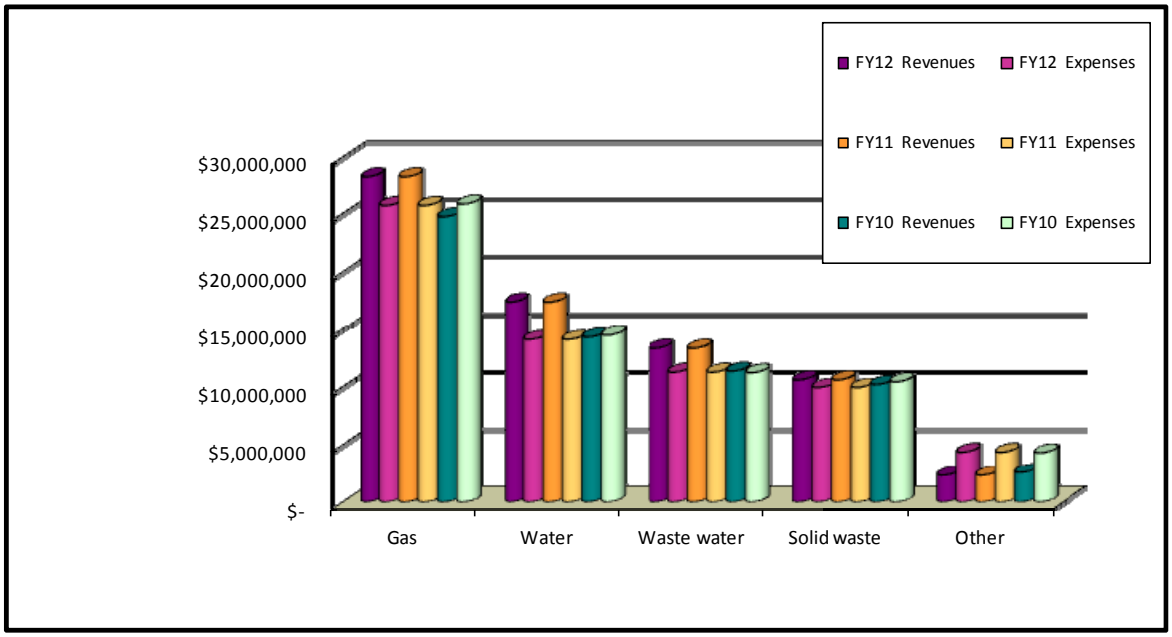
Business-type Activities

Business-type activities increased the City's net assets during the current fiscal year by $2.2 million. Charges from services increased from $60.1 million in fiscal year 2011 to $62.8 million in fiscal year 2012. Expenses increased from $65.2 million in fiscal year 2011 to $65.6 million in fiscal year 2012, with the Solid Waste fund showing the largest increase overall of approximately $1 million. The Water fund showed a decrease in operating expenses of approximately $739 thousand.

Revenues by Source – Business-type Activities



Expenses and Program Revenues – Business-type Activities



Financial Analysis of the City's Funds

Gross receipts tax, the largest revenue source in the general fund, has increased $5.3 million, or 6.92%, from fiscal year 2011. Property tax has slightly decreased in the face of adverse economic conditions by 4.48%, totaling $624 thousand. Capital grants decreased by over $5 million in fiscal year 2012 as funding from the federal government for ARRA projects was no longer available. Operating grants decreased by $4 million from fiscal year 2011.

Governmental Funds

The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable resources*. Such information is useful in assessing the City's financing requirements. In particular, the *Unassigned Fund Balance* may serve as a useful measure of the government's net resources available for spending at the end of the fiscal year.

The General Fund, Sonoma Ranch, Telshor Facility, and Debt Service funds are reported as major governmental funds. As of the end of fiscal year 2012, the City's governmental funds reported combined ending fund balances of $117.3 million, an increase of $15.4 million from the prior year.

The fund balance of the General Fund is reported in the five categories defined by GASB 54. The non-spendable fund balance of $1.5 million is for inventories. The restricted fund balance of $43 thousand is for grants for community development and community and cultural services. The committed fund balance of $5.1 million is for debt service. The assigned fund balance in the General Fund is $4.8 million and is associated with public works, community development, information technology, office of emergency management reserve, transportation, and vehicle acquisition activities. The allocation to each function is presented in the governmental funds balance sheet. The unassigned fund balance in the General Fund is $25.9 million. The total fund balance in the General Fund is $37.4 million.

Fund balances of other major governmental funds are committed and restricted, and reported in Sonoma Ranch - $518,055 committed for debt service; the Telshor Facility fund - $29,135,927 restricted for health related programs; and Debt Service - $7,379,498 restricted for debt service. All other governmental funds are combined and reported as nonmajor governmental funds. Nonmajor governmental funds have a restricted fund balance of $21.1 million for public safety, community development, debt service, public works, community and cultural services, and parks and recreation. The committed fund balance of $20.8 million is for debt service, health-related programs, public works, public safety programs, and parks and recreation.

General Fund

The General Fund is the chief operating fund of the City. At the end of fiscal year 2012, the unassigned fund balance of the General Fund was $25.9 million, while total fund balance was $37.4 million. Of the $25.9 million in the unassigned fund balance, $6.9 million represents the amount required by state and local policy to be held in reserve in the General Fund.

The fund balance of the City's General Fund increased $3.5 million during the current fiscal year, attributed primarily to an increase in tax revenue combined with prudent budgetary controls and fiscal monitoring of expenditures throughout the year.

Revenues - The difference between the original budget and the final amended budget for revenues is a decrease of approximately $1.5 million for the fiscal year. The budget for gross receipts tax decreased $1.5 million from the original budget to the final budget due to a decline in the overall local economy. The budget for property tax revenues increased $228,703, which is attributed to higher-than-expected collections. The budget for charges for services decreased by $470 thousand due to the decline in the economy.

Actual revenues for the fiscal year were approximately $1.8 million more than the final budget. Actual revenues from gross receipts tax exceeded the final budget by approximately $1.3 million.

Expenditures - Differences between the original expenditures budget and the final amended expenditures budget totaled approximately $764 thousand and can be briefly summarized as follows:

- The budget for public works decreased by $12 million due to a decrease in construction projects as well as the establishment of the transportation department. A portion of the transportation department was originally in public works.
- The budget for parks and recreation increased by $9.5 million due to dissolving the facilities department during fiscal year 2012. A portion of the facilities department was used to establish the parks and recreation department.
- The budget for transportation increased by $3.4 million due to dissolving the facilities department during fiscal year 2012. A portion of the facilities department was used to establish the transportation department.

Actual expenditures were approximately $6.3 million less than the final expenditures budget. These variances can be briefly summarized as follows:

- The general government actual expenditures were approximately $1.4 million less than the final budget due to managed salary reductions.
- Actual expenditures for public works were $1.6 million less than budget due to $714 thousand in managed salary reductions and $728 thousand in reduced project and facility operating costs.
- Actual expenditures for parks and recreation were $939 thousand less than budget due to $545 thousand in managed salary reductions and $394 thousand in reduced operating costs.

Long-term Debt

- At the end of fiscal year 2012, the City had total long-term debt outstanding of $150,879,117 in bonds, notes, and leases, with a net increase of $1,136,589 over the prior fiscal year. Decreases to long-term liabilities include bond and note debt service payments of $8,196,321.

Outstanding Bonds and Liabilities to Financial Institutions

	Governmental			Business-type			Total		
	2012	2011	Change	2012	2011	Change	2012	2011	Change
Revenue bonds	$ 73,385,000	$ 73,335,000	$ (50,000)	$ 58,060,000	$ 61,980,000	$ 3,920,000	$ 131,445,000	$ 135,315,000	$ 3,870,000
Notes payable	16,875,696	12,523,218	(4,352,478)	2,558,421	1,904,310	(654,111)	19,434,117	14,427,528	(5,006,589)
Total	$ 90,260,696	$ 85,858,218	$ (4,402,478)	$ 60,618,421	$ 63,884,310	$ 3,265,889	$ 150,879,117	$ 149,742,528	$ (1,136,589)

Additional information on the City's debt can be found in Note 7 to the financial statements.

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2012 amounts to $576.9 million, net of accumulated depreciation. This investment in capital assets includes land, buildings, land and building improvements, leasehold improvements, equipment, infrastructure, and construction in progress. The total decrease in the City's investment in capital assets for the current fiscal year, net of accumulated depreciation, was 1 percent.

Additional information on the City's capital assets can be found in Note 4 to the financial statements.

Economic Outlook

With some notable exceptions, the City of Las Cruces has experienced a lackluster recovery from the "Great Recession". The City's economic outlook calls for slow growth in most indicators. One exception is new residential construction, which has yet to experience a turnaround. Total construction valuation is anticipated to show little change in the coming fiscal year, with residential gains being partially offset by a mild recovery in commercial activity. On a positive note, lodging tax receipts have shown resilience and continue to point to the area's emergence as a travel destination; plus the positive contributions of the City's new convention center.

Population migration continues to be hampered by the national housing market. The inability of people to sell homes in other parts of the country and relocate or retire to Las Cruces has yet to abate. In addition to slower population growth holding down residential construction, the residential units being built have, on average, become smaller. This reflects the residential market adjusting to homes that are affordable based on local labor market conditions.

The City's revenue growth has been influenced by slow economic conditions. Gross Receipts Tax (GRT), which is by far the City's largest revenue source, is largely dependent on construction activity and job growth.

A key to achieving the rate of employment growth forecast for the Las Cruces area is the relationship between the private and government sectors. Las Cruces is highly dependent on public sector employment because of the presence of the federal government and New Mexico State University. The recovery to date has been concentrated in private jobs, with public jobs actually declining in recent years. The outlook anticipates all new jobs being created in the private sector while the public sector remains stagnant.

One financial indicator of the City's financial health is the change in fund balance for the General Fund. Since this fund is the main source for providing city services, growth in this fund balance reflects financial management practices that, while mindful of meeting increasing demands, demonstrate prudent fiscal management grounded in a long-run perspective.

While the General Fund balances are anticipated to ebb slightly over the time horizon, the City can continue to provide its citizens with services. This ability is a dividend of the City's prudent fiscal management practice for the past several years, and is allowing the City to navigate the recession while maintaining services.

Requests for Information

This financial report is designed to present users with an overview of the City's finances and to demonstrate the City's accountability. If you have questions concerning any of the information provided in this report or need additional financial information, contact

Chief Administrative Officer
City of Las Cruces
P.O. Box 20000
Las Cruces, NM 88004

Government-Wide Financial Statements

City of Las Cruces

City of Las Cruces
Statement of Net Assets
June 30, 2012

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Public Housing Authority (December 31, 2011)	South Central Solid Waste
Assets					
Cash and investments	$ 64,151,692	$ 38,739,613	$ 102,891,305	$ 5,056,704	$ 2,836,063
Receivables, net	18,012,958	4,367,940	22,380,898	128,121	289,625
Other assets	2,745,986	1,938,484	4,684,470	147,759	-
Due from other governmental units	18,047,412	686,144	18,733,556	874,392	-
Due from South Central Solid Waste	2,267,000	-	2,267,000	-	-
Notes receivable	-	704,450	704,450	2,475,445	-
Restricted cash and investments	57,708,586	21,745,610	79,454,196	3,029,632	4,039,948
Capital assets					
Land and construction in progress	40,593,401	9,539,618	50,133,019	1,806,214	3,263,673
Other capital assets, net of depreciation	321,338,388	205,424,683	526,763,071	48,132,700	5,576,158
Total capital assets	361,931,789	214,964,301	576,896,090	49,938,914	8,839,831
Total assets	524,865,423	283,146,542	808,011,965	61,650,967	16,005,467
Liabilities					
Accounts payable and accrued liabilities	9,068,221	2,825,609	11,893,830	850,358	288,012
Customer deposits	-	1,640,893	1,640,893	301,501	-
Unearned revenue	18,258,372	-	18,258,372	-	-
Other liabilities	-	888,351	888,351	-	-
Long-term liabilities					
Due within one year	12,148,498	4,705,375	16,853,873	229,217	753,858
Due in more than one year	98,079,947	58,094,052	156,173,999	19,536,999	3,646,432
Total liabilities	137,555,038	68,154,280	205,709,318	20,918,075	4,688,302
Net Assets					
Invested in capital assets, net of related debt	251,703,344	153,706,350	405,409,694	30,211,767	6,572,831
Restricted for:					
Public safety programs	2,708,457	-	2,708,457	-	-
Housing and community development	120,500	-	120,500	-	-
Debt service	7,769,475	16,948,802	24,718,277	-	-
Public works	15,776,581	-	15,776,581	-	-
Health-related programs	29,135,927	-	29,135,927	-	-
Community and cultural services	2,921,743	-	2,921,743	-	-
Parks and recreation	201,496	-	201,496	-	-
Customer deposits	-	1,640,893	1,640,893	-	-
Curbside recycling program	-	-	-	-	3,543,008
Unrestricted	76,972,862	42,696,217	119,669,079	10,521,125	1,201,326
Total net assets	$ 387,310,385	$ 214,992,262	$ 602,302,647	$ 40,732,892	$ 11,317,165

City of Las Cruces
Statement of Activities
For the Year Ended June 30, 2012

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets				
					Primary Government			Component Units	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Public Housing Authority (December 31, 2011)	South Central Solid Waste Authority
Functions/Programs									
Primary government									
Governmental activities									
General government	$ 18,105,571	$ 1,792,864	$ 973,065	$ -	$ (15,339,642)		$ (15,339,642)		
Police	26,719,074	4,282,370	1,668,235	-	(20,768,469)		(20,768,469)		
Fire	11,983,947	1,889,205	735,957	-	(9,358,785)		(9,358,785)		
Community development	4,743,180	789,872	307,702	3,943,321	297,715		297,715		
Community and cultural services	9,032,669	1,363,066	530,994	-	(7,138,609)		(7,138,609)		
Public works	26,084,707	2,444,172	952,149	649,392	(22,038,994)		(22,038,994)		
Information technology	2,948,234	487,056	189,737	-	(2,271,441)		(2,271,441)		
Transportation	4,045,191	533,698	207,907	-	(3,303,586)		(3,303,586)		
Parks and recreation	9,213,597	1,434,770	558,927	-	(7,219,900)		(7,219,900)		
Interest on long-term debt	3,843,702	-	-	-	(3,843,702)		(3,843,702)		
Total governmental activities	116,719,872	15,017,073	6,124,673	4,592,713	(90,985,413)		(90,985,413)		
Business-type activities									
Gas	24,044,680	24,150,034	-	-	-	$ 105,354	105,354		
Water	14,193,976	15,379,475	1,437	-	-	1,186,936	1,186,936		
Wastewater	11,831,875	11,598,934	-	-	-	(232,941)	(232,941)		
Solid waste	11,145,541	11,049,646	-	-	-	(95,895)	(95,895)		
Transit/other	4,370,187	659,652	1,764,795	-	-	(1,945,740)	(1,945,740)		
Total business-type activities	65,586,259	62,837,741	1,766,232	-	-	(982,286)	(982,286)		
Total primary government	$ 182,306,131	$ 77,854,814	$ 7,890,905	$ 4,592,713	(90,985,413)	(982,286)	(91,967,699)		
Component units									
Solid waste	$ 8,048,069	$ 7,643,752	$ -	$ -				$ -	$ (404,317)
Housing	7,745,863	3,525,768	2,592,807	16,600,411				14,973,123	-
Total component units	$ 15,793,932	$ 11,169,520	$ 2,592,807	$ 16,600,411				14,973,123	(404,317)
General revenues									
Taxes									
Gross receipts					82,112,553	-	82,112,553	-	-
Property					13,280,689	-	13,280,689	-	-
Franchise fees and lodgers taxes					2,742,676	-	2,742,676	-	-
Investment income					4,172,096	2,257,513	6,429,609	49,174	214,532
Other					-	37,711	37,711	-	-
Contribution of capital assets					1,044,459	46,342	1,090,801	-	-
Transfers					(830,230)	830,230	-	-	-
Total general revenues and transfers					102,522,243	3,171,796	105,694,039	49,174	214,532
Change in net assets					11,536,830	2,189,510	13,726,340	15,022,297	(189,785)
Net assets, beginning of year					375,773,555	212,802,752	588,576,307	25,710,595	11,506,950
Net assets, end of year					$ 387,310,385	$ 214,992,262	$ 602,302,647	$ 40,732,892	$ 11,317,165

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

City of Las Cruces

Fund Financial Statements

City of Las Cruces
Balance Sheet—*Governmental Funds*
June 30, 2012

	General Fund	Debt Service	Sonoma Ranch	Telshor Facility	Other Governmental Funds	Total Governmental Funds
Assets						
Pooled cash and investments	$ 25,848,311	$ -	$ 518,055	$ -	$ 21,366,362	$ 47,732,728
Restricted cash and investments	-	7,370,203	-	29,125,599	21,212,784	57,708,586
Receivables, net	829,617	9,295	8,333,394	116,522	8,714,183	18,003,011
Due from other funds	3,342,228	-	-	-	-	3,342,228
Due from other governmental units	10,976,969	-	-	-	7,032,725	18,009,694
Inventories	1,531,425	-	-	-	-	1,531,425
Total assets	$ 42,528,550	$ 7,379,498	$ 8,851,449	$ 29,242,121	$ 58,326,054	$ 146,327,672
Liabilities and Fund Balances						
Liabilities						
Accounts and contracts payable	$ 2,745,943	$ -	$ -	$ 106,194	$ 3,447,026	$ 6,299,163
Due to other funds	-	-	-	-	3,342,228	3,342,228
Accrued liabilities	2,241,394	-	-	-	202,298	2,443,692
Deferred revenue	107,534	-	8,333,394	-	8,498,773	16,939,701
Total liabilities	5,094,871	-	8,333,394	106,194	15,490,325	29,024,784
Fund balances						
Nonspendable:						
Inventories	1,531,425	-	-	-	-	1,531,425
Restricted for:						
Public safety programs	-	-	-	-	2,708,457	2,708,457
Housing and community development	26,616	-	-	-	93,884	120,500
Debt service funds	-	7,379,498	-	-	389,977	7,769,475
Public works	-	-	-	-	15,776,581	15,776,581
Community and cultural services	17,378	-	-	-	2,904,365	2,921,743
Health-related programs	-	-	-	29,135,927	-	29,135,927
Parks and recreation	-	-	-	-	201,496	201,496
Committed for:						
Debt Service	5,142,436	-	518,055	-	381,930	6,042,421
Health-related programs	-	-	-	-	19,486	19,486
Public safety programs	-	-	-	-	1,677,710	1,677,710
Public works	-	-	-	-	12,110,711	12,110,711
Parks and recreation	-	-	-	-	6,576,298	6,576,298
Assigned to:						
Public works	126,723	-	-	-	-	126,723
Community development	378,660	-	-	-	-	378,660
Information technology	54,114	-	-	-	-	54,114
Office of Emergency Management Reserve	50,000	-	-	-	-	50,000
Transportation	1,227	-	-	-	-	1,227
Vehicle acquisition fund	4,206,999	-	-	-	-	4,206,999
Unassigned:						
Unassigned	25,898,101	-	-	-	(5,166)	25,892,935
Total fund balances	37,433,679	7,379,498	518,055	29,135,927	42,835,729	117,302,888
Total liabilities and fund balances	$ 42,528,550	$ 7,379,498	$ 8,851,449	$ 29,242,121	$ 58,326,054	$ 146,327,672

City of Las Cruces

City of Las Cruces
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets
June 30, 2012

Total fund balances for governmental funds	$ 117,302,888
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	361,760,857
The contribution of certain capital assets is deferred in the statement of net assets	(1,318,671)
Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and, accordingly, are not reported in the funds	(101,679,623)
Bond issuance costs of $1,192,380 are expensed for fund financial statements but capitalized for government-wide financial statements (less accumulated amortization of $346,575)	845,805
The amount due from South Central Solid Waste Authority is not available to pay current-period expenditures and is, therefore, not reported in the funds	2,267,000
Assets and liabilities of internal service funds are included in net assets of governmental activities	8,132,129
Net assets of governmental activities	$ 387,310,385

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

City of Las Cruces

Statement of Revenues, Expenditures, and Changes in Fund Balance—*Governmental Funds*

For the Year Ended June 30, 2012

	General Fund	Debt Service	Sonoma Ranch	Telshor Facility	Other Governmental Funds	Total Governmental Funds
Revenues						
Taxes	$ 73,646,007	$ -	$ -	$ -	$ 21,747,235	$ 95,393,242
Charges for services	2,738,978	-	-	-	9,853	2,748,831
Fees and fines	1,148,964	-	-	-	1,945,990	3,094,954
Investment income	927,625	393,719	98,335	808,092	1,333,605	3,561,376
Franchise fees	2,742,676	-	-	-	-	2,742,676
Licenses and permits	1,278,941	-	-	-	-	1,278,941
Intergovernmental						
Federal	37,554	-	-	-	5,398,846	5,436,400
State	-	-	-	-	5,220,915	5,220,915
Local	14,649	-	-	-	45,422	60,071
Other	4,388,179	1,210,789	368,463	-	2,633,916	8,601,347
Total revenues	86,923,573	1,604,508	466,798	808,092	38,335,782	128,138,753
Expenditures						
Current						
General government	13,469,327	-	-	-	1,474,366	14,943,693
Police	19,239,019	-	-	-	6,377,210	25,616,229
Fire	9,365,873	-	-	-	1,934,952	11,300,825
Community development	2,591,452	-	-	-	2,133,394	4,724,846
Community and cultural services	5,378,073	-	-	-	2,775,499	8,153,572
Public works	9,490,705	-	-	-	5,129,816	14,620,521
Information technology	2,913,463	-	-	-	-	2,913,463
Transportation	3,192,467	-	-	-	-	3,192,467
Parks and recreation	8,568,820	-	-	-	13,667	8,582,487
Capital outlay	1,726,034	-	-	-	14,785,245	16,511,279
Debt service						
Principal	-	8,618,688	-	-	-	8,618,688
Interest and other charges	-	3,838,137	-	-	201,925	4,040,062
Total expenditures	75,935,233	12,456,825	-	-	34,826,074	123,218,132
Revenues over (under) expenditures	10,988,340	(10,852,317)	466,798	808,092	3,509,708	4,920,621
Other Financing Sources (Uses)						
Issuance of debt refunding	-	4,301,747	-	-	13,161,226	17,462,973
Refunded bonds redeemed	-	(4,440,000)	-	-	-	(4,440,000)
Premiums on issuance of debt	-	25,061	-	-	511,672	536,733
Sale of capital assets	212,621	-	-	-	600,000	812,621
Transfers in	2,967,414	12,155,385	-	-	7,370,423	22,493,222
Transfers out	(10,632,324)	(900,167)	-	(300,000)	(14,577,937)	(26,410,428)
Total other financing sources (uses)	(7,452,289)	11,142,026	-	(300,000)	7,065,384	10,455,121
Net change in fund balances	3,536,051	289,709	466,798	508,092	10,575,092	15,375,742
Fund balances, beginning of year	33,897,628	7,089,789	51,257	28,627,835	32,260,637	101,927,146
Fund balances, end of year	$ 37,433,679	$ 7,379,498	$ 518,055	$ 29,135,927	$ 42,835,729	$ 117,302,888

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

City of Las Cruces

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities For the Year Ended June 30, 2012

Net change in fund balances—governmental funds		$ 15,375,742
Total revenues and other financing sources in the governmental funds differ from total revenues for governmental activities in the statement of activities. The difference results primarily from the long-term economic focus of the statement of activities versus the current financial sources focus of the governmental funds. The main components of the difference are describe below:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of certain capital outlays is allocated over their estimated useful lives of the assets acquired and reported as depreciation expense. As a result, fund balance decreased by the amount of financial resources expended, whereas net assets decreased by the amount of depreciation expense charged for the year:		
Capital outlay	$ 16,511,279	
Depreciation	(19,468,187)	
Other	231,837	
Total		(2,725,071)
Proceeds from the issuance of long-term obligations provide current financial resources to governmental funds and increase long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the current year principal repayment reduces long-term liabilities in the statement of net assets.		
Repayments of bonds and notes payable	12,697,746	
Repayments of pollution remediation obligation	1,233,723	
Proceeds from bonds and notes payable	(17,997,898)	
Premiums received from bonds	536,733	
Amortization of premium/discount of bond and notes payable	(175,791)	
Total		(3,705,487)
The change in the liability for compensated absences affects expenses reported in the statement of activities but does not require the use of current financial resources and is therefore not reported as expenditures in governmental funds.		(32,789)
Bond issuance costs are expenditures in the governmental funds but are amortized to interest expense over the life of the bonds in the statement of activities. This is the difference in bond issuance costs and current year amortization.		196,360
Principal payments by South Central Solid Waste to the City's debt service fund are reported as revenue in the debt service fund but reduce assets on the statement of net assets.		(705,000)
Internal service funds are used by management to charge the costs of certain activities, such as insurance and telecommunications, to individual funds. The change in net assets of internal service funds is reported within governmental activities.		3,133,075
Change in net assets of governmental activities		$ 11,536,830

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

City of Las Cruces

Statement of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

General Fund

For the Year Ended June 30, 2012

(With Comparative Actual Amounts for the Year Ended June 30, 2011)

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Local taxes					
Gross receipts	$ 62,398,000	$ 60,689,000	**$ 62,001,162**	$ 1,312,162	$ 60,365,684
Property	9,803,868	10,032,571	**10,031,235**	(1,336)	9,945,396
Utility franchise	1,114,557	1,113,948	**1,127,128**	13,180	1,109,511
Total local taxes	73,316,425	71,835,519	**73,159,525**	1,324,006	71,420,591
State-shared taxes	479,893	460,800	**486,482**	25,682	479,495
Charges for services	3,323,577	2,853,117	**2,738,978**	(114,139)	1,686,059
Fees and fines	1,283,044	1,399,421	**1,148,964**	(250,457)	1,359,075
Investment income	453,830	678,830	**927,625**	248,795	34,290
Franchise fees	2,950,193	2,696,773	**2,742,676**	45,903	2,877,685
Licenses and permits	1,150,985	1,279,377	**1,278,941**	(436)	1,358,092
Operating grants and contributions	73,145	75,704	**52,203**	(23,501)	66,562
Other	3,717,133	3,892,902	**4,388,179**	495,277	5,246,924
	13,431,800	13,336,924	**13,764,048**	427,124	13,108,182
Total revenues	86,748,225	85,172,443	**86,923,573**	1,751,130	84,528,773
Expenditures					
Current					
General government	15,517,634	14,834,598	**13,469,327**	1,365,271	12,601,493
Facilities	-	-	**-**	-	12,253,029
Police	18,491,203	18,984,029	**19,239,019**	(254,990)	18,818,344
Fire	9,192,075	9,309,495	**9,365,873**	(56,378)	9,339,105
Community development	3,129,169	2,996,428	**2,591,452**	404,976	2,917,036
Community and cultural services	5,979,496	5,654,681	**5,378,073**	276,608	5,551,366
Public works	23,019,385	11,058,030	**9,490,705**	1,567,325	8,666,860
Information technology	3,769,648	3,655,849	**2,913,463**	742,386	2,795,580
Transportation	528,000	3,946,127	**3,192,467**	753,660	-
Parks and recreation	-	9,508,181	**8,568,820**	939,361	-
Capital outlay	1,889,250	2,332,384	**1,726,034**	606,350	1,115,938
Total expenditures	81,515,860	82,279,802	**75,935,233**	6,344,569	74,058,751
Revenues over expenditures	5,232,365	2,892,641	**10,988,340**	8,095,699	10,470,022
Other Financing Sources (Uses)					
Sale of capital assets	96,875	50,000	**212,621**	162,621	-
Transfers in	2,234,813	2,984,813	**2,967,414**	(17,399)	2,499,891
Transfers out	(11,306,947)	(10,636,697)	**(10,632,324)**	4,373	(12,473,752)
Total other financing sources (uses)	(8,975,259)	(7,601,884)	**(7,452,289)**	(13,026)	(9,973,861)
Net change in fund balance	(3,742,894)	(4,709,243)	**3,536,051**	8,082,673	496,161
Fund balance, beginning of year	33,897,628	33,897,628	**33,897,628**	11,988,262	33,401,467
Fund balance, end of year	$ 30,154,734	$ 29,188,385	**$ 37,433,679**	$ 20,070,935	$ 33,897,628

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

City of Las Cruces

Statement of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Sonoma Ranch

For the Year Ended June 30, 2012

(With Comparative Actual Amounts for the Year Ended June 30, 2011)

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income (expense)	$ -	$ -	**$ 98,335**	$ 98,335	**$ 115**
Other	-	-	**368,463**	368,463	-
Total revenues	-	-	**466,798**	466,798	**115**
Net change in fund balance	-	-	**466,798**	466,798	115
Fund balance, beginning of year	51,257	51,257	**51,257**	-	**51,142**
Fund balance, end of year	$ 51,257	$ 51,257	**$ 518,055**	$ 466,798	**$ 51,257**

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

City of Las Cruces

Statement of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Telshor Facility

For the Year Ended June 30, 2012

(With Comparative Actual Amounts for the Year Ended June 30, 2011)

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income	$ 1,120,000	$ 1,120,000	**$ 808,092**	$ (311,908)	$ 3,139,126
Total revenues	1,120,000	1,120,000	**808,092**	(311,908)	3,139,126
Other Financing Sources (Uses)					
Escrow refund (Note 15)	-	-	-	-	4,097,607
Transfers out	(300,000)	(300,000)	**(300,000)**	-	(300,000)
Total other financing sources (uses)	(300,000)	(300,000)	(300,000)	-	3,797,607
Net change in fund balance	820,000	820,000	508,092	(311,908)	6,936,733
Fund balance, beginning of year	28,627,835	28,627,835	**28,627,835**	-	21,691,102
Fund balance, end of year	$ 29,447,835	$ 29,447,835	**$ 29,135,927**	$ (311,908)	$ 28,627,835

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

City of Las Cruces

City of Las Cruces
Statement of Net Assets—*Proprietary Funds*
June 30, 2012

	Enterprise Funds						
	Gas	Water	Waste Water	Solid Waste	Other Enterprise Funds	Totals	Internal Service Funds
Assets							
Current assets							
Cash and investments	$ 11,821,040	$ 8,938,130	$ 14,626,989	$ 2,796,749	$ 556,705	$ 38,739,613	$ 16,418,964
Accounts receivable, net of allowance for uncollectible accounts	1,128,364	1,524,599	841,891	869,248	3,838	4,367,940	9,947
Due from other governments	-	9,756	-	-	676,388	686,144	37,718
Inventories	632,907	610,459	49,744	-	-	1,293,110	368,756
Total current assets	13,582,311	11,082,944	15,518,624	3,665,997	1,236,931	45,086,807	16,835,385
Non-current assets							
Restricted cash and investments	752,670	13,352,795	4,335,713	3,304,432	-	21,745,610	-
Notes receivable	-	545,668	158,782	-	-	704,450	-
Advance to other funds	326,386	-	2,623,175	-	-	2,949,561	-
Other	-	403,838	241,536	-	-	645,374	-
Capital assets	62,870,952	123,984,667	126,331,218	13,523,969	8,550,176	335,260,982	3,363,281
Less accumulated depreciation	(32,577,393)	(34,690,638)	(40,040,713)	(8,485,073)	(4,502,864)	(120,296,681)	(3,192,349)
Net capital assets	30,293,559	89,294,029	86,290,505	5,038,896	4,047,312	214,964,301	170,932
Total non-current assets	31,372,615	103,596,330	93,649,711	8,343,328	4,047,312	241,009,296	170,932
Total assets	44,954,926	114,679,274	109,168,335	12,009,325	5,284,243	286,096,103	17,006,317
Liabilities							
Current liabilities							
Accounts and contracts payable	652,082	717,195	375,719	31,550	147	1,776,693	264,926
Accrued liabilities	240,357	314,101	257,918	142,550	93,990	1,048,916	60,440
Deferred revenue	521,297	367,054	-	-	-	888,351	-
Current portion of non-current liabilities	49,106	2,401,275	1,718,926	514,264	21,804	4,705,375	2,373,163
Total current liabilities	1,462,842	3,799,625	2,352,563	688,364	115,941	8,419,335	2,698,529
Non-current liabilities							
Customer deposits	752,670	368,775	370,931	148,517	-	1,640,893	-
Revenue bonds payable	-	30,686,070	23,968,459	-	-	54,654,529	-
Notes payable	-	-	-	2,101,542	-	2,101,542	-
Capital leases	-	-	-	-	-	-	-
Compensated absences	196,422	177,625	123,179	103,538	87,217	687,981	59,557
Claims	-	-	-	-	-	-	6,116,102
Accrued landfill closure cost	-	-	-	650,000	-	650,000	-
Advance from other funds	-	2,838,014	-	111,547	-	2,949,561	-
Total non-current liabilities	949,092	34,070,484	24,462,569	3,115,144	87,217	62,684,506	6,175,659
Total liabilities	2,411,934	37,870,109	26,815,132	3,803,508	203,158	71,103,841	8,874,188
Net Assets							
Invested in capital assets, net of related debt	30,293,559	56,251,090	60,633,915	2,480,474	4,047,312	153,706,350	170,932
Restricted for customer deposits	752,670	368,775	370,931	148,517	-	1,640,893	-
Restricted for debt service	-	12,984,020	3,964,782	-	-	16,948,802	-
Unrestricted	11,496,763	7,205,280	17,383,575	5,576,826	1,033,773	42,696,217	7,961,197
Total net assets	$ 42,542,992	$ 76,809,165	$ 82,353,203	$ 8,205,817	$ 5,081,085	$ 214,992,262	$ 8,132,129

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

City of Las Cruces

Statement of Revenues, Expenses, and Changes in Net Assets

Proprietary Funds

For the Year Ended June 30, 2012

	Enterprise Funds						
	Gas	Water	Waste Water	Solid Waste	Other Enterprise Funds	Totals	Internal Service Funds
Operating Revenues							
Sales/charges	$ 24,190,928	$ 15,348,805	$ 11,657,965	$ 11,174,843	$ 658,437	$ 63,030,978	$ 5,834,084
Provision for uncollectible accounts	(259,247)	(187,737)	(162,164)	(145,585)	-	(754,733)	-
Net sales/charges	23,931,681	15,161,068	11,495,801	11,029,258	658,437	62,276,245	5,834,084
Utility extension/service fee	200,165	106,127	22,657	-	-	328,949	-
Rentals	-	12,795	-	640	-	13,435	1,153,034
Other	18,188	99,485	80,476	19,748	1,215	219,112	2,635,365
Total operating revenues	24,150,034	15,379,475	11,598,934	11,049,646	659,652	62,837,741	9,622,483
Operating Expenses							
Personnel services	3,319,324	2,640,708	2,282,757	2,061,473	2,579,804	12,884,066	1,667,955
Cost of sales	-	-	-	-	-	-	3,051,218
Cost of gas purchased	13,151,390	-	-	-	-	13,151,390	-
Supplies	246,310	481,242	663,349	331,454	99,959	1,822,314	1,882,125
Utilities	27,440	1,877,793	704,733	20,610	22,169	2,652,745	66,085
Professional services	334,021	1,358,843	615,759	3,995,154	80,765	6,384,542	428,897
Motor pool charges	-	-	-	-	534,358	534,358	32,292
Motor fuel	-	-	-	-	309,240	309,240	-
Repairs and maintenance	1,258,148	1,290,165	600,019	1,253,491	111,719	4,513,542	113,113
Rent	5,231	31,447	1,403	-	-	38,081	46,552
Depreciation and amortization	2,216,237	2,281,492	3,183,778	717,725	591,368	8,990,600	81,780
Payment in lieu of taxes	595,644	537,853	495,314	195,940	-	1,824,751	-
Administrative charges from other funds	553,875	559,652	531,153	214,728	-	1,859,408	-
Customer service	2,067,537	1,760,481	1,696,376	1,542,541	-	7,066,935	-
Closure/post-closure costs	-	-	-	627,513	-	627,513	-
Claims and judgments	-	-	-	-	-	-	2,730,927
Insurance	214,944	107,034	42,043	123,599	39,941	527,561	59,174
Other	44,777	18,038	13,035	-	864	76,714	26,987
Total operating expenses	24,034,878	12,944,748	10,829,719	11,084,228	4,370,187	63,263,760	10,187,105
Operating income (loss)	115,156	2,434,727	769,215	(34,582)	(3,710,535)	(426,019)	(564,622)
Non-operating Revenues (Expenses)							
Gain (loss) on sale of capital assets	18,804	-	-	18,910	-	37,714	-
Investment income	441,235	840,731	716,137	259,410	-	2,257,513	610,721
Grants - federal	-	1,437	-	-	1,764,795	1,766,232	-
Interest expense	(9,802)	(1,249,228)	(1,002,156)	(61,313)	-	(2,322,499)	-
Total non-operating revenues (expenses)	450,237	(407,060)	(286,019)	217,007	1,764,795	1,738,960	610,721
Income (loss) before capital contributions and transfers	565,393	2,027,667	483,196	182,425	(1,945,740)	1,312,941	46,099
Capital contributions	7,230	22,199	16,913	-	-	46,342	-
Transfers							
Transfers in	-	277,129	2,649,244	-	1,962,769	4,889,142	1,001,577
Transfers out	(54,400)	(1,898,175)	-	-	-	(1,952,575)	(20,939)
Change in fund net assets	518,223	428,820	3,149,353	182,425	17,029	4,295,850	1,026,737
Fund net assets, beginning of year	42,024,769	76,380,345	79,203,850	8,023,392	5,064,056	210,696,412	7,105,392
Fund net assets, end of year	$ 42,542,992	$ 76,809,165	$ 82,353,203	$ 8,205,817	$ 5,081,085	$ 214,992,262	$ 8,132,129

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

City of Las Cruces
Statement of Cash Flows—*Proprietary Funds*
For the Year Ended June 30, 2012

	Enterprise Funds						
	Gas	Water	Waste Water	Solid Waste	Other Enterprise Funds	Totals	Internal Service Funds
Cash flows from operating activities							
Cash received from customers (including other funds)	$ 25,141,770	$ 15,687,423	$ 11,824,535	$ 11,424,571	$ 663,235	$ 64,741,534	$ 9,622,700
Cash paid to suppliers	(18,795,489)	(7,773,468)	(5,072,973)	(8,434,366)	(1,221,451)	(41,297,747)	(5,915,907)
Cash paid to employees	(3,302,602)	(2,630,780)	(2,247,893)	(2,059,008)	(2,565,163)	(12,805,446)	(1,476,945)
Claims paid	-	-	-	-	-	-	(2,105,563)
Other receipts	18,188	99,485	80,476	19,748	1,215	219,112	-
Net cash provided (used) by operating activities	3,061,867	5,382,660	4,584,145	950,945	(3,122,164)	10,857,453	124,285
Cash flows from non-capital financing activities							
Grants and contributions	-	-	-	-	1,260,965	1,260,965	-
Transfers in	-	277,129	751,069	-	1,962,769	2,990,967	1,001,577
Transfers out	(54,400)	-	-	-	-	(54,400)	(20,939)
Loans for development impact fees	-	256,698	142,656	-	-	399,354	-
Advance to/from other funds	266,584	56,561	(271,409)	-	-	51,736	-
Net cash provided (used) by non-capital financing activities	212,184	590,388	622,316	-	3,223,734	4,648,622	980,638
Cash flows from capital and related financing activities							
Purchase of capital assets	(1,018,508)	(2,820,048)	(1,199,603)	(1,419,703)	(541,756)	(6,999,618)	-
Proceeds from sale of capital assets	-	-	-	18,910	-	18,910	-
Acquisition of other assets	-	-	-	-	-	-	-
Grants	-	1,437	-	-	11,555	12,992	-
Proceeds from revenue bonds and notes payable	-	-	-	1,016,563	-	1,016,563	-
Principal paid: revenue bonds/lease purchase/advances	-	(2,314,493)	(1,643,165)	(362,450)	-	(4,320,108)	-
Interest paid: revenue bonds/lease purchase/advances	(9,802)	(1,192,007)	(965,568)	(61,313)	-	(2,228,690)	-
Net cash provided (used) by capital and related financing activities	(1,028,310)	(6,325,111)	(3,808,336)	(807,993)	(530,201)	(12,499,951)	-
Cash flows from investing activities							
Interest received	441,235	840,731	716,137	259,410	-	2,257,513	610,719
Net cash provided (used) by investing activities	441,235	840,731	716,137	259,410	-	2,257,513	610,719
Net increase (decrease) in pooled cash and investments	2,686,976	488,668	2,114,262	402,362	(428,631)	5,263,637	1,715,642
Cash and investments, beginning of year	9,886,734	21,802,257	16,848,440	5,698,819	985,336	55,221,586	14,703,322
Cash and investments, end of year	$ 12,573,710	$ 22,290,925	$ 18,962,702	$ 6,101,181	$ 556,705	$ 60,485,223	$ 16,418,964
Cash and investments at June 30 consisted of:							
Current assets							
Cash and investments	$ 11,821,040	$ 8,938,130	$ 14,626,989	$ 2,796,749	$ 556,705	$ 38,739,613	$ 16,418,964
Non-current assets							
Restricted cash and investments	752,670	13,352,795	4,335,713	3,304,432	-	21,745,610	-
Total cash and investments, June 30	$ 12,573,710	$ 22,290,925	$ 18,962,702	$ 6,101,181	$ 556,705	$ 60,485,223	$ 16,418,964

(Continued)

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

City of Las Cruces
Statement of Cash Flows—*Proprietary Funds (Continued)*
For the Year Ended June 30, 2012

	Enterprise Funds						
	Gas	Water	Waste Water	Solid Waste	Other Enterprise Funds	Totals	Internal Service Funds
Reconciliation of operating income to net cash provided (used) by operating activities							
Operating income (loss)	$ 115,156	$ 2,434,727	$ 769,215	$ (34,582)	$ (3,710,535)	$ (426,019)	$ (564,622)
Adjustments to reconcile operating income to net cash provided by operating activities:							
Depreciation and amortization	2,216,237	2,281,492	3,183,778	717,725	591,368	8,990,600	76,782
Provision for uncollectible accounts	259,247	187,737	162,164	145,585	-	754,733	-
Increase in liability for landfill closure costs	-	-	-	51,500	-	51,500	-
Change in assets and liabilities:							
Accounts receivable	578,501	254,457	177,770	209,477	4,798	1,225,003	215
Inventories	309,864	(92,434)	87,518	-	-	304,948	17,495
Due from other governmental agencies	-	96,550	-	(51,736)	-	44,814	92,873
Accounts and contracts payable	(346,789)	244,964	202,693	(129,100)	(22,436)	(50,668)	(109,496)
Estimated liability for insurance claims	-	-	-	-	-	-	625,366
Wages payable and accrued liabilities	16,722	40,086	34,864	2,465	14,641	108,778	(14,328)
Deferred revenue	(92,437)	(30,158)	-	-	-	(122,595)	-
Customer deposits	5,366	(34,761)	(33,857)	39,611	-	(23,641)	-
Total adjustments	2,946,711	2,947,933	3,814,930	985,527	588,371	11,283,472	688,907
Net cash provided (used) by operating activities	$ 3,061,867	$ 5,382,660	$ 4,584,145	$ 950,945	$ (3,122,164)	$ 10,857,453	$ 124,285
Non-cash investing/financing activities							
Advances to (from) other funds	$ -	$ (1,898,175)	$ 1,898,175	$ -	$ -	$ -	$ -
Capital contributions of capital assets	7,230	22,199	16,913	-	-	46,342	-
Total non-cash investing/financing activities	$ 7,230	$ (1,875,976)	$ 1,915,088	$ -	$ -	$ 46,342	$ -

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

City of Las Cruces
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2012

Assets	
Pooled cash and investments	$ 5,041,115
Accounts receivable	21,590
Due from other governments	96,187
Total assets	$ 5,158,892
Liabilities	
Accounts and contracts payable	$ 42,472
Accrued wages payable	224,411
Funds held for others	4,892,009
Total liabilities	$ 5,158,892

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

1) Description and Reporting Entity

The City of Las Cruces (the "City") is a municipal corporation established under the laws of the state of New Mexico and operates under a Home Rule Charter. The City was incorporated in 1946 and operates under a council/manager form of government consisting of a Mayor and six council members. The Mayor is elected at large for a four-year term. Council members are elected from six single-member districts to four-year terms. Elections are held bi-annually. The City Manager, appointed by the City Council, is responsible for the management of all City employees and the administration of all City affairs.

The accompanying financial statements present the activities of the City of Las Cruces and its three component units; legally separate organizations for which the City is financially accountable. The component units are:

Component Unit	Included in the Reporting Entity Because:	Separate Financial Statements
City of Las Cruces Public Housing Authority (PHA)	Mayor appoints all the Board members, which may be removed in accordance with state statute. See paragraph below for change in this reporting entity.	Available at PHA offices at 926 S. San Pedro, Las Cruces, New Mexico 88001
South Central Solid Waste Authority (SCSWA)	In accordance with the joint powers agreement (JPA), SCSWA revenues are the primary source of debt service for City bonds issued to construct a regional landfill and transfer station.	Available at 700 N. Church St., Las Cruces, New Mexico 88001
Downtown Tax Increment Development District (TIDD)	The Board members for the TIDD are also the City Councilors, which allow the City to impose its will.	Presented as a blended component unit of the City.

In January 2012, the Public Housing Authorities (including PHA) of the City and Doña Ana County merged, forming a separate legal entity known as the Mesilla Valley Public Housing Authority (MVPHA). An evaluation of the new organization by the New Mexico State Auditor's Office has resulted in a determination that the MVPHA is not a component unit of either the City or Doña Ana County. Accordingly, the financial statements for PHA are only for the six-month period of July 1 through December 31, 2011. PHA and SCSWA are reported as discretely presented component units in the accompanying financial statements, while the TIDD is reported as a blended component unit. Because the activities of PHA are only presented in these financial statements at and for the year ending December 31, 2011, the City has determined that PHA's disclosures are not essential to the fair presentation of the City's basic financial statements.

2) Basis of Presentation, Basis of Accounting

Basis of Presentation

Government-wide Statements—The statement of net assets and the statement of activities display information about the primary government (the City) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the City. Governmental activities are generally financed through taxes, intergovernmental revenues, and other non-exchange transactions. Under GASB 33, the City defines "available" to be 60 days after the fiscal year end. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.

Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities. Proprietary fund operating expenses include the cost of services, administrative and general expenses, and depreciation on capital assets.

All proprietary funds of the City follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements. The City has also elected to apply FASB Statements and Interpretations issued after November 30, 1989, unless those pronouncements conflict with GASB pronouncements.

Fund Financial Statements—The fund financial statements provide information about the City's funds, including its fiduciary funds. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds; each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

2) Basis of Presentation, Basis of Accounting (Continued)

The City reports the following as major governmental funds:

General Fund

The general fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. In fiscal year 2012, several of the general fund's operating departments were reorganized. The Facilities department was divided among various operating departments: Transportation, Parks and Recreation, and Public Works. The Transportation department and the Parks and Recreation department are new departments beginning in fiscal year 2012. Public Works has been an operating department in prior fiscal years.

Special Revenue Funds

The Sonoma Ranch fund accounts for the reimbursements to the City from local developers for debt service on special roadway/utility projects.

The Telshor Facility fund accounts for the net proceeds of the facility lease with LifePoint Hospitals, doing business as Memorial Medical Center. Lease proceeds are used for health-related programs and projects.

Debt Service Fund

The Debt Service fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of the governmental funds.

The City reports the following major enterprise funds:

The Gas fund accounts for the activities of the City's natural gas utility, which provides service to the residents of the City and some residents within the County.

The Water fund accounts for the activities of the City's natural water utility, which provides service to the residents of the City and some residents within the County.

The Wastewater fund accounts for the activities of the City's wastewater utility, which provides service to the residents of the City and some residents within the County.

The Solid Waste fund accounts for the activities of the City's solid waste utility, which provides service to the residents of the City and some residents within the County.

2) Basis of Presentation, Basis of Accounting (Continued)

The City also reports the following fund types:

Internal Service Funds—used to report activities that provide goods or services to other funds, departments or agencies of the City and its component units on a cost-reimbursement basis. These activities include fleet services, document services, general liability, and workers' compensation.

Agency Funds—used to account for monies held by the City in a custodial capacity. These funds do not report operations or have a measurement focus. The funds held by the City in a fiduciary capacity include: Rio Grande Natural Gas Association (cash only); Mesilla Valley Regional Dispatch Authority; Metro Narcotics Agency; Animal Service Center of the Mesilla Valley; Mesilla Valley Safety Council; Branigan Estate (proceeds from sales of assets are used to purchase books for the library); Employee Benefits Committee; Veteran's Memorial Wall; Veteran's Museum; and Gifts and Memorials.

Measurement Focus, Basis of Accounting

Government-wide, Proprietary, and Fiduciary Fund Financial Statements—The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Non-exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include gross receipts and property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from gross receipts taxes are recognized when the underlying transaction takes place. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements—Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

2) Basis of Presentation, Basis of Accounting (Continued)

Under the terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the City's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements. Actual results could differ from those estimates.

Fair Value of Financial Instruments

The City's financial instruments consist of investments in securities, bonds, and notes payable. The City estimates that the fair value of all its financial instruments does not differ materially from their aggregate carrying values in the accompanying statement of net assets. The estimated fair value amounts have been determined by the City using available market information and appropriate valuation methodologies. Considerable judgment is necessarily required in interpreting market data to develop the estimates of fair value and, accordingly, the estimates are not necessarily indicative of the amounts that the City could realize in a current market exchange. None of the financial instruments are held for trading purposes.

Assets, Liabilities, and Equity

Cash Equivalents and Investments—The City pools idle cash from all funds for the purpose of increasing income through investment activities. A "Pooled Cash" concept is used in maintaining the cash and investment accounts in the accounting records. Under this method, all cash is pooled for investment purposes and each fund has equity in the pooled amount. All amounts included in pooled cash and investments (including restricted assets) with an original maturity of 90 days or less are considered to be cash equivalents for the purpose of the statement of cash flows.

Investments are stated at fair value.

2) Basis of Presentation, Basis of Accounting (Continued)

Restricted Cash and Investments—The amount of cash held representing utility deposits is classified as restricted on the *Statement of Net Assets–Propriety Funds*. Also, certain proceeds of joint utility revenue bonds, as well as resources set aside for their repayment and resources set aside to fund capital asset replacements and landfill closure obligations, are classified as restricted since their use is limited.

Receivables—Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied each year on July 1 on the taxable valuation of property location in the City as of the preceding January 1. The taxable valuations for the various classes of property are determined by the County Assessor and the State of New Mexico Department of Taxation and Revenue at one-third of assessed valuation. Taxes are payable in two equal installments on November 10 and April 10 and become delinquent after 30 days. Property taxes receivable are deemed to be substantially collectible.

All trade receivables are shown net of an allowance for uncollectible amounts. The allowance for doubtful accounts is based on management's assessment of the collectibility of specific customer accounts, the aging of the accounts receivable, historical experience, and other currently available evidence. Notes receivable in the statement of net assets consist of rehabilitation and redevelopment loans that are generally not expected or scheduled to be collected in the subsequent year.

Inventories and Prepaid Items—Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

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

Capital Assets—Capital assets are defined as assets with an initial individual cost or fair value of more than $5,000 and an estimated useful life in excess of one year. Purchased and constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The City has retroactively reported all major general infrastructures in these financial statements.

2) Basis of Presentation, Basis of Accounting (Continued)

The City regards library materials (e.g., books, tapes, etc.), museum collections, and public exhibits as individual assets versus collections and, therefore, they are not capitalized. Also, the initial purchase of software meeting the City's capital asset definition is capitalized; however, periodic costs for software upgrades are not capitalized due to the rapid change in technology.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives
Infrastructure	30–50
Land improvements	30
Buildings and improvements	30
Vehicles	4–12
Office equipment	3–10
Computer equipment	3–10

Compensated Absences—The liability for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid, accumulated annual and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

Pollution Remediation—Liabilities are accrued in government-wide and proprietary fund financial statements when certain obligating events occur. Accrued pollution remediation costs are expensed unless they meet the criteria for capitalization in GASB Statement No. 49.

2) Basis of Presentation, Basis of Accounting (Continued)

Fund Balance—The City reports the governmental fund balances in five categories, which include:

1) Non-spendable fund balance – includes amounts that are not in a spendable form or are required to be maintained intact. Examples are inventory or long-term receivables.

2) Restricted fund balance – includes amounts that can be spent only for the specific purposes imposed by creditors, grantors, contributors, or laws and regulations of other governments. An example is federal grants.

3) Committed fund balance – includes self-imposed limitations on amounts that can be used only for a specific purpose, set in place prior to the end of the period by a resolution or through ordinances of the City's highest level of decision-making authority. Commitments established by the City Council may be changed or lifted only by resolutions or ordinances of the City Council, taking the same formal action that imposed the original constraint.

4) Assigned fund balance – comprises amounts *intended* to be used by the City for specific purposes. Intent can be expressed by the City Council, or by an official or body to which the City Council delegates the authority. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

5) Unassigned fund balance – is the residual classification of the General Fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose. Unassigned Fund Balance is only reported in the General Fund.

2) Basis of Presentation, Basis of Accounting (Continued)

It is essential that the City maintain adequate levels of fund balance in the General Fund to mitigate revenue fluctuations and unanticipated expenditures. Therefore, the City has adopted a formal fund balance policy. The fund balance policy establishes a minimum amount to be held in the fund balance of the General Fund of 8.33%, or 1/12, of the annual budgeted expenditures. This policy applies only to the chief operating fund of the City - the General Fund. In addition to the GASB requirement, the state of New Mexico requires that a 1/12 reserve be maintained in the General Fund. The 1/12 reserve is reported in the financial statements as Unassigned Fund Balance.

When multiple categories of the fund balance are available for expenditure (for example, a construction project is being funded partly by a grant, funds set aside by the City Council, and unassigned fund balance), the City will start with the most restricted category and spend those funds first before moving down to the next category of available funds.

Budgets

The City budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America (GAAP) using an estimate of the anticipated revenues and expenditures. Annual appropriated budgets are adopted for all funds. All unexpended appropriations will lapse at the end of the fiscal year. The State of New Mexico Department of Finance and Administration (DFA) allows GAAP budgeting to the extent cash and investments required for operations are available. Budgets of the City's component units are also prepared on a GAAP basis.

New Mexico state law prohibits a municipality from making expenditures in excess of approved appropriations. If a fund is not overspent, it is in compliance with state law. The budget may be amended by the City Council; however, DFA approval must be obtained on budget increases and budget transfers between funds. The 2011/2012 budget has been legally amended.

2) Basis of Presentation, Basis of Accounting (Continued)

New Accounting Pronouncements

The following accounting pronouncements have been recently issued, but not yet adopted by the City. Management anticipates that, upon adoption by the City, none of these statements will have a significant impact on the City's financial position or results of operations. Pronouncements that are not applicable to the City have been omitted.

- Statement No. 62: Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.
- Statement No. 65: Items Previously Reported as Assets and Liabilities.
- Statement No. 66: Technical Corrections – 2012 – an amendment of GASB Statements No. 10 and No. 62.
- Statement No. 67: Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25.
- Statement No. 68: Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27.

3) Cash and Investments

The City follows the practice of pooling cash and investments of all funds with the City Treasurer except for restricted funds generally held by outside custodians and certain special revenue, debt service reserve, and capital projects funds. The cash and investment pool is not reported as a private-purpose trust or agency fund. Each fund's equity in the pool is included in "Cash and investments" on its balance sheet or statement of net assets.

Cash and investments	
Governmental activities	$ 64,151,692
Business-type activities	38,739,613
Total primary government	102,891,305
South Central Solid Waste Authority	2,836,063
	105,727,368
Restricted cash and investments	
Governmental activities	57,708,586
Business-type activities	21,745,610
Total primary government	79,454,196
Fiduciary funds (less amount due to fiscal agent)	5,023,355
South Central Solid Waste Authority	4,039,948
Total Cash and Investments	$ 194,244,867

3) Cash and Investments (Continued)

Total cash and investments at fair value are as follows:

	Pooled Cash & Investments	Other Cash & Investments	Total
Carrying amount of bank deposits	$ 10,191,172	$ 15,382,162	$ 25,573,334
Investments	128,837,526	37,591,324	166,428,850
Cash with fiscal agent	-	1,619,573	1,619,573
Cash on hand	-	12,096	12,096
Accrued interest	611,014	-	611,014
Total Cash and Investments	$ 139,639,712	$ 54,605,155	$ 194,244,867

Bank Balance of Deposits

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The City's investment ordinance requires collateralization of 100% of the uninsured portion of the City's deposits with financial institutions. Securities pledged by financial institutions are accepted at market value, except obligations of the state of New Mexico and its subdivisions, which are accepted at par value. As of June 30, 2012, the City's deposits, totaling $27,836,926, were insured by the FDIC or collateralized by securities held in trust by a third-party bank for the depository bank in the City's name and thus was not exposed to custodial credit risk.

Investments

The City's investment policy allows investment in: a) U.S. Treasury obligations; b) U.S. government agency and instrumentality obligations; c) repurchase agreements whose underlying securities and/or collateral consist of allowed investments described in (a) or (b) above; d) commercial paper rated not less than A-1, P-1, F-1, or equivalent by a nationally recognized rating agency; e) pooled funds maintained by the State Treasurer; and f) mutual funds whose portfolios consist solely of allowed investments.

The City may also invest money identified as long-term in the pools of the New Mexico State Council (SIC) subject to annual review and approval by the City Council. The SIC is a component unit of the primary government of the state of New Mexico. The fair value of the City's position in the SIC pools is the same as the value of the pooled shares.

3) Cash and Investments (Continued)

As of June 30, 2012, the City had the following investments:

Investment Type	Fair Value	Weighted Avg Maturity (Yrs)
Pooled Investments:		
U.S. agency coupon bonds	$ 119,173,345	0.70
Repurchase agreement	9,664,181	0.00
Total Pooled Investments	128,837,526	
Telshor Facility Fund:		
U.S. agency coupon bonds	15,098,860	0.61
External investment equity pools	13,355,053	N/A
Total Telshor Facility Funds	28,453,913	
Debt Service Reserve Funds:		
U.S. Treasury bond	777,517	3.88
U.S. agency coupon bonds	1,597,440	0.36
Total Debt Service Reserve Funds	2,374,957	
Project Funds:		
Money market funds	994,490	0.10
Water and Wastewater Funds:		
U.S. agency coupon bonds	5,767,964	0.12
Total Investments	$ 166,428,850	

Interest Rate Risk—The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The investment pool includes step-up coupon securities that total $19,123,344 issued by U.S. government agencies that are callable by the issuer under certain circumstances. The Telshor Facility fund, Debt Service Reserve funds, and the Water and Wastewater funds have $15,098,860, $1,597,440, and $5,767,964, respectively, of similar step-up agency securities. For purposes of calculating weighted-average maturity, the City assumes callable securities will be called at the first call option, based on their interest rate, current market interest rate, and the City's recent experience with these securities being called at the first call date.

3) Cash and Investments (Continued)

Custodial Credit Risk—For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that securities held in street name with a broker or dealer be insured, and that all other securities be held by the City or a third-party safekeeping financial institution acting as trustee for the City. As of June 30, 2012, all of the City's securities are held in either the street name or by a third-party financial institution in the City's name.

Concentration of Credit Risk—The City's formal investment policy places no limit on the amount the City may invest in any one issuer. As of June 30, 2012, 20% of the City's investment pool was in Federal Home Loan Mortgage Corporation (FHLMC); 66% in Fannie Mae (FNMA); and 7% in Federal Home Loan Bank (FHLB). Of the Telshor Facility Fund portfolio, 35% was in FHLMC and 18% was in FNMA. Of the Debt Service Funds, 67% was in Federal Farm Credit Bank (FFCB). Of the Water and Wastewater Funds portfolio, 43% was in FHLMC and 57% was in FNMA.

Credit Risk—The City's investment policy lists the criteria for selecting investments and the order of priority as follows: 1) safety; 2) liquidity; and 3) yield. As of June 30, 2012, the City's investments in coupon bonds of U.S. agencies were rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. The City's money market fund investments were rated AAAm by Standard & Poor's and/or Aaa by Moody's. The external investment pools of the New Mexico State Investment Council are not rated.

4) Capital Assets

Primary Government

Capital asset activity for the City for the year ended June 30, 2012 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities					
Capital assets not being depreciated					
Land and land rights	$ 14,890,975	$ 329,504	$ (581,993)	$ -	$ 14,638,486
Land improvements	19,137,374	-	(64,775)	-	19,072,599
Construction in progress	3,369,915	4,169,774	-	(657,373)	6,882,316
Total capital assets not being depreciated	37,398,264	4,499,278	(646,768)	(657,373)	40,593,401
Other capital assets					
Buildings and building improvements	119,490,421	2,450,833	(441,456)	657,372	122,157,170
Leasehold improvements	3,124,131	-	-	-	3,124,131
Airport runways	22,217,685	987,566	-	-	23,205,251
Park improvements	18,358,263	478,725	-	-	18,836,988
Machinery and equipment	45,643,045	3,793,373	(2,384,313)	(84,928)	46,967,177
Roads network	287,902,500	3,219,638	(130,814)	-	290,991,324
Flood control network	27,866,631	2,901,377	(6,969)	-	30,761,039
Total other capital assets at cost	524,602,676	13,831,512	(2,963,552)	572,444	536,043,080
Less accumulated depreciation for					
Buildings and building improvements	(20,048,349)	(4,239,235)	4,032	-	(24,283,552)
Leasehold improvements	(1,261,529)	(90,022)	-	-	(1,351,551)
Airport runway	(6,235,081)	(718,112)	-	-	(6,953,193)
Park improvements	(2,404,932)	(522,651)	-	-	(2,927,583)
Machinery and equipment	(34,044,610)	(4,755,795)	1,924,195	84,928	(36,791,282)
Roads network	(126,525,378)	(8,395,682)	131,948	-	(134,789,112)
Flood control network	(6,868,698)	(746,690)	6,969	-	(7,608,419)
Total accumulated depreciation	(197,388,577)	(19,468,187)	2,067,144	84,928	(214,704,692)
Total other capital assets at historic cost, net	327,214,099	(5,636,675)	(896,408)	657,372	321,338,388
Governmental activities capital assets, net	$364,612,363	$ (1,137,397)	$ (1,543,176)	$ -	$361,931,789

Construction in progress was increased by $4.1 million related to ongoing projects, such as the Museum of Nature and Science, the Fire Station Training Facility, the La Casa Domestic Shelter, and the Air Traffic Control Tower.

Projects in buildings increased $1.8 million, which included the photo voltaic project at the Las Cruces Convention Center, the fitness center addition to the Aquatic Center, and City Hall additions, including signage. Transfers from construction in progress to buildings include the Branigan Library addition, which is valued at approximately $500,000.

4) Capital Assets (Continued)

Increases to capital assets of governmental activities include donated subdivisions from developers in the amount of $149,705 for the City's roads network. The City spent an additional $3.1 million for roads.

The City spent $3.6 million for equipment purchases and received donated capital assets of approximately $315,000. Decreases of $1.7 million in machinery and equipment were due to the retirement of items and donations made to outside agencies.

Business-type Activities

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities					
Capital assets not being depreciated					
Land and land rights	$ 7,093,729	$ 129,714	$ -	$ -	$ 7,223,443
Construction in progress	1,397,942	918,233	-	-	2,316,175
Total capital assets not being depreciated	8,491,671	1,047,947	-	-	9,539,618
Other capital assets					
Buildings and building improvements	5,755,573	72,512	-	-	5,828,085
Land improvements	119,557	-	-	-	119,557
Distribution and collection system	78,632,008	16,821	-	-	78,648,829
Utilities transmission	211,654,888	4,685,037	(156,414)	-	216,183,511
Machinery and equipment	24,827,952	1,501,888	(1,698,397)	84,928	24,716,371
Total other capital assets at historic cost	320,989,978	6,276,258	(1,854,811)	84,928	325,496,353
Less accumulated depreciation for					
Buildings and building improvements	(3,058,360)	(206,611)	619,921	-	(2,645,050)
Land improvements	(52,184)	(7,145)	-	-	(59,329)
Distribution and collection system	(31,335,393)	(1,742,465)	-	-	(33,077,858)
Utilities transmission	(60,578,245)	(5,365,480)	6,135	-	(65,937,590)
Machinery and equipment	(17,446,050)	(1,668,899)	848,034	(84,928)	(18,351,843)
Total accumulated depreciation	(112,470,232)	(8,990,600)	1,474,090	(84,928)	(120,071,670)
Total other capital assets at historic cost, net	208,519,746	(2,714,342)	(380,721)	-	205,424,683
Business-type activities capital assets, net	$ 217,011,417	$ (1,666,395)	$ (380,721)	$ -	$ 214,964,301

4) Capital Assets (Continued)

Business-type Activities

The Water Utility purchased a Jornada water tank site from Area 51, LLC totaling $129,714, which was acquired with bond money. This amount is the total increase in land or land rights for the year.

Construction in progress increased $918,232 related to $677,679 in ongoing solid waste projects; $238,702 related to the Intermodal Transit Center; and $1,852 due to the xeriscape garden – landscaping project, done at the utilities building.

Buildings and buildings improvements increased $49,520 through the capitalization of the final payment in fiscal year 2012 related to the Utility Center Project, which was completed during fiscal year 2011. Additional capitalization of $22,992 was related to the engineering allocation to solid waste. The total buildings and building improvements increase during the year was $75,512.

Machinery and equipment increased $1,501,888 due to various purchases such as a water international truck, two water trailers, a water backhoe/loader, three Ford F-150 trucks, six solid waste Peterbilt loaders, a transit Chrysler caravan, a transit Chevrolet Silverado truck, three transit Ford vans, a CISCO catalyst switch for utilities, a solid waste pressure washer, and a system gas analyzer, among other additions to existing assets.

Depreciation expense was charged to functions as follows:

	Governmental Activities	Business-type Activities
General government	$ 3,720,218	$ -
Facilities	1,102,845	-
Police	683,122	-
Fire	18,334	-
Community development	879,097	-
Public services	11,464,186	-
Public works	34,771	-
Gas	852,724	2,216,237
Water	631,110	2,281,492
Wastewater	-	3,183,778
Solid waste	-	717,725
Other	-	591,368
In addition, depreciation on capital assets held by the City's internal service funds is charged to the various functions based on their usage of the assets	81,780	-
Total depreciation expense	$ 19,468,187	$ 8,990,600

4) Capital Assets (Continued)

Capital asset activity for SCSWA for the year ended June 30, 2012 was as follows:

	Balances June 30, 2011	Additions	**Balances June 30, 2012**
Capital assets not being depreciated			
Land	$ 807,276	$ -	**$ 807,276**
Landfill cell/site	2,261,695	194,702	**2,456,397**
Total capital assets not being depreciated	3,068,971	194,702	**3,263,673**
Capital assets being depreciated			
Buildings	4,392,047	103,023	**4,495,070**
Equipment	8,616,213	469,031	**9,085,244**
Infrastructure	1,056,988	-	**1,056,988**
Landfill cell/site	4,523,315	-	**4,523,315**
Total	18,588,563	572,054	**19,160,617**
Less accumulated depreciation			
Buildings	2,034,950	169,736	**2,204,686**
Equipment	5,746,273	812,387	**6,558,660**
Infrastructure	369,945	55,837	**425,782**
Landfill cell/site	4,368,907	26,424	**4,395,331**
Total accumulated depreciation	12,520,075	1,064,384	**13,584,459**
Total capital assets, net	$ 9,137,459	$ (297,628)	**$ 8,839,831**

5) Receivables and Payables

Governmental activities receivables are as follows at June 30, 2012:

	General Fund	Debt Service	Sonoma Ranch	Telshor Facility	Other Governmental Funds	Internal Service Funds	Total Governmental Activities
Accounts	$ 750,775	$ -	$ -	$ -	$ 3,883,923	$ 9,947	$ 4,644,645
Dockets	4,888,426	-	-	-	-	-	4,888,426
Interest	-	9,295	1,709,171	116,522	1,124,026	-	2,959,014
Contracts	-	-	-	-	4,090,894	-	4,090,894
Special assessments	-	-	6,624,223	-	1,605,437	-	8,229,660
Less: allowance for doubful accounts	(4,809,584)	-	-	-	(1,990,097)	-	(6,799,681)
Total governmental receivables	$ 829,617	$ 9,295	$ 8,333,394	$ 116,522	$ 8,714,183	$ 9,947	$ 18,012,958

5) Receivables and Payables (Continued)

Governmental Activities

Special assessments receivables of $6,624,223 represent amounts due from local developers to reimburse the City for the construction of subdivisions or other improvements for residential development. Though a majority of special assessments are not scheduled for collections within the next fiscal year, amounts are expected to be fully collected. The receivables are deferred and reported in the Sonoma Ranch fund.

The City entered into a settlement agreement to resolve all claims and disputes with a real estate developer regarding the developer's obligation to complete certain subdivision improvements. The City received a promissory note from the developer for $1,098,800, to be paid with interest over ten years. The receivable from the developer is included in other governmental accounts receivable. To date, the City has collected $140,185 related to this receivable.

Business-type activities receivables are as follows at June 30, 2012:

	Accounts Receivable	Allowance for Doubtful Accounts	Accounts Receivable, Net
Gas	$ 2,976,750	$ (1,848,386)	$ 1,128,364
Water	2,518,636	(994,037)	1,524,599
Wastewater	1,679,773	(837,882)	841,891
Solid waste	1,711,942	(842,694)	869,248
Other enterprise funds	3,838	-	3,838
Total business-type activities	$ 8,890,939	$ (4,522,999)	$ 4,367,940

Business-type Activities

The accounts receivables for business-type activities are related to the provision of utility services to City customers. Receivables are shown net of an allowance for doubtful accounts. The allowance for doubtful accounts is based on management's assessment of the collectibility of specific customer accounts, the aging of the accounts receivables, historical experience, and other currently available evidence.

5) Receivables and Payables (Continued)

Governmental activities accounts payable and accrued liabilities at June 30, 2012 were as follows:

	Vendors	Salaries and Benefits	Total Accounts Payable and Accrued Liabilities
Governmental activities			
General Fund	$ 2,745,943	$ 2,241,394	$ 4,987,337
Telshor Facility	106,194	-	106,194
Other governmental	3,447,026	202,298	3,649,324
Internal service funds	264,926	60,440	325,366
Total governmental activities	$ 6,564,089	$ 2,504,132	$ 9,068,221

Business-type activities accounts payable and accrued liabilities at June 30, 2012, were as follows:

	Vendors	Salaries and Benefits	Accrued Interest	Taxes Payable	Total Payables and Accrued Liabilities
Business-type activities					
Gas	$ 652,082	$ 177,377	$ -	$ 62,980	$ 892,439
Water	717,195	161,115	94,616	58,370	1,031,296
Wastewater	375,719	140,687	78,380	38,851	633,637
Solid waste	31,550	86,034	11,638	44,878	174,100
Other enterprise funds	147	93,990	-	-	94,137
Total business-type activities	$ 1,776,693	$ 659,203	$ 184,634	$ 205,079	$ 2,825,609

6) Interfund Assets, Liabilities, and Transfers

Primary Government

Governmental interfund receivables and interfund payables as of June 30, 2012 are as follows:

	Interfund Receivable	Interfund Payable	Total
Governmental activities			
General fund			
Nonmajor governmental funds	$ 3,342,228	$ -	$ 3,342,228
Nonmajor governmental funds			
General fund	-	(3,342,228)	(3,342,228)
Total governmental activities	$ 3,342,228	$ (3,342,228)	$ -

The governmental interfund balances reflect short-term advances from the General Fund to funds with a credit cash balance. Credit cash balances are related to grant activity where grant expenditures are followed by grant reimbursements. Grant funding is generally used for senior programs, certain police activities, and capital grants for equipment, roadways, flood control, and airport improvements.

Business-type Activities

Business-type activities receivables and payables as of June 30, 2012 are as follows:

	Interfund Receivables	Interfund Payables	Total
Business-type activities			
Major enterprise funds			
Gas Fund	$ 326,386	$ -	$ 326,386
Solid Waste Fund	-	(111,547)	(111,547)
Water Fund	-	(2,838,014)	(2,838,014)
Wastewater Fund	2,623,175	-	2,623,175
Total business-type activities	$ 2,949,561	$ (2,949,561)	$ -

6) Interfund Assets, Liabilities, and Transfers (Continued)

Business-type Activities

The business-type activities interfund balances reflect long-term advances of pooled cash between utilities. The water and solid waste funds borrowed cash from the gas fund in fiscal year 2009, with a four-year repayment schedule including interest. The water fund advance will be repaid in 2013 and the solid waste fund advance will be repaid in 2014. The water development fund borrowed cash from the wastewater development fund in fiscal year 2012, with a ten-year repayment schedule including interest. The water development fund advance will be repaid in 2023.

6) Interfund Assets, Liabilities, and Transfers (Continued)

Interfund Transfers

Interfund transfers for the year ended June 30, 2012 consisted of the following:

Transfers to the general fund from	
internal service funds	$ 3,978
nonmajor governmental funds	2,963,436
Total transfers to the general fund	$ 2,967,414
Transfers to the debt service funds from	
general fund	$ 5,341,483
debt service funds	900,167
nonmajor governmental funds	5,913,735
Total transfers to the debt service funds	$ 12,155,385
Transfers to the internal service funds from	
general fund	$ 1,001,577
Total transfers to the internal service funds	$ 1,001,577
Transfers to the nonmajor enterprise funds from	
gas fund	$ 54,400
general fund	1,378,369
nonmajor governmental funds	530,000
Total transfers to the nonmajor enterprise funds	$ 1,962,769
Transfers to the nonmajor governmental funds from	
general fund	$ 2,910,895
internal service funds	16,961
nonmajor governmental funds	4,142,567
Telshor Facility fund	300,000
Total transfers to the nonmajor governmental funds	$ 7,370,423
Transfers to the wastewater fund from	
nonmajor governmental funds	$ 751,069
water fund	1,898,175
Total transfers to the wastewater fund	$ 2,649,244
Transfers to the water fund from	
nonmajor governmental funds	$ 277,129
Total transfers to the water fund	$ 277,129

6) Interfund Assets, Liabilities, and Transfers (Continued)

Transfers from the gas fund to	
nonmajor enterprise funds	$ (54,400)
Total transfers from the gas fund	$ (54,400)
Transfers from the general fund to	
debt service funds	$ (5,341,483)
internal service funds	(1,001,577)
nonmajor enterprise funds	(1,378,369)
nonmajor governmental funds	(2,910,895)
Total transfers from the general fund	$ (10,632,324)
Transfers from the debt service funds to	
debt service funds	$ (900,167)
Total transfers from the debt service funds	$ (900,167)
Transfers from the internal service funds to	
general fund	$ (3,978)
nonmajor governmental funds	(16,961)
Total transfers from the internal service funds	$ (20,939)
Transfers from the nonmajor governmental funds to	
general fund	$ (2,963,436)
debt service funds	(5,913,735)
nonmajor enterprise funds	(530,000)
nonmajor governmental funds	(4,142,568)
wastewater fund	(751,069)
water fund	(277,129)
Total transfers from the nonmajor governmental funds	$ (14,577,937)
Transfers from the Telshor Facility fund to	
nonmajor governmental funds	$ (300,000)
Total transfers from the Telshor Facility fund	$ (300,000)
Transfers from the water fund to	
wastewater fund	$ (1,898,175)
Total transfers from the water fund	$ (1,898,175)

6) Interfund Assets, Liabilities, and Transfers (Continued)

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

7) Long–term Liabilities

Primary Government

Changes in long-term liabilities are as follows:

	Primary Government				
Governmental Activities	Beginning Balance	Increases	Decreases	Ending Balance	Amount Due Within One Year
Tax revenue bonds	$ 73,335,000	$10,940,000	$10,890,000	$ 73,385,000	$ 5,805,000
Unamortized premium/discount on sales tax revenue bonds	2,400,558	536,733	175,791	2,761,500	175,791
Notes payable	12,521,411	6,522,973	2,168,688	16,875,696	3,150,783
Pollution remediation	6,678,488	-	1,233,723	5,444,765	-
Claims and judgements	5,730,782	2,752,693	7,564	8,475,911	2,359,809
Compensated absences	3,055,235	4,895,587	4,665,249	3,285,573	657,115
	103,721,474	25,647,986	19,141,015	110,228,445	12,148,498
Business-type Activities					
Utility revenue bonds	61,980,000	-	3,920,000	58,060,000	4,045,000
Unamortized discount / premium on utility revenue bonds	677,189	-	37,657	639,532	-
Claims and judgments	2,119,604	-	2,119,604	-	-
Notes payable	1,904,310	1,016,561	362,450	2,558,421	456,880
Landfill closure and post-closure costs (Note 9)	630,000	627,513	576,015	681,498	31,500
Compensated absences	857,375	1,315,917	1,313,316	859,976	171,995
	68,168,478	2,959,991	8,329,042	62,799,427	4,705,375
Total long-term liabilities	$ 171,889,952	$28,607,977	$27,470,057	$ 173,027,872	$16,853,873

Compensated absences typically have been liquidated in the fund to which the employees are assigned. Claims and judgment liabilities have typically been liquidated in the general fund and the self-insurance fund (an internal service fund). The balances for compensated absences and claims and adjustments are adjusted to include all internal service fund balances in governmental activities.

7) Long–term Liabilities (Continued)

Description of Bonds

In 2000, Gasoline Tax Revenue Bonds, Series A, were issued to fund various street projects. The bonds were payable from gasoline tax revenues distributed monthly by the state of New Mexico to the City through maturity. In October 2011, the City used the proceeds from the 2011 Gas Tax Revenue Refunding loan to call and fully discharge the 2000 Series A bonds. The outstanding principal of $2,240,000 and interest of $44,665 were paid and the bonds were removed from the debt service liabilities. The net present value of the savings from the refunding was $372,835.

Gross Receipts Tax Refunding and Improvement Revenue Bonds, Series 2003, were issued to fund facilities and park improvement projects, acquire street lighting systems, and refinance the outstanding Gross Receipts Tax Refunding Revenue Bond, series 1992. These bonds were secured through maturity by state-shared gross receipts tax revenues. Such revenues were $32.4 million in 2012. For the current year, non-refunded principal and interest paid on the bonds was $860,000 and $121,000, respectively. The City called and fully discharged the outstanding balance of $2,200,000 with no accrued interest on June 1, 2012 using the proceeds from the 2012 State-shared Gross Receipts Tax Refunding loan. The bonds were removed from the debt service fund liabilities. The net present value of the savings from the refunding was $124,305.

In 2004, the City issued the South Central Solid Waste Authority Environmental Gross Receipts Tax/Project Revenue Bonds with the purpose of refunding the outstanding 1995 Series. The bond is payable from and secured through maturity by a portion of the SCSWA net revenues. The bond issue is secondarily secured by the environmental gross receipts tax of the City which totaled $1.3 million in 2012. For the current year, principal and interest paid was $705,000 and $138,006, respectively.

Gross Receipts Tax Revenue Bonds, Series 2005, were issued to fund public parks and recreational facilities, improve streets, acquire public buildings, construct and furnish public buildings, and fund the environmental remediation of public property. These bonds are secured by state-shared gross receipts tax revenues through maturity. Such revenues were $32.4 million in 2012. For the current year, principal and interest paid on the bonds was $1,420,000 and $1,165,643, respectively.

In 2010, Municipal Gross Receipts Revenue Refunding Bonds, Series A and B, were issued to refund the 1999 A and B Gross Receipts Tax Bonds and the 2006 Street Improvement and Flood Control NMFA notes. The bonds are secured by a pledge of certain future gross receipts tax through maturity. For the current year, such pledged revenues totaled $12.6 million. Principal payments on the bonds for the current year for the Series A and Series B bonds were $2,010,000 and $750,000, respectively. Interest payments were $268,525 and $95,650, respectively.

7) Long–term Liabilities (Continued)

State-shared Gross Receipts Tax Revenue Bonds, Series 2010, were issued to refund the 2008 NMFA Convention Center note. The bonds are secured through maturity by state-shared gross receipts tax revenues. Such revenues totaled $32.4 million in 2012. For the current year, principal and interest paid was $550,000 and $1,036,894, respectively.

In fiscal year 2011, the good faith deposit on Municipal Gross Receipts Revenue Bonds, Series A and B, was received; with the remainder received early in fiscal year 2012. These bonds were issued to fund street and facilities improvements, and improve flood control. Series 2011A bonds are secured by state-shared gross receipts tax revenues through maturity. These pledged revenues were $32.4 million in 2012. Series 2011B bonds are secured by certain future gross receipts tax through maturity. In fiscal year 2012, such pledged revenues totaled $6.4 million. Principal payments on the bonds for the current year for the Series A and Series B bonds were $55,000 and $100,000, respectively. Interest payments were $257,169 and $31,869, respectively.

Tax revenue bonds payable by governmental activities are summarized as follows:

Type	Purpose	Original Date	Due Date	Issue	Balance Outstanding	Interest Rates %
Component unit revenue and environmental gross receipts tax	Construction of South Central Solid Waste Facilities	9/14/2004	2016	$ 7,980,000	$ 3,065,000	3.0-4.0
Gross receipts tax revenue	City Hall construction	9/14/2005	2035	33,000,000	25,010,000	3.5-4.5
Gross receipts tax refunding	Street projects refunding	9/28/2010	2021	12,255,000	8,030,000	2.5-3.0
Gross receipts tax refunding	Flood control refunding	9/28/2010	2021	4,390,000	2,850,000	2.5-3.0
Gross receipts tax refunding	Convention center refunding	9/28/2010	2037	24,330,000	23,415,000	2.0-5.0
Gross receipts tax revenue	Facilities and improve streets	7/12/2011	2021	9,640,000	9,585,000	3.0-4.0
Gross receipts tax revenue	Flood control	7/12/2011	2021	1,530,000	1,430,000	2.0-3.625
				$ 93,125,000	$ 73,385,000	

7) Long–term Liabilities (Continued)

Debt Service Requirements

Future debt service requirements for governmental activities revenue bonds are:

Year Ending June 30,	Principal	Interest	Total
2013	$ 5,805,000	$ 2,912,018	$ 8,717,018
2014	6,640,000	2,738,793	9,378,793
2015	5,950,000	2,526,630	8,476,630
2016	5,355,000	2,283,230	7,638,230
2017	3,095,000	2,095,018	5,190,018
2018-2022	15,130,000	8,931,989	24,061,989
2023-2027	9,755,000	6,223,319	15,978,319
2028-2032	10,860,000	3,985,769	14,845,769
2033-2037	10,795,000	1,325,725	12,120,725
	$ 73,385,000	$ 33,022,490	$106,407,490

Defeased Bonds

During prior fiscal years, the City entered into various advance refunding transactions related to certain of its bonded debt. A portion of the proceeds of the refunding issues was placed in trust and used to purchase securities of the U.S. government and related agencies at various interest rates and maturities sufficient to meet all debt service requirements of the refunded debt. The assets are administered by trustees and are restricted for retirement of refunded debt. The liability for the refunded bonds and the related securities and escrow accounts are not included in the accompanying financial statements since the City defeased its obligation for the payment of the refunded debt upon completion of the refunding transactions.

Bond issues that are outstanding but have been defeased and are payable from escrow accounts are:

Joint Utility Revenue, Series 1992	$ 455,000
Sales Tax, Series 1995	24,155,000
	$ 24,610,000

7) Long–term Liabilities (Continued)

Non-recourse (Conduit) Debt

The City has issued Industrial Revenue Bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on underlying mortgage loans. The City is not obligated for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2012, there were two series of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of $1,860,000.

F & A Dairy products	$ 1,500,000
Good Samaritan	360,000
	$ 1,860,000

Arbitrage

Under U.S. Treasury Department regulations, all governmental tax-exempt debt issued after August 31, 1986 is subject to arbitrage rebate requirements. The requirements stipulate, in general, that the earnings from the investment of tax-exempt bond proceeds, which exceed related interest expenditures on the bonds, must be remitted to the federal government on every fifth anniversary of each bond issue. The City periodically engages an independent consultant to determine whether the City has an arbitrage liability. No arbitrage liability is reported in the financial statements as of June 30, 2012.

7) Long–term Liabilities (Continued)

Governmental Activities Notes Payable

Details of governmental activities notes payable are:

Type	Purpose	Original Date	Due Date	Original Issue	Outstanding	Interest Rates %
2006 NMFA Note	Fire apparatus	11/10/2006	2014	$ 816,777	$ 242,132	3.463
2007 NMFA Note	Street improvements	11/16/2007	2017	1,865,251	553,746	3.463
2007 NMFA Note	Patch and bucket truck	11/16/2007	2015	336,232	144,560	3.620
2007 NMFA Note	Fire pumper trucks	11/16/2007	2016	896,598	481,124	3.644
2008 NMFA Note	Flood control	12/23/2008	2016	4,563,829	2,574,493	3.246
2009 NMFA Note	Parking deck	1/25/2009	2021	4,999,890	3,750,000	4.650
2010 NMFA Note	Fire apparatus	7/30/2010	2020	938,875	933,188	2.108
2010 NMFA Note	Griggs Walnut	1/18/2008	2012	1,445,341	1,445,341	2.000
2010 HUD Loan	Facilities	7/21/2010	2030	2,000,000	1,939,000	1.700
2011 NMFA Note	Gas tax refunding	10/14/2011	2016	2,045,000	1,635,000	0.919
2011 NMFA Note	Fire apparatus	11/18/2011	2019	964,250	897,112	0.230
2011 NMFA Note	2003 SSGRT refunding	11/18/2011	2019	2,280,000	2,280,000	0.210
				$ 23,152,043	$ 16,875,696	

2006 NMFA-Fire Truck, 2007 NMFA-Fire Pumper Trucks, and 2010 NMFA-Fire Pumper Trucks are secured through maturity by fire protection fund revenues which totaled $628,710 in 2012. The 2010 NMFA Griggs Walnut Plume note is secured by the 2000 gross receipts tax revenues. The 2009 NMFA Parking Deck and the 2012 NMFA State-shared Refunding notes are secured by the State-shared Gross Receipt Tax. The 2010 HUD loan is secured by property. The 2011 Gas Tax Refunding loan is secured by gasoline tax revenues.

The remaining notes payable in the table above are secured through maturity by certain gross receipts tax revenues which generated $12.6 million in 2012; $6.3 million from 1980 Gross Receipt Tax and $6.3 million from 1990 Gross Receipt Tax, at a percentage of 1/4%.

Principal and interest paid on the outstanding notes in the current year was $2,168,688 and $498,452, respectively.

7) Long–term Liabilities (Continued)

The aggregate difference in cash flow due to refunding the 2000 and 2003 bonds is $647,126. The aggregate economic gain on the refundings is $497,140.

Refunded Bond	Principal	Interest	Total
2000 Gas Tax Refunding bonds	$ 2,240,000	$ 44,665	$ 2,284,665
2003 SSGRT Refunding bonds	2,200,000	-	2,200,000
	$ 4,440,000	$ 44,665	$ 4,484,665

The 2003 SSGRT refunding bonds were refunded on a maturity date with no accrued interest.

Debt Service Requirements

Future debt service requirements for governmental activities notes payable are:

Year Ending June 30,	Principal	Interest	Total
2013	$ 3,150,783	$ 455,783	$ 3,606,566
2014	2,759,614	387,011	3,146,625
2015	2,521,767	318,099	2,839,866
2016	2,516,422	255,694	2,772,116
2017	1,323,485	187,300	1,510,785
2018-2022	3,474,625	467,516	3,942,141
2023-2027	590,000	180,972	770,972
2028-2032	539,000	45,707	584,707
	$ 16,875,696	$ 2,298,082	$ 19,173,778

Joint Utility Revenue Bonds

In 2005, the City issued $11.05 million in joint utility revenue bonds (Series 2005) to provide funds for water expansion projects.

In 2006, the City issued $17,575,000 in joint utility revenue bonds (Series 2006). Certain proceeds of this issuance were deposited in the Acquisition Fund and used to finance the acquisition, installation, and construction of water and wastewater capital improvements. Additionally, certain proceeds were used to fund the Reserve Requirement and pay costs of issuance relating to these bonds.

In 2009, the City issued $17.6 million in joint utility refunding revenue bonds (Series 2009) to defease $18.2 million of outstanding 1997 Series bonds and refund $2.0 million of outstanding 2000 Series bonds. These monies contemporaneously funded a reserve account for the Series 2009 bonds and paid all costs and expenses pertaining to their issuance.

7) Long–term Liabilities (Continued)

In 2010, the City issued $24.8 million in joint utility refunding revenue bonds (Series 2010) to refund eight 2003 through 2007 NMFA notes with $24.8 million outstanding. This refunding also established a reserve account and paid all costs of issuance.

Joint utility revenue bonds are summarized as follows as of June 30, 2012:

Purpose	Issue Date	Due Date	Original Issued	Outstanding	Interest Rates %
Series 2005 system expansion	12/1/2005	2025	$ 11,050,000	**$ 8,685,000**	3.5-4.125
Series 2006 system rehabilitation	8/24/2006	2026	17,575,000	**14,705,000**	4.2-4.6
Series 2009 refunding bond	4/14/2009	2016	17,575,000	**10,515,000**	2.5-3.0
Series 2010 refunding bond	9/14/2010	2027	24,840,000	**24,155,000**	2.0-4.0
			$ 71,040,000	**$ 58,060,000**	

Future debt service requirements for business-type activities joint utility revenue bonds are:

Year	Principal	Interest	Total
2013	$ 4,045,000	$ 2,075,941	$ 6,120,941
2014	4,150,000	1,953,660	6,103,660
2015	4,265,000	1,825,123	6,090,123
2016	4,405,000	1,691,473	6,096,473
2017-2021	18,060,000	6,523,103	24,583,103
2022-2027	23,135,000	3,040,706	26,175,706
	$ 58,060,000	$ 17,110,006	$ 75,170,006

7) Long–term Liabilities (Continued)

The 2005, 2006, 2009, and 2010 revenue bond ordinances provide that the net revenue of the City's utility systems shall be at least 125% of the maximum outstanding debt requirements for the utility system. These bonds are not a general obligation to the City, but are payable and collectible solely out of the net revenues of the systems. Net revenue as defined in the bond ordinances means the revenue after deducting operation and maintenance expenses. Operation and maintenance expenses include all reasonable and necessary current expenses of the City, paid or accrued, for operating, maintaining, and repairing the system; and shall include, without limiting the generality of the foregoing, legal and overhead expenses of the various City departments directly related and reasonably allocable to the administration of the system, insurance premiums, the reasonable charge of depository banks and paying agents, contractual services, professional services required by this ordinance, salaries and administrative expenses, labor, and the cost of materials and supplies used for current operation; but shall not include any allowance for depreciation, payments in lieu of taxes, liabilities incurred by the City as a result of its negligence in the operation of the system, improvements, extension, enlargements or betterment, or any charges for the accumulation of reserves for capital replacements. The net revenue for the fiscal year ended June 30, 2012 exceeded the maximum annual debt service requirement. Bond reserve accounts have been established to accumulate funds.

The bond ordinances provide that any monies in any fund or account may be invested in any legal investment permitted by law, with the stipulation that investments of amounts in the escrow account will be made only in federal securities. The obligations so purchased as an investment of monies in a fund or account will be deemed at all times to be part of such fund or account, and the interest accruing thereon and any profit realized therefrom will be credited to the fund or account, and any loss resulting from each investment will be charged to the fund or account. The City Treasurer will present for redemption or sale on the prevailing market any obligations so purchased as an investment of monies in the fund or account whenever it will be necessary to do so in order to provide monies to meet any payment or transfer from such fund or account.

Bond covenants require reporting of the number of utility customers served, which were as follows for the year ended June 30, 2012:

	Water	Wastewater	Gas	Solid Waste
Residential	28,120	28,975	36,582	29,997
Commercial/other	3,804	3,119	2,884	2,484
Total	31,924	32,094	39,466	32,481

7) Long–term Liabilities (Continued)

Business-type Activities Notes Payable

The notes payable for the business-type activities are paid from the net revenues of the utility system. City ordinance 1593, adopted by the City Council on December 18, 1996, provides authority for the City to issue additional debt with a parity lien on the pledged revenues of the utility system.

A comparison of the pledged revenues recognized during the year with the required debt service for the year is presented in the Pledged-Revenue Bond/Note Coverage Schedule located in the statistical section.

Details of business-type activities notes payable are:

Type	Purpose	Original Date	Due Date	Original Issued	Outstanding	Interest Rates %
2007 NMFA Note	Solid Waste Vehicles	7/6/2007	2015	$ 1,111,112	**$ 468,935**	3.33-3.75
2008 NMFA Note	Vehicle Maintenance Shop	9/12/2008	2018	1,708,755	**1,123,230**	1.9-3.85
2011 NMFA Note	Solid Waste Vehicles	12/16/2011	2019	1,016,561	**966,256**	0.32-2.11
				$ 3,836,428	**$ 2,558,421**	

Future debt service requirements for business-type activities notes payable are:

Year	Principal	Interest	Total
2013	$ 456,880	$ 69,828	$ 526,708
2014	468,632	58,065	526,697
2015	481,284	45,400	526,684
2016	327,078	31,542	358,620
2017-2021	824,547	39,449	863,996
	$ 2,558,421	$ 244,284	$ 2,802,705

7) Long–term Liabilities (Continued)

Changes in long-term liabilities of SCSWA for the year ended June 30, 2012 are as follows:

	Balances June 30, 2011	Increases	Decreases	**Balances June 30, 2012**	Amount Due Within One Year
Long-term debt					
due to City of Las Cruces	$ 2,972,000	$ -	$ 705,000	**$ 2,267,000**	$ 725,000
Other non-current liabilities					
Estimated landfill closure/ post-closure liability	1,975,770	13,230	-	**1,989,000**	-
Compensated absences	127,183	17,107	-	**144,290**	28,858
	$ 5,074,953	$ 30,337	$ 705,000	**$ 4,400,290**	$ 753,858

8) Internal Service Fund Allocations

In previous fiscal years, the City allocated its internal service funds between governmental and business-type activities based on the utilization of these internal service funds. In fiscal year 2012, 100% of the net assets of internal service funds were allocated to governmental activities as shown below:

Net assets, beginning balance		$ 4,999,054
Revenues less eliminations	$ 10,233,204	
Expenses less eliminations	(10,187,105)	
Other financing sources	980,638	
Change in net assets		1,026,737
Transfers from business-type activities		2,106,338
Net assets, ending balance		$ 8,132,129

The allocation of the net assets of internal service funds to business-type activities is:

Net assets, beginning balance	$ 2,106,338
Transfers to governmental activities	(2,106,338)
Net assets, ending balance	$ -

Total net assets of the City's internal service funds are:

Governmental activities allocation	$ 8,132,129
Business-type activities allocation	-
Net assets, ending balance	$ 8,132,129

9) Landfill Closure and Post-closure Care Cost

State and federal laws and regulations require placement of a final cover on landfill sites when waste is no longer accepted, and performance of certain maintenance and monitoring functions at the sites for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that a landfill stops accepting waste, a portion of the closure and post-closure costs are reported as an operating expense in each period based on landfill capacity used as of each balance sheet date.

The City's landfill closure and post-closure care liability is reported as $681,498 as of the year ended June 30, 2012. Actual closure and post-closure care costs may be higher due to inflation, changes in technology, or changes in regulations. The liability reported reflects an increase in the estimate of total closure and post-closure costs of $627,513 during the year ended June 30, 2012.

The City enacted a 1/16th cent environmental gross receipts tax (EGRT) that became effective January 1, 1995 to raise funds for environmental costs such as landfill closure and post-closure care. The landfill closure was not funded from the EGRT fund during the fiscal year due to additional revenues from landfill charges and investment income.

10) Pollution Remediation Obligation

Certain property owned by the City has been declared a superfund site by the Environmental Protection Agency (EPA). The EPA has determined that the City is a responsible party along with Doña Ana County, which also owns part of the contaminated property. On April 20, 2005, the City and Doña Ana County established a memorandum of understanding for a Joint Superfund Project (JSP) to work collaboratively with the EPA to complete the Remedial Investigation and Feasibility Study (RIFS) within the superfund process. In December 2004, the JSP submitted a good-faith offer to the EPA for a Funding Agreement to achieve this objective. In April 2005, a negotiated funding agreement in the amount of $800,000, payable to the EPA to complete the RIFS, was signed. In October 2005, the EPA and its contractor began the remaining fieldwork, which was completed in fiscal year 2007. As a result of this study, the City accrued a liability of $6,890,106 to pay its share of the pollution remediation cost as follows:

	Total Obligation	City's Portion
Capital assets	$ 5,151,978	$ 2,575,989
Operating costs	1,459,664	729,832
Completion costs	7,168,571	3,584,285
	$ 13,780,213	$ 6,890,106

10) Pollution Remediation Obligation (Continued)

The pollution remediation obligation is reported in long-term liabilities in the statement of net assets (see Note 7). The pollution remediation obligation is an estimate and is subject to revision because of price increases or reductions, changes in technology, or changes in applicable laws or regulations.

The City and County each received a $3.5 million loan from the New Mexico Finance Authority (NMFA) to cover some of the costs of the pollution remediation project. No principal payments are required on the loans until funds have been completely drawn for project costs. As of June 30, 2012, project costs of $1,445,341 had been funded using loan proceeds.

The City and County also received $243,000 for design and engineering in grant funds from the New Mexico Environment Department. As of June 30, 2012, all $243,000 was applied to design and engineering costs.

The liability could be reduced in subsequent years by the sale of potable water, a by-product of the remediation process, to cover operating and administrative costs. Additionally, EGRT funds may be used for this project. The outstanding liability was $5,444,765 at June 30, 2012.

The construction of the remediation plant is scheduled to be completed in fiscal year 2013.

11) Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Service Code Section 457. The plan, available to all City employees, permits them to defer taxation on a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are solely the property and rights of the plan participants. The City has 646 active participants in the plan as of June 30, 2012.

12) Employee Benefit Plans

Substantially all City of Las Cruces employees who work 20 or more hours a week participate in a defined benefit contributory retirement plan through the Public Employees Retirement Act of the state of New Mexico, a cost-sharing, multiple-employer public employee retirement system administered by the Public Employees Retirement Association (PERA). Benefit provisions are established and may only be amended by state statute. Information pertaining to the actuarially computed present value of vested accumulated plan benefits and nonvested accumulated plan benefits, the plan's net assets available for benefits and the assumed rate of return used in computing the present value, and ten-year historical trend information presenting PERA's progress in accumulating sufficient assets to pay benefits when due is not available by individual government agencies participating in the plan. Actuarial pension data for the state of New Mexico, as an employer, is provided at the state-wide level in a separately issued audit report of PERA. The report may be obtained by writing to PERA, PO Box 2123, 1120 Paseo de Peralta, Santa Fe, NM 88504-2323.

Retirement Eligibility—Eligibility for receiving the monthly benefit equal to the number of years of credited service x 3.0% (3.5% for police and fire plan employees) of their final average monthly salary, the 36 consecutive months of credited service producing the largest average, is as follows:

Employees may retire at: any age with 25 or more years of credited service; or age 60 or older with 20 or more years of credited service; with the exception of police and fire plan employees who may retire at any age with 20 or more years of credited service. All employees are eligible for retirement at: age 61 or older with 17 or more years of credited service; or age 62 or older with 14 or more years of credited service; or age 63 or older with 11 or more years of credited service; or age 64 or older with eight or more years of credited service; or age 65 or older with five or more years of credited service. Benefits vest after five years of credited service.

Effective July 1, 2010, employees may retire at any age with 30 years of credited service. The age and service requirements remain unchanged for age plus years of service eligibility.

12) Employee Benefit Plans (Continued)

Disability Benefits—Members or vested former members with five or more years of credited service will receive their normal retirement pension based on credited service and final average salary at the time of disability or retirement. The five-year service requirement is waived if the disability is incurred in the line of duty. Disability retirements are subject to reevaluation until the disability-retired member reaches normal retirement. Payment of the disability pension is suspended for the balance of any year in which a disability-retired member does not submit an annual statement of earnings from gainful employment by June 30th of each year or if the amount of earnings in the previous year is more than the amount that causes the suspension of, or a decrease in, the Social Security Old Age Benefit for a 65-year-old.

Funding Policy—The City has chosen to enroll in a plan that requires the following contribution percentages:

	City	Employees
Police	18.50%	16.30%
Fire	21.25%	14.80%
All other contributing employees	11.65%	10.65%

For unrepresented employees in the general municipal employees' plan, the City has chosen to pay a portion equal to 6% of the employees' required contribution as an additional benefit. For union-represented employees, the City contributes an additional 1% of the participants' gross salary; for all other employees in this plan, the City contributes 2%.

Contribution requirements for the years ended are as follows:

City	Employee	Total	Combined	
June 30, 2009	$ 6,279,412	$ 7,252,412	$ 13,531,824	100%
June 30, 2010	6,237,934	7,177,733	13,415,667	100%
June 30, 2011	6,047,711	6,950,126	12,997,837	100%
June 30, 2012	8,012,229	4,996,399	13,008,628	100%

If a member's employment is terminated before the member is eligible for other benefits under PERA, the member may receive a refund of the member's contribution and interest accrued based on rates established biannually by the retirement board. The payroll for the City's employees covered by PERA for the year ended June 30, 2012 was $49,371,645; the total payroll of all employees of the City was $54,073,425.

12) Employee Benefit Plans (Continued)

Retiree Health Care Plan

The Retiree Health Care Act (the Act) (Chapter 10, Article 7C NMSA 1978) provides comprehensive core group health insurance for persons who have retired from certain public services in New Mexico. The Retiree Health Care Authority (the Authority) is the administrator of the Retiree Health Care Plan (the Plan), a cost-sharing, multi-employer benefit plan, and determines required contributions under authority of the Act. The purpose is to provide eligible retirees, their spouses, dependents, and surviving spouses and dependents with health insurance consisting of a plan, or optional plans, of benefits that can be purchased by funds flowing into the Retiree Health Care Fund and by co-payments or out-of-pocket payments of eligible retirees.

Eligible employers include institutions of higher education, school districts, or other entities participating in the Public School Insurance Authority, state agencies, state courts, magistrate courts, municipalities or counties, which are affiliated under or covered by the Educational Retirement Act, Public Employees Retirement Act, Volunteer Firefighters Retirement Act, Judicial Retirement Act, or the Magistrate Retirement Act. 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 Retiree Health Care Act on the person's behalf, unless that person retires before the employer's NMRHCA effective date, in which event the time period for contributions becomes the time between the employer's effective date and the date of retirement; or (2) retirees defined by the Act who retired prior to July 1, 1990; and former legislators who served at least two years.

Each participating employer makes contributions to the fund in the amount of 1.3 percent of each participating employee's annual salary. Each participating employee contributes to the fund an employee contribution equal to .65 percent of the employee's annual salary. Each participating retiree pays a monthly premium for the medical plus basic life plan and an additional participation fee of five dollars if the eligible participant retired prior to the employer's NMRHCA effective date or is a former legislator and made no contributions to the plan. After retirement, premiums are paid to the Authority by the retiree.

The City has paid all of the employers' required contributions, which were as follows:

2012	$ 711,422
2011	656,434
2010	702,959

Contributions from participating employers and participating employees become the property of the Retiree Health Care Fund and are not refundable under any circumstances, including termination of employment or termination of the participating employer's operation or participation in the Retiree Health Care Act. The employer, employee, and retiree contributions are required to be remitted to the Retiree Health Care Authority on a monthly basis.

12) Employee Benefit Plans (Continued)

The Authority issues a separate, publicly-available audited financial report that includes post-employment benefit expenditures of premiums and claims paid, participant contributions (employer, employee, and retiree), and net expenditures for the fiscal year. The report also includes the approximate number of retirees participating in the Plan. That report may be obtained by writing to the Retiree Health Care Authority, 4308 Carlisle Blvd, NE, Suite 104, Albuquerque, New Mexico 87109.

13) Risk Management

The City is exposed to various risks of loss related to torts and civil rights claims (including law enforcement and employment-related exposures); theft, damage, and destruction of its real and personal assets; workers' compensation losses; errors and omissions of City officers and officials; and natural disasters. The City uses the insurance fund (an internal service fund) to account for and finance its uninsured risks of loss. At various periods in past years, certain risk exposures were insured and the City continues to benefit from case coverage on claims that were incurred during those claim years.

The insurance fund tracks claims on a fund-by-fund basis and assesses charges to each fund based on historical claims experience and the need to establish a reserve for unanticipated catastrophic losses. The claims liabilities reported in the insurance fund are based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

The risk of loss associated with actions of employees resulting in damage to persons or property of others is subject to limitations of the New Mexico State Tort Claims Act. The self-insurance fund uses excess insurance agreements to reduce its exposure to large losses from employee on-the-job injuries. Excess insurance permits recovery of a portion of losses from the excess insurer, although it does not discharge the primary liability of the fund as direct insurer of the risks.

13) Risk Management (Continued)

Self-insurance premiums and program costs (claims, fees, and transfers to other funds, less reimbursed expenses) were:

	2012		2011	
	Program Costs	Premiums	Program Costs	Premiums
Health Program	$ 64,781	$ -	$ 71,735	$ -
Workers compensation	1,928,763	(2,635,365)	1,607,850	(2,508,930)
Liability insurance	1,355,043	(1,634,614)	2,021,904	(2,089,232)
Unemployment insurance	126,468	(387,996)	343,575	(328,423)
Judgments insurance	277,948	(500,000)	468,603	(500,000)
Total	$ 3,753,003	$ (5,157,975)	$ 4,513,667	$ (5,426,585)

Changes in the insurance fund's claims liability were:

	2012	2011
Changes in fund's claims liability		
Claims liability, beginning of year	$ 8,515,173	$ 7,850,386
Current year claims and changes in estimates	3,753,003	4,513,667
Payment of claims liability	(3,792,265)	(3,848,880)
Claims liability, end of year	$ 8,475,911	$ 8,515,173

14) Development Impact Fees

The City collects and expends development impact fees in accordance with Ordinance No. 1456, which requires impact fees to be used for capital improvements or facility expansions identified in a capital improvements plan. In addition to capital improvements, development impact fees may also be used to pay for debt service costs if the proceeds of the debt issued were used in accordance with the capital improvements plan.

14) Development Impact Fees (Continued)

The expenditures of collected fees must improve the following facilities:

1) Water supply, treatment and distribution facilities, and wastewater collection and treatment facilities;

2) Parks, recreational areas, open space, trails, and related areas and facilities.

3) Major roads, storm water drainage, and public safety (police and fire) facilities.

In addition to the construction of capital improvements or facility expansions, Ordinance 1456 §4 states that the development impact fee may also be used to pay for the preparation and updating of the capital improvements plan, the estimated costs of the plan, or up to three percent of administrative costs for City employees who are qualified professionals. Additionally, debt service costs may be paid from impact fees assessed if the proceeds of the debt issued were used in accordance with the capital improvements identified in the capital improvements plan.

The initial land use assumptions and capital improvements plan prepared by Tischler & Associates, Inc. on January 6, 1995 is a ten- to twenty-year plan with professional engineering estimates of costs well exceeding the assessed development impact fees. A significant portion of the assessed development impact fees for the water and wastewater system have been used to pay debt service on bonds. The expenditures from the bond proceeds were spent on specific items listed in the initial capital improvements plan and were expended within five years of the completion of the capital improvements plan.

In August 2011, the City Council adopted Resolution No. 12-024, *Impact Fee Capital Improvements Plan for Major Roads, Stormwater Drainage, and Public Safety (fire and police) Facilities*. The public safety fees apply to all new development in the City, while the major roads and drainage fees apply only to new development located in the "growth area" (i.e., outside the City's designated infill area).

14) Development Impact Fees (Continued)

Development impact fee activity for the year ended June 30, 2012 is shown below. Unspent fees collected in previous years are available for expenditure in the current fiscal year.

Parks Impact Fees	
Impact fees collected	$ 267,591
Investment income	62,433
Expenditures	(455,046)
Net Parks Impact Fees	$ (125,022)
Public Safety Impact Fees	
Impact fees collected	$ 262,931
Investment income	922
Expenditures	-
Net Public Safety Impact Fees	$ 263,853
Water Impact Fees	
Impact fees collected	$ 757,890
Investment income	336,455
Expenditures	(2,477,200)
Net Water Impact Fees	$ (1,382,855)
Wastewater Impact Fees	
Impact fees collected	$ 800,291
Investment income	191,985
Expenditures	(1,252,113)
Net Wastewater Impact Fees	$ (259,837)
Total Impact Fees	
Collections	$ 2,088,703
Investment income	591,795
Expenditures	(4,184,359)
Net Impact Fees	$ (1,503,861)

15) Telshor Facility Lease

Memorial Medical Center / Province Hospital (Telshor Facility)

In 1966 the City and the County adopted a joint resolution to create a joint county-municipal hospital to provide medical services to all of the citizens of Doña Ana County. The hospital was constructed and operated by the City and County through a Board of Trustees until 1998, when it was leased to Memorial Medical Center, Inc. (MMCI), a New Mexico not-for-profit corporation.

On June 1, 2004, the City, the County, and MMCI jointly terminated the lease. On that date, the City and County executed a 40-year lease agreement for the hospital facilities and equipment with PHC-Las Cruces, Inc. (PHC), a New Mexico corporation and a wholly-owned subsidiary of Province Healthcare Corporation, a Delaware corporation. In accordance with the lease agreement, PHC deposited amounts into escrow accounts to cover contingencies of the hospital and pay hospital liabilities specified in the agreement, including outstanding bonds.

The net lease proceeds, after these deposits and liabilities, are summarized as follows:

	Total	City Portion
Total lease amount	$ 150,000,000	$ 75,000,000
Less:		
Hospital liabilities assumed by PHC	9,247,375	4,623,688
Amounts deposited into escrow to cover medical malpractice and other contingencies	14,445,892	7,222,946
Payment of outstanding hospital bonds	50,038,987	25,019,493
Payment of hospital pension liabilities	24,100,000	12,050,000
Closing costs	1,000	500
Cash paid by PHC to the City and County	$ 52,166,746	$ 26,083,373

15) Telshor Facility Lease
Memorial Medical Center / Province Hospital (Telshor Facility) (Continued)

As part of the PHC lease, the City and County received amounts needed to cover specific future costs. The maximum amounts of these costs are as follows:

	Total	City Portion
Employee severance agreements	$ 987,266	$ 493,633
Construction costs	1,278,414	639,207
Future payments to MMCI for expanded care services	19,200,000	9,600,000
Hospital property taxes	5,000,000	2,500,000
	$ 26,465,680	$ 13,232,840

The proceeds of the PHC lease are reported in a special revenue fund (Telshor Facility fund) because the City Council adopted a resolution restricting the use of the lease proceeds to fund health-related programs and health-related capital projects.

The asset purchase agreement entitles PHC to compensation solely from the escrow account if PHC incurs any losses, including the discharge of malpractice liabilities, in connection with events that occurred on or prior to the closing.

MMCI began distributing its cash and investments equally between the City and the County in July 2004. MMCI retained cash to pay certain liabilities. Any cash remaining at the end of the liquidation process will be distributed equally between the City and the County. In April 2005, Province Healthcare merged with LifePoint Hospitals. The lease continues with LifePoint Hospitals.

The City and County received no distributions from the escrow account in fiscal year 2012.

16) Las Cruces Convention Center

In 2008, the City began construction of the Las Cruces Convention Center. Construction and furnishing of the convention center was completed in December 2010, with the grand opening in January 2011. The City retains ownership of all the furnishings, equipment, and the convention center facility.

The City entered into a five-year contract with Global Spectrum to provide pre-opening consulting and to manage the facility and grounds on behalf of the City. Global Spectrum is responsible for operations and maintenance of all physical and mechanical facilities necessary for the operation, maintenance, and management of the convention center. All facility staff and other personnel are hired by Global Spectrum and are employees or independent contractors of Global Spectrum. Compensation to Global Spectrum during fiscal year 2011 for management services was a fixed management fee.

The City applied to the state on April 14, 2011 and obtained a governmental liquor license pursuant to 60-6A-101, NMSA 1978. In accordance with the management agreement, the liquor license will be leased to Global Spectrum effective August 2011. It will be used exclusively for the operation of the convention center. The operations manager will ensure that all activities associated with the liquor license shall strictly conform to New Mexico law and the regulations of the New Mexico Alcohol and Gaming Division of the New Mexico Regulation and Licensing Department.

Each year the annual operating budget prepared by Global Spectrum will be provided to the City. The operating budget will include a projection of operating revenues and expenses for the fiscal year. The annual budget is subject to the review and approval of the City. The City has agreed to fund the annual operating deficit (if one exists) from revenues generated by the convention center fee and lodgers' tax. Once approved, the budget provides the basis for quarterly funding from the City to Global Spectrum to cover the expenses for the upcoming quarter. During fiscal year 2012, the City provided funding of $231,314, including the management fee.

Global Spectrum must maintain independent records, in accordance with generally accepted accounting principles, of the operations and maintenance of the convention center. The City has the right to audit the records. Additionally, Global Spectrum must provide monthly financial statements to the City, and must provide the City with a copy of their audited annual financial statements.

In order to utilize certain energy incentives relating to the installation of solar panels, the City provides a portion of their funding by paying the electric bills directly. This funding totaled $72,836 in fiscal year 2012.

17) Fund Deficits and Budget Variances

Funds with deficit fund balances at year-end are as follows:

Fund	Deficit Fund Balance
Internal Services	$ 147,806
DWI Prevention	183
Judicial Education	4,983

Management expects fund balance/net asset deficits will be eliminated through increased user fees, participating funds, and general fund appropriations.

The following funds over-expended budgeted amounts as follows:

Fund	Total Budgeted Expenditures	Actual Expenditures	Amount Over-Expended
Internal Services	$ 6,373,668	$ 6,934,103	$ (560,435)
Debt Service	16,802,535	16,896,825	(94,290)
Gas Tax Maintenance	601,782	617,223	(15,441)
Older Americans Act Prograı	749,292	763,400	(14,108)
Traffic Safety	102,098	110,755	(8,657)
TIDD Dedicated Revenues	15,695	16,444	(749)

18) Major Construction Commitments

The City has the following construction commitments as of June 30, 2012. These projects are evidenced by contractual arrangements with construction contractors:

Commitments of Business-type Activities

Project	Fund	Contract Amount	Spent to Date	Commitment Remaining	Source of Payment
Joint Utilities					
Gas Rehab Low Pressure	Gas Capital Improvements	$ 344,593	$ 50,832	$ 293,761	Gas Utility Rates
Gas Streets Rehabilitation Projects	Gas Capital Improvements	785,354	11,452	773,902	Gas Utility Rates
Gas High Pressure Lines	Gas Capital Improvements	180,329	-	180,329	Gas Utility Rates
Water Production Projects	Water Capital Improvements	385,000	81,029	303,971	Water Utility Rates
Water Streets Utility Rehabilitation	Water Capital Improvements	708,681	79,854	628,827	Water Utility Rates
Water Jornada Reservoir	Water NMFA Loan Projects	66,295	-	66,295	2010 Joint Utility Bond
Water Drill Replacement Wells	Water NMFA Loan Projects	298,663	223,069	75,594	2010 Joint Utility Bond
Water East Mesa Wells NMFA 2008	Water NMFA Loan Projects	820,984	84,726	736,258	2010 Joint Utility Bond
Water Street Utility Rehabilitation	Water NMFA Loan Projects	118,199	23,219	94,980	2010 Joint Utility Bond
Wastewater Septic Systems	Wastewater Capital Improvements	184,217	76,660	107,557	Wastewater Utility Rates
Wastewater Street Utility Rehabilitation	Wastewater Capital Improvements	420,349	-	420,349	Wastewater Utility Rates
Wastewater Treatment Plant Rehabilitation	Wastewater Capital Improvements	194,361	55,427	138,934	Wastewater Utility Rates
Wastewater Water Reclamation Project	Wastewater Capital Improvements	577,704	83,908	493,796	Wastewater Utility Rates
Intermodal Center	Intermodal	2,695,988	269,247	2,426,741	80% FTA grant/20% city match
	Total	**$ 7,780,717**	**$ 1,039,423**	**$ 6,741,294**	

Commitments of Governmental Activities

Capital Project Fund	Project Appropriations	2012 Expenditures	Expenditures Project to Date	Variance with Project Appropriations Positive (Negative)
Facilities General Fund	$ 2,257,966	$ 223,748	$ 1,710,141	$ 547,825
HUD Facilities Projects	2,000,000	1,155,278	1,328,255	671,745
Facilities Federal Grants	1,200,000	403,598	412,793	787,207
Facilities State Grants	4,555,660	661,772	4,438,041	117,619
GRT Bond Public Improvements	225,106	90,106	90,106	135,000
Convention Center Project	22,639,346	4,837	21,061,635	1,577,711
NMFA Griggs Walnut Plume	3,535,000	1,231,915	1,445,341	2,089,659
GRT Facilities Projects	3,662,019	611,980	611,980	3,050,039
GRT Street Maintenance	1,364,898	432,860	610,063	754,835
Special Street Projects	876,882	363,833	367,156	509,726
State Grant Street Improvements	2,451,830	1,373,171	1,373,171	1,078,659
NMFA Street Projects	2,091,734	239,904	1,595,383	496,351
GRT Streets Projects	3,865,542	749,095	785,600	3,079,942
TIDD Projects	2,737,586	67,814	1,300,307	1,437,279
Airport Improvement	7,377,965	1,293,603	2,123,348	5,254,617
Flood Control	7,755,545	2,219,895	4,765,589	2,989,956
Federal Stimulus Capital Projects	888,000	273,060	412,092	475,908
State Stimulus Capital Projects	495,330	329,380	493,510	1,820
Total	$ 69,980,409	$ 11,725,849	$ 44,924,511	$ 25,055,898

19) Contingent Liabilities

The City receives financial assistance from federal and state grants and entitlements. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims may result in a liability of the applicable funds. The City believes that liabilities resulting from disallowed amounts will not have a material effect on the City's financial statements.

The City is a defendant in various lawsuits. Management estimates that balances available in the self-insurance fund are sufficient to settle such lawsuits. Management is not aware of any other pending or threatened litigation that would adversely affect the City's financial position.

20) Downtown Tax Increment Development District (TIDD)

In December of 2007, Las Cruces formed the state's first Tax Increment Development District (TIDD) for downtown revitalization. The Downtown TIDD is defined by certain geographic boundaries, and receives an incremental portion of the gross receipts tax and property tax collected in this geographic area. The state of New Mexico, Doña Ana County, and the City contribute 75% of the incremental gross receipts tax collected in the district. Additionally, both the City and County contribute 75% of the incremental property tax assessed in the district.

The tax revenues that go to the TIDD are used for downtown public improvements and revitalization of the downtown area. Projects to be supported by TIDD funds include pedestrian safety improvements, roadways, street lighting, and landscaping.

21) Affiliated Organizations and Joint Powers Agreements

The City is a participant in the following seven affiliated organizations, four of which are joint ventures. Other than the City bonds secured by South Central Solid Waste Authority, the City is unaware of any circumstances that would cause a significant benefit or burden to the participating governments.

Mesilla Valley Regional Dispatch Authority

The City is a participant in a combined City–County communications/dispatch center for police, fire, and emergency medical services for the City/County area. The organization is governed by a board of twelve individuals. The City and County each appoint four members; the Town of Mesilla, the City of Sunland Park, and the Village of Hatch each appoint one member; and the final member is appointed at large by the other members.

The City contributes 53% of the net annual operating cost while the County contributes 47%. The joint powers agreement provides that if the agreement is terminated, property and any funds accrued by the organization shall be distributed to the City and County in proportion to the contributions made by the two entities.

21) Affiliated Organizations and Joint Powers Agreements (Continued)

The City is the fiscal agent for the organization and accounts for its resources in an agency fund. Separate audited financial statements were prepared for the year ended June 30, 2012. Requests for copies of the financial statements can be made to the City of Las Cruces' Chief Administrative Officer.

Metro Narcotics Agency (Metro)

The City is a participant in a joint City–County–State–University controlled substances investigation project for the City/County area. The organization is governed by a board of nine individuals. The City and County each appoint three members; the remaining three members are the State Police Chief, the University Police Chief, and the District Attorney.

All persons (agents and support staff) assigned to Metro are paid by their respective agencies. The City and the County make contributions to cover the net operating expenses of the organization in proportion to the number of agents assigned to the organization by the two entities. The joint powers agreement provides that if the agreement is terminated by all parties, assets and monies acquired without federal involvement will be distributed in proportion equal to their investment. Assets received from the federal government pursuant to the federal asset-sharing procedures will be distributed to the parties in proportion to their contribution to operational expenses.

The City is the fiscal agent for the organization and accounts for it in an agency fund. Separate audited financial statements were prepared for the year ended June 30, 2012. Requests for copies of the financial statements can be made to the City of Las Cruces' Chief Administrative Officer.

Metropolitan Planning Organization

The City is a participant in a joint City-County-Town of Mesilla Metropolitan Planning Organization jurisdictional area. The organization is governed by a board of nine; three each appointed by the City of Las Cruces, Doña Ana County, and the Town of Mesilla. The committee was constituted for the purpose of establishing, overseeing, and directing transportation-related policy within the Las Cruces urban area and to accomplish overall transportation planning for the City, County, and Town.

The parties agree that some of the expense of the transportation planning process will be provided for by grant funds available under Section 112 of the Federal Highway Act of 1978 and Section 8 of the Urban Mass Transportation Act of 1964. Expenses not so provided shall be assumed by participating agencies according to the listing of funding sources contained in the annual Unified Work Program approved by the governing board.

The joint venture agreement may be terminated upon the mutual consent of both parties, but shall not be terminated so long as any revenue bonds issued under the agreement by the City are outstanding.

21) Affiliated Organizations and Joint Powers Agreements (Continued)

South Central Solid Waste Authority

The City is a participant in South Central Solid Waste Authority (SCSWA or the Authority), a City-County joint venture that establishes a mechanism for designing, constructing, financing, operating, and maintaining regional solid waste landfills and related facilities. SCSWA is reported as a component unit of the City because its revenues are the primary source of debt service for City bonds issued to construct a regional landfill and transfer station.

The repayment of the bonds is secured by a pledge of the Authority's net revenues from operation of the facility. If the net revenues are not enough to satisfy the debt service requirements, the proceeds of the 1/16% Municipal Environmental Services Gross Receipts Tax of the City and the 1/8% County Environmental Services Gross Receipts Tax of the County are pledged.

SCSWA is governed by a board comprised of six working members and two ex-officio members. Three of the members are appointed from the City Council by the Mayor and three members are appointed from the County Commission by the Chairman. The two ex-officio members are the City Manager and the County Manager, or their designees.

The City serves as the fiscal agent for the Authority for the term of the agreement. The fiscal agent is compensated for services rendered to the Authority in the amount of $70,000 per year base rate. The base rate increases each year by the Consumer Price Index.

The joint venture agreement may be terminated upon the mutual consent of both parties, but shall not be terminated so long as any revenue bonds issued under the agreement by the City are outstanding.

In 2012, the City of Las Cruces and Doña Ana County paid approximately $2.3 million and $500,066, respectively, to SCSWA for solid waste services provided.

Animal Service Center of the Mesilla Valley

Animal Service Center of the Mesilla Valley (ASCMV) was formed through a joint powers agreement (JPA) between the City of Las Cruces and Doña Ana County. The JPA provides for a governing board for the ASCMV. The ASCMV is governed by a board that consists of six members and two ex-officio members. Three members are appointed from the City Council by the Mayor with the advice and consent of the City Council. Three members are appointed from the County Commission by the Chairman with the advice and consent of the County Commission. The two ex-officio members are the City Manager and the County Manager, or their designees.

21) Affiliated Organizations and Joint Powers Agreements (Continued)

It is the mission of the center to provide safe shelter for all lost, mistreated, and abandoned animals of the Mesilla Valley and surrounding communities. The operations of the ASCMV began in February 2009. ASCMV receives funding from members of the joint powers agreement. During fiscal year 2012, ASCMV received $711,967 from the City of Las Cruces and $881,787 from Doña Ana County.

The City is the fiscal agent for the organization and accounts for it in an agency fund. Separate audited financial statements were prepared for the year ended June 30, 2012. Requests for copies of the financial statements can be made to the City of Las Cruces' Chief Administrative Officer.

City of Las Cruces

Combining Balance Sheet—Nonmajor Governmental Funds

City of Las Cruces
Combining Balance Sheet—*Nonmajor Governmental Funds*
June 30, 2012

	Special Revenue Fund						
	Community Development	Court Awarded Funds	MPO Urban Transportation	Fire	Police Protection	Emergency Medical Services	Traffic Safety
Assets							
Pooled cash and investments	$ 3	$ -	$ -	$ -	$ 124,640	$ -	$ 34,440
Restricted cash and investments	111,589	401,353	-	400,506	16,675	8,921	-
Receivables, net	4,095,813	-	-	-	8,995	-	-
Due from other governmental units	266,154	-	179,826	209,499	310,529	-	-
Total assets	$ 4,473,559	$ 401,353	$ 179,826	$ 610,005	$ 460,839	$ 8,921	$ 34,440
Liabilities and Fund Balances							
Liabilities							
Accounts and contracts payable	$ 274,406	$ -	$ -	$ 304	$ 20,051	$ -	$ -
Due to other funds	77,254	-	168,642	190,969	232,834	-	-
Accrued liabilities	15,580	-	11,184	18,530	5,001	-	-
Deferred revenue	4,012,435	-	-	214,381	45,761	77	-
Total liabilities	4,379,675	-	179,826	424,184	303,647	77	-
Fund balances							
Restricted for:							
Public safety programs	-	401,353	-	185,821	157,192	8,844	34,440
Housing and community development	93,884	-	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-
Community and cultural services	-	-	-	-	-	-	-
Committed for:							
Debt service	-	-	-	-	-	-	-
Public safety programs	-	-	-	-	-	-	-
Health-related programs	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	93,884	401,353	-	185,821	157,192	8,844	34,440
Total liabilities and fund balances	$ 4,473,559	$ 401,353	$ 179,826	$ 610,005	$ 460,839	$ 8,921	$ 34,440

City of Las Cruces
Combining Balance Sheet—*Nonmajor Governmental Funds*
June 30, 2012

	Special Revenue Fund						
	Safe Traffic Operations Program	Court Automation	Prisoner Care	Juvenile Recreation	Lodgers' Tax and LCCVB	DWI Prevention	Judicial Education
Assets							
Pooled cash and investments	$ -	$ -	$ 2,177,936	$ -	$ -	$ -	$ -
Restricted cash and investments	497,419	464,057	-	99,502	2,819,725	240	808
Receivables, net	192,540	-	-	-	169,350	-	-
Due from other governmental units	-	-	-	-	-	-	-
Total assets	$ 689,959	$ 464,057	$ 2,177,936	$ 99,502	$ 2,989,075	$ 240	$ 808
Liabilities and Fund Balances							
Liabilities							
Accounts and contracts payable	$ 182,353	$ 16,429	$ 500,226	$ -	$ 125,972	$ 423	$ 5,791
Due to other funds	-	-	-	-	-	-	-
Accrued liabilities	9	-	-	-	22,332	-	-
Deferred revenue	-	-	-	-	-	-	-
Total liabilities	182,362	16,429	500,226	-	148,304	423	5,791
Fund balances							
Restricted for:							
Public safety programs	507,597	447,628	-	99,502	-	-	-
Housing and community development	-	-	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-
Community and cultural services	-	-	-	-	2,840,771	-	-
Committed for:							
Debt service	-	-	-	-	-	-	-
Public safety programs	-	-	1,677,710	-	-	-	-
Health-related programs	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(183)	(4,983)
Total fund balances	507,597	447,628	1,677,710	99,502	2,840,771	(183)	(4,983)
Total liabilities and fund balances	$ 689,959	$ 464,057	$ 2,177,936	$ 99,502	$ 2,989,075	$ 240	$ 808

City of Las Cruces
Combining Balance Sheet—*Nonmajor Governmental Funds*
June 30, 2012

	Special Revenue Fund						
	Environmental Gross Receipts Tax	Health Care Services From MMCI Lease	Legislative Equipment Grants	Gasoline Tax Street Maintenance Fund	Public Safety Gross Receipts Tax	Keep Las Cruces Beautiful	Older Americans Act Programs
Assets							
Pooled cash and investments	$ 180,429	$ 35,615	$ -	$ -	$ -	$ -	$ -
Restricted cash and investments	-	-	-	31,146	24,236	-	-
Receivables, net	-	-	-	-	-	-	-
Due from other governmental units	279,630	-	58,124	248,313	577,991	10,309	192,719
Total assets	$ 460,059	$ 35,615	$ 58,124	$ 279,459	$ 602,227	$ 10,309	$ 192,719
Liabilities and Fund Balances							
Liabilities							
Accounts and contracts payable	$ 180,429	$ 16,129	$ -	$ -	$ -	$ 445	$ 10,267
Due to other funds	-	-	58,124	-	-	4,578	102,403
Accrued liabilities	-	-	-	14,947	-	-	16,455
Deferred revenue	-	-	-	-	-	5,286	-
Total liabilities	180,429	16,129	58,124	14,947	-	10,309	129,125
Fund balances							
Restricted for:							
Public safety programs	-	-	-	-	602,227	-	-
Housing and community development	-	-	-	-	-	-	-
Debt service funds	279,630	-	-	-	-	-	-
Public works	-	-	-	264,512	-	-	-
Parks and recreation	-	-	-	-	-	-	-
Community and cultural services	-	-	-	-	-	-	63,594
Committed for:							
Debt service	-	-	-	-	-	-	-
Public safety programs	-	-	-	-	-	-	-
Health-related programs	-	19,486	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	279,630	19,486	-	264,512	602,227	-	63,594
Total liabilities and fund balances	$ 460,059	$ 35,615	$ 58,124	$ 279,459	$ 602,227	$ 10,309	$ 192,719

City of Las Cruces
Combining Balance Sheet—*Nonmajor Governmental Funds*
June 30, 2012

	Special Revenue Fund						
	Cash in Lieu of Commodities	RSVP	Street Maintenance Operations	Flood Control Operations	Special Assessments/ Northrise Morningstar	State Special Projects	Downtown Revitalization
Assets							
Pooled cash and investments	$ -	$ -	$ -	$ 21,098	$ 381,930	$ -	$ -
Restricted cash and investments	-	-	541,434	-	-	-	50,985
Receivables, net	-	-	-	-	2,710,647	-	650
Due from other governmental units	55,620	12,593	-	-	-	-	-
Total assets	$ 55,620	$ 12,593	$ 541,434	$ 21,098	$ 3,092,577	$ -	$ 51,635
Liabilities and Fund Balances							
Liabilities							
Accounts and contracts payable	$ 735	$ -	$ -	$ 6,264	$ -	$ -	$ 4,167
Due to other funds	54,885	10,491	-	-	-	-	-
Accrued liabilities	-	2,102	9,072	14,834	-	-	-
Deferred revenue	-	-	-	-	2,710,647	-	-
Total liabilities	55,620	12,593	9,072	21,098	2,710,647	-	4,167
Fund balances							
Restricted for:							
Public safety programs	-	-	-	-	-	-	-
Housing and community development	-	-	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-
Public works	-	-	532,362	-	-	-	47,468
Parks and recreation	-	-	-	-	-	-	-
Community and cultural services	-	-	-	-	-	-	-
Committed for:							
Debt service	-	-	-	-	381,930	-	-
Public safety programs	-	-	-	-	-	-	-
Health-related programs	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	-	-	532,362	-	381,930	-	47,468
Total liabilities and fund balances	$ 55,620	$ 12,593	$ 541,434	$ 21,098	$ 3,092,577	$ -	$ 51,635

City of Las Cruces
Combining Balance Sheet—*Nonmajor Governmental Funds*
June 30, 2012

	Special Revenue Fund						
	State Operating Grants	Valley View Heske Garden	Griggs Walnut Plume	TIDD Dedicated Revenues	Las Cruces Convention Center	Public Safety Impact Fee	Federal Stimulus Operating
Assets							
Pooled cash and investments	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Restricted cash and investments	12,541	201,497	438,466	3,528,436	-	263,853	-
Receivables, net	833	-	111,420	-	110,347	-	-
Due from other governmental units	45,412	-	-	233,656	-	-	283,547
Total assets	$ 58,786	$ 201,497	$ 549,886	$ 3,762,092	$ 110,347	$ 263,853	$ 283,547
Liabilities and Fund Balances							
Liabilities							
Accounts and contracts payable	$ 35,267	$ -	$ -	$ -	$ -	$ -	$ -
Due to other funds	10,145	-	-	-	-	-	283,547
Accrued liabilities	-	1	-	-	-	-	-
Deferred revenue	13,374	-	-	-	-	-	-
Total liabilities	58,786	1	-	-	-	-	283,547
Fund balances							
Restricted for:							
Public safety programs	-	-	-	-	-	263,853	-
Housing and community development	-	-	-	-	-	-	-
Debt service funds	-	-	-	-	110,347	-	-
Public works	-	-	549,886	3,762,092	-	-	-
Parks and recreation	-	201,496	-	-	-	-	-
Community and cultural services	-	-	-	-	-	-	-
Committed for:							
Debt service	-	-	-	-	-	-	-
Public safety programs	-	-	-	-	-	-	-
Health-related programs	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	-	201,496	549,886	3,762,092	110,347	263,853	-
Total liabilities and fund balances	$ 58,786	$ 201,497	$ 549,886	$ 3,762,092	$ 110,347	$ 263,853	$ 283,547

City of Las Cruces
Combining Balance Sheet—*Nonmajor Governmental Funds*
June 30, 2012

	Capital Projects Fund									
	HUD Facilities	Public Parks	Street Improvement	Airport Improvement	Sales Tax-Street Maintenance	Flood Control	Capital Improvement Reserve	Legislative Capital Improvements	State Capital Improvements	EDA West Mesa Industrial Park Fund
Assets										
Pooled cash and investments	$ 9	$ 1,451,364	$ 515,789	$ 62,620	$ 7,908,617	$ 3,227,297	$ 4,089,485	$ -	$ -	$ 1,085,479
Restricted cash and investments	994,490	-	510,887	400,350	117,847	302,559	-	-	-	-
Receivables, net	-	-	977,431	-	90,437	97,599	-	-	-	-
Due from other governmental units	-	30,695	1,428,756	110,780	1,115,757	81,847	-	304,572	788,773	-
Total assets	$ 994,499	$ 1,482,059	$ 3,432,863	$ 573,750	$ 9,232,658	$ 3,709,302	$ 4,089,485	$ 304,572	$ 788,773	$ 1,085,479
Liabilities and Fund Balances										
Liabilities										
Accounts and contracts payable	$ 322,355	$ -	$ 216,938	$ 111,149	$ 581,177	$ 157,151	$ 50,030	$ 241,648	$ -	$ -
Due to other funds	-	30,695	1,201,318	-	-	-	-	62,924	788,773	-
Accrued liabilities	-	-	-	62,251	10,000	-	-	-	-	-
Deferred revenue	-	-	978,615	400,350	117,847	-	-	-	-	-
Total liabilities	322,355	30,695	2,396,871	573,750	709,024	157,151	50,030	304,572	788,773	-
Fund balances										
Restricted for:										
Public safety programs	-	-	-	-	-	-	-	-	-	-
Housing and community development	-	-	-	-	-	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-	-	-	-
Public works	672,144	-	590,421	-	117,847	302,559	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-	-	-
Community and cultural services	-	-	-	-	-	-	-	-	-	-
Committed for:										
Debt service	-	-	-	-	-	-	-	-	-	-
Public safety programs	-	-	-	-	-	-	-	-	-	-
Health-related programs	-	-	-	-	-	-	-	-	-	-
Public works	-	-	445,571	-	8,405,787	3,249,592	-	-	-	1,085,479
Parks and recreation	-	1,451,364	-	-	-	-	4,039,455	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total fund balances	672,144	1,451,364	1,035,992	-	8,523,634	3,552,151	4,039,455	-	-	1,085,479
Total liabilities and fund balances	$ 994,499	$ 1,482,059	$ 3,432,863	$ 573,750	$ 9,232,658	$ 3,709,302	$ 4,089,485	$ 304,572	$ 788,773	$ 1,085,479

City of Las Cruces

Combining Balance Sheet—*Nonmajor Governmental Funds*

June 30, 2012

	Capital Projects Fund										
	2003 Sales Tax Facilities and Parks	State Equipment Acquisition	2003 Sales Tax Street Lights	2005 GRT Public Improvements	Convention Center	NMFA Street Improvements	Stimulus Capital Projects	NMFA Parking Deck	TIDD Street Projects	2008 NMFA Griggs/Walnut/Plume	Total
Assets											
Pooled cash and investments	$ 43,939	$ -	$ -	$ 15,911	$ -	$ -	$ -	$ -	$ 9,761	$ -	$ 21,366,362
Restricted cash and investments	4,855,052	954,914	72,245	516,557	2,332,272	65,774	37,865	138,583	-	-	21,212,784
Receivables, net	-	-	-	-	-	-	-	-	-	148,121	8,714,183
Due from other governmental units	-	-	-	-	-	-	207,623	-	-	-	7,032,725
Total assets	$ 4,898,991	$ 954,914	$ 72,245	$ 532,468	$ 2,332,272	$ 65,774	$ 245,488	$ 138,583	$ 9,761	$ 178,816	$ 58,326,054
Liabilities and Fund Balances											
Liabilities											
Accounts and contracts payable	$ 43,939	$ -	$ -	$ 15,911	$ -	$ -	$ 243,595	$ -	$ -	$ 83,475	$ 3,447,026
Due to other funds	-	-	-	-	-	-	-	-	-	64,646	3,342,228
Accrued liabilities	-	-	-	-	-	-	-	-	-	-	202,298
Deferred revenue	-	-	-	-	-	-	-	-	-	-	8,498,773
Total liabilities	43,939	-	-	15,911	-	-	243,595	-	-	178,816	15,490,325
Fund balances											
Restricted for:											
Public safety programs	-	-	-	-	-	-	-	-	-	-	2,708,457
Housing and community development	-	-	-	-	-	-	-	-	-	-	93,884
Debt service funds	-	-	-	-	-	-	-	-	-	-	389,977
Public works	4,855,052	954,914	72,245	516,557	2,332,272	65,774	1,893	138,583	-	-	15,776,581
Parks and recreation	-	-	-	-	-	-	-	-	-	-	201,496
Community and cultural services	-	-	-	-	-	-	-	-	-	-	2,904,365
Committed for:											
Debt service	-	-	-	-	-	-	-	-	-	-	381,930
Public safety programs	-	-	-	-	-	-	-	-	-	-	1,677,710
Health-related programs	-	-	-	-	-	-	-	-	-	-	19,486
Public works	-	-	-	-	-	-	-	-	9,761	-	13,196,190
Parks and recreation	-	-	-	-	-	-	-	-	-	-	5,490,819
Unassigned	-	-	-	-	-	-	-	-	-	-	(5,166)
Total fund balances	4,855,052	954,914	72,245	516,557	2,332,272	65,774	1,893	138,583	9,761	-	42,835,729
Total liabilities and fund balances	$ 4,898,991	$ 954,914	$ 72,245	$ 532,468	$ 2,332,272	$ 65,774	$ 245,488	$ 138,583	$ 9,761	$ 178,816	$ 58,326,054

City of Las Cruces

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance—Nonmajor Governmental Funds

City of Las Cruces

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance—*Nonmajor Governmental Funds*

For the Year Ended June 30, 2012

	Special Revenue Fund						
	Community Development Block Grant	Court Awarded Funds	MPO Urban Transportation	Fire	Police Protection	Federal Stimulus Operating	Emergency Medical Services
Revenues							
Taxes							
Gross receipts	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Property	-	-	-	-	-	-	-
Lodgers	-	-	-	-	-	-	-
State-shared	-	-	-	-	-	-	-
Charges for services	9,853	-	-	-	-	-	-
Fees and fines	-	245,038	-	-	-	-	-
Investment income (loss)	19,980	9,421	-	27,301	9,330	-	520
Intergovernmental							
Federal	2,026,664	-	-	251,196	452,834	525,676	-
State	-	-	311,757	621,814	578,131	-	20,010
Local	-	-	-	-	8,341	-	-
Other	133,748	-	-	-	115,132	-	-
Total revenues	2,190,245	254,459	311,757	900,311	1,163,768	525,676	20,530
Expenditures							
Current							
General government	-	-	-	-	-	-	-
Police	-	67,033	-	-	1,148,452	495,896	-
Fire	-	-	-	818,561	-	-	20,010
Community development	1,798,077	-	311,757	-	-	-	-
Community and cultural services	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-
Capital outlay	266,682	-	-	54,449	57,448	29,780	-
Debt service							
Interest and other charges	-	-	-	-	-	-	-
Total expenditures	2,064,759	67,033	311,757	873,010	1,205,900	525,676	20,010
Revenues over (under) expenditures	125,486	187,426	-	27,301	(42,132)	-	520
Other Financing Sources (Uses)							
Issuance of debt	-	-	-	-	-	-	-
Premium on issuance of debt	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	(83,422)	-	-	-	(10,000)	-	-
Total other financing sources (uses)	(83,422)	-	-	-	(10,000)	-	-
Net change in fund balances	42,064	187,426	-	27,301	(52,132)	-	520
Fund balances, beginning of year	51,820	213,927	-	158,520	209,324	-	8,324
Fund balances, end of year	$ 93,884	$ 401,353	$ -	$ 185,821	$ 157,192	$ -	$ 8,844

City of Las Cruces

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance—*Nonmajor Governmental Funds*

For the Year Ended June 30, 2012

	Special Revenue Fund						
	Traffic Safety	Safe Traffic Operations Program	Court Automation	Prisoner Care	Juvenile Recreation	Lodgers' Tax and LCCVB	DWI Prevention
Revenues							
Taxes							
Gross receipts	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Property	-	-	-	-	-	-	-
Lodgers	-	-	-	-	-	1,985,944	-
State-shared	-	-	-	-	1,870	-	-
Charges for services	-	-	-	-	-	-	-
Fees and fines	36,829	946,106	131,686	275,826	2,720	-	5,039
Investment income (loss)	3,123	15,535	-	76,438	3,842	97,264	-
Intergovernmental							
Federal	-	-	-	-	-	-	-
State	-	-	-	-	-	14,000	-
Local	-	-	-	-	-	-	-
Other	-	-	29,023	-	-	5,645	-
Total revenues	39,952	961,641	160,709	352,264	8,432	2,102,853	5,039
Expenditures							
Current							
General government	-	-	-	-	-	-	-
Police	35,755	657,712	169,624	1,575,419	-	-	5,039
Fire	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-
Community and cultural services	-	-	-	-	-	1,645,593	-
Public works	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-
Capital outlay	75,000	120,583	-	-	-	30,250	-
Debt service							
Interest and other charges	-	-	-	-	-	-	-
Total expenditures	110,755	778,295	169,624	1,575,419	-	1,675,843	5,039
Revenues over (under) expenditures	(70,803)	183,346	(8,915)	(1,223,155)	8,432	427,010	-
Other Financing Sources (Uses)							
Issuance of debt	-	-	-	-	-	-	-
Premium on issuance of debt	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	1,500,000	-	1,856,073	-
Transfers out	-	-	-	-	-	(1,940,117)	-
Total other financing sources (uses)	-	-	-	1,500,000	-	(84,044)	-
Net change in fund balances	(70,803)	183,346	(8,915)	276,845	8,432	342,966	-
Fund balances, beginning of year	105,243	324,251	456,543	1,400,865	91,070	2,497,805	(183)
Fund balances, end of year	$ 34,440	$ 507,597	$ 447,628	$ 1,677,710	$ 99,502	$ 2,840,771	$ (183)

City of Las Cruces

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance—*Nonmajor Governmental Funds*

For the Year Ended June 30, 2012

	Special Revenue Fund						
	Judicial Education	Environmental Gross Receipts Tax	Health Care Services From MMCI Lease	Legislative Equipment Grants	Gasoline Tax Street Maintenance Fund	Public Safety Gross Receipts Tax	Keep Las Cruces Beautiful
Revenues							
Taxes							
Gross receipts	$ -	$ 2,499,808	$ -	$ -	$ -	$ 3,278,575	$ -
Property	-	-	-	-	-	-	-
Lodgers	-	-	-	-	-	-	-
State-shared	-	-	-	-	1,541,617	-	-
Charges for services	-	-	-	-	-	-	-
Fees and fines	35,155	-	-	-	-	-	-
Investment income (loss)	-	-	1,945	-	1,213	-	-
Intergovernmental							
Federal	-	-	-	-	-	-	-
State	-	-	-	58,123	-	-	35,888
Local	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total revenues	35,155	2,499,808	1,945	58,123	1,542,830	3,278,575	35,888
Expenditures							
Current							
General government	-	914,670	312,646	-	-	-	-
Police	34,966	-	-	-	-	2,150,700	35,888
Fire	-	-	-	-	-	1,059,300	-
Community development	-	-	-	-	-	-	-
Community and cultural services	-	-	-	7,324	-	-	-
Public works	-	-	-	-	617,223	-	-
Parks and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	50,799	-	-	-
Debt service							
Interest and other charges	-	-	-	-	-	-	-
Total expenditures	34,966	914,670	312,646	58,123	617,223	3,210,000	35,888
Revenues over (under) expenditures	189	1,585,138	(310,701)	-	925,607	68,575	-
Other Financing Sources (Uses)							
Issuance of debt	-	-	-	-	-	-	-
Premium on issuance of debt	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	300,000	-	-	-	-
Transfers out	-	(1,564,727)	-	-	(908,910)	-	-
Total other financing sources (uses)	-	(1,564,727)	300,000	-	(908,910)	-	-
Net change in fund balances	189	20,411	(10,701)	-	16,697	68,575	-
Fund balances, beginning of year	(5,172)	259,219	30,187	-	247,815	533,652	-
Fund balances, end of year	$ (4,983)	$ 279,630	$ 19,486	$ -	$ 264,512	$ 602,227	$ -

City of Las Cruces

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance—*Nonmajor Governmental Funds*

For the Year Ended June 30, 2012

	Special Revenue Fund						
	Older Americans Act Programs	Cash in Lieu of Commodities	RSVP	State Library Resources Grant	Street Maintenance Operations	Flood Control Operations	Special Assessments/ Northrise Morningstar
Revenues							
Taxes							
Gross receipts	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Property	-	-	-	-	-	-	-
Lodgers	-	-	-	-	-	-	-
State-shared	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fees and fines	-	-	-	-	-	-	-
Investment income (loss)	-	-	-	-	17,872	2,138	9,774
Intergovernmental							
Federal	212,194	-	50,372	-	-	-	-
State	401,457	172,435	-	49,744	-	-	166,629
Local	-	-	-	-	-	-	-
Other	213,343	-	-	-	-	-	106,339
Total revenues	826,994	172,435	50,372	49,744	17,872	2,138	282,742
Expenditures							
Current							
General government	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-
Community and cultural services	763,400	172,435	50,372	49,744	-	-	-
Public works	-	-	-	-	301,268	676,642	-
Parks and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Debt service							
Interest and other charges	-	-	-	-	-	-	-
Total expenditures	763,400	172,435	50,372	49,744	301,268	676,642	-
Revenues over (under) expenditures	63,594	-	-	-	(283,396)	(674,504)	282,742
Other Financing Sources (Uses)							
Issuance of debt	-	-	-	-	-	-	-
Premium on issuance of debt	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	450,000	609,400	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	450,000	609,400	-
Net change in fund balances	63,594	-	-	-	166,604	(65,104)	282,742
Fund balances, beginning of year	-	-	-	-	365,758	65,104	99,188
Fund balances, end of year	$ 63,594	$ -	$ -	$ -	$ 532,362	$ -	$ 381,930

City of Las Cruces

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance—*Nonmajor Governmental Funds*

For the Year Ended June 30, 2012

	Special Revenue Fund						
	Downtown Revitalization	State Operationing Grants	Valley View Heske Garden	Griggs Walnut Plume	TIDD Dedicated Revenues	Las Cruces Convention Center	Public Safety Impact Fee
Revenues							
Taxes							
Gross receipts	$ -	$ -	$ -	$ -	$ 556,227	$ -	$ -
Property	-	-	-	-	-	-	-
Lodgers	-	-	-	-	-	-	-
State-shared	-	-	-	-	1,345,312	-	-
Charges for services	-	-	-	-	-	-	-
Fees and fines	-	-	-	-	-	-	-
Investment income (loss)	1,893	-	6,752	14,237	60,034	2,406	922
Intergovernmental							
Federal	-	1,143	-	-	-	-	-
State	-	76,981	-	-	-	-	-
Local	-	37,081	-	-	-	-	-
Other	1,850	17,978	-	145,192	-	1,311,451	262,931
Total revenues	3,743	133,183	6,752	159,429	1,961,573	1,313,857	263,853
Expenditures							
Current							
General government	-	-	-	230,606	16,444	-	-
Police	-	726	-	-	-	-	-
Fire	-	37,081	-	-	-	-	-
Community development	-	23,560	-	-	-	-	-
Community and cultural services	-	85,416	-	-	-	-	-
Public works	50,000	-	-	-	-	-	-
Parks and recreation	-	-	13,667	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Debt service							
Interest and other charges	-	-	-	-	-	-	-
Total expenditures	50,000	146,783	13,667	230,606	16,444	-	-
Revenues over (under) expenditures	(46,257)	(13,600)	(6,915)	(71,177)	1,945,129	1,313,857	263,853
Other Financing Sources (Uses)							
Issuance of debt	-	-	-	-	-	-	-
Premium on issuance of debt	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	50,000	-	48,784	342,454	-	-	-
Transfers out	-	-	-	-	-	(1,349,914)	-
Total other financing sources (uses)	50,000	-	48,784	342,454	-	(1,349,914)	-
Net change in fund balances	3,743	(13,600)	41,869	271,277	1,945,129	(36,057)	263,853
Fund balances, beginning of year	43,725	13,600	159,627	278,609	1,816,963	146,404	-
Fund balances, end of year	$ 47,468	$ -	$ 201,496	$ 549,886	$ 3,762,092	$ 110,347	$ 263,853

City of Las Cruces

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance—*Nonmajor Governmental Funds*

For the Year Ended June 30, 2012

	Capital Project Fund									
	HUD Facilities	Public Parks	Street Improvement	Airport Improvement	Sales Tax-Street Maintenance	Flood Control	Capital Improvement Reserve	Legislative Capital Improvements	State Capital Improvements	EDA West Mesa Industrial Park Fund
Revenues										
Taxes										
Gross receipts	$ -	$ -	$ -	$ -	$ 6,558,267	$ -	$ -	$ -	$ -	$ -
Property	-	-	-	-	-	3,979,615	-	-	-	-
Lodgers	-	-	-	-	-	-	-	-	-	-
State-shared	-	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-
Fees and fines	-	267,591	-	-	-	-	-	-	-	-
Investment income (loss)	160	64,582	72,562	46,795	259,958	115,052	152,887	-	-	23,890
Intergovernmental										
Federal	-	-	-	1,202,107	-	-	-	403,598	-	-
State	-	4,884	1,348,002	30,802	-	-	-	-	953,928	-
Local	-	-	-	-	-	-	-	-	-	-
Other	-	-	170,723	-	(61,689)	46,221	2,525	-	-	133,504
Total revenues	160	337,057	1,591,287	1,279,704	6,756,536	4,140,888	155,412	403,598	953,928	157,394
Expenditures										
Current										
General government	-	-	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-	-	-
Community and cultural services	-	-	-	-	-	-	-	-	-	-
Public works	-	120	23,088	-	2,830,632	137,610	37,798	200,000	67,975	8,624
Parks and recreation	-	-	-	-	-	-	-	-	-	-
Capital outlay	1,155,278	459,810	1,710,874	1,293,603	1,588,584	3,149,283	821,295	203,598	885,953	-
Debt service										
Interest and other charges	-	-	-	-	45,953	49,462	-	-	-	-
Total expenditures	1,155,278	459,930	1,733,962	1,293,603	4,465,169	3,336,355	859,093	403,598	953,928	8,624
Revenues over (under) expenditures	(1,155,118)	(122,873)	(142,675)	(13,899)	2,291,367	804,533	(703,681)	-	-	148,770
Other Financing Sources (Uses)										
Issuance of debt	-	-	-	-	4,478,252	1,525,061	-	-	-	-
Premium on issuance of debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	600,000
Transfers in	-	16,961	-	-	26,772	835,856	1,334,123	-	-	-
Transfers out	-	(48,784)	(835,856)	(734,601)	(4,015,671)	(3,085,935)	-	-	-	-
Total other financing sources (uses)	-	(31,823)	(835,856)	(734,601)	489,353	(725,018)	1,334,123	-	-	600,000
Net change in fund balances	(1,155,118)	(154,696)	(978,531)	(748,500)	2,780,720	79,515	630,442	-	-	748,770
Fund balances, beginning of year	1,827,262	1,606,060	2,014,523	748,500	5,742,914	3,472,636	3,409,013	-	-	336,709
Fund balances, end of year	$ 672,144	$ 1,451,364	$ 1,035,992	$ -	$ 8,523,634	$ 3,552,151	$ 4,039,455	$ -	$ -	$ 1,085,479

City of Las Cruces

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance—*Nonmajor Governmental Funds*

For the Year Ended June 30, 2012

	Capital Project Fund										
	2003 Sales Tax Facilities and Parks	NMFA Loans-Equipment Acquisition	2003 Sales Tax Street Lights	2005 GRT Public Improvements	Convention Center	NMFA Street Improvements	Stimulus Capital Projects	NMFA Parking Deck	TIDD Street Projects	NMFA Griggs/Walnut/ Plume	Total
Revenues											
Taxes											
Gross receipts	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 12,892,877
Property	-	-	-	-	-	-	-	-	-	-	3,979,615
Lodgers	-	-	-	-	-	-	-	-	-	-	1,985,944
State-shared	-	-	-	-	-	-	-	-	-	-	2,888,799
Charges for services	-	-	-	-	-	-	-	-	-	-	9,853
Fees and fines	-	-	-	-	-	-	-	-	-	-	1,945,990
Investment income (loss)	75,368	148	3,133	24,173	93,239	8,769	1,891	5,593	3,465	-	1,333,605
Intergovernmental											
Federal	-	-	-	-	-	-	273,062	-	-	-	5,398,846
State	-	-	-	-	-	-	376,330	-	-	-	5,220,915
Local	-	-	-	-	-	-	-	-	-	-	45,422
Other	-	-	-	-	-	-	-	-	-	-	2,633,916
Total revenues	75,368	148	3,133	24,173	93,239	8,769	651,283	5,593	3,465	-	38,335,782
Expenditures											
Current											
General government	-	-	-	-	-	-	-	-	-	-	1,474,366
Police	-	-	-	-	-	-	-	-	-	-	6,377,210
Fire	-	-	-	-	-	-	-	-	-	-	1,934,952
Community development	-	-	-	-	-	-	-	-	-	-	2,133,394
Community and cultural services	-	-	-	-	-	-	1,215	-	-	-	2,775,499
Public works	11,246	-	-	-	-	118,104	46,951	2,535	-	-	5,129,816
Parks and recreation	-	-	-	-	-	-	-	-	-	-	13,667
Capital outlay	745,516	-	-	90,106	4,837	102,761	601,224	-	67,814	1,219,718	14,785,245
Debt service											
Interest and other charges	70,063	24,250	-	-	-	-	-	-	-	12,197	201,925
Total expenditures	826,825	24,250	-	90,106	4,837	220,865	649,390	2,535	67,814	1,231,915	34,826,074
Revenues over (under) expenditures	(751,457)	(24,102)	3,133	(65,933)	88,402	(212,096)	1,893	3,058	(64,349)	(1,231,915)	3,509,708
Other Financing Sources (Uses)											
Issuance of debt	4,961,748	964,250	-	-	-	-	-	-	-	1,231,915	13,161,226
Premium on issuance of debt	511,672	-	-	-	-	-	-	-	-	-	511,672
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	600,000
Transfers in	-	-	-	-	-	-	-	-	-	-	7,370,423
Transfers out	-	-	-	-	-	-	-	-	-	-	(14,577,937)
Total other financing sources (uses)	5,473,420	964,250	-	-	-	-	-	-	-	1,231,915	7,065,384
Net change in fund balances	4,721,963	940,148	3,133	(65,933)	88,402	(212,096)	1,893	3,058	(64,349)	-	10,575,092
Fund balances, beginning of year	133,089	14,766	69,112	582,490	2,243,870	277,870	-	135,525	74,110	-	32,260,637
Fund balances, end of year	$ 4,855,052	$ 954,914	$ 72,245	$ 516,557	$ 2,332,272	$ 65,774	$ 1,893	$ 138,583	$ 9,761	$ -	$ 42,835,729

City of Las Cruces

Nonmajor Enterprise Funds

City of Las Cruces

Combining Statement of Net Assets—*Nonmajor Enterprise Funds*

June 30, 2012

	Transit & Intermodal	Alternative Fuel Station	Clean Community Commission	Totals
Assets				
Current assets				
Pooled cash and investments	$ 451,563	$ -	$ 105,142	$ 556,705
Accounts receivable, net of allowance for uncollectible accounts	3,838	-	-	3,838
Due from other governments	676,388	-	-	676,388
Total current assets	1,131,789	-	105,142	1,236,931
Capital assets	8,089,461	397,105	63,610	8,550,176
Less: accumulated depreciation	(4,163,985)	(280,922)	(57,957)	(4,502,864)
Net capital assets	3,925,476	116,183	5,653	4,047,312
Total assets	5,057,265	116,183	110,795	5,284,243
Liabilities				
Current liabilities				
Accounts and contracts payable	147	-	-	147
Accrued liabilities	93,990	-	-	93,990
Current portion of non-current liabilities	21,804	-	-	21,804
Total current liabilities	115,941	-	-	115,941
Non-current liabilities				
Compensated absences	87,217	-	-	87,217
Total non-current liabilities	87,217	-	-	87,217
Total liabilities	203,158	-	-	203,158
Net Assets				
Invested in capital assets, net of related debt	3,925,476	116,183	5,653	4,047,312
Unrestricted	928,631	-	105,142	1,033,773
Total net assets	$ 4,854,107	$ 116,183	$ 110,795	$ 5,081,085

City of Las Cruces

Combining Statement of Revenues, Expenses and Changes in Fund Net Assets—*Nonmajor Enterprise Funds*

For the Year Ended June 30, 2012

	Transit	Alternative Fuel Station	Clean Community Commission	Totals
Operating Revenues				
Sales/charges	$ 658,437	$ -	$ -	$ 658,437
Other	1,215	-	-	1,215
Total operating revenues	659,652	-	-	659,652
Operating Expenses				
Personnel services	2,579,804	-	-	2,579,804
Supplies	99,959	-	-	99,959
Utilities	20,889	-	1,280	22,169
Professional services	78,265	-	2,500	80,765
Motor pool charges	534,358	-	-	534,358
Motor fuel	309,240	-	-	309,240
Repairs and maintenance	111,719	-	-	111,719
Depreciation and amortization	560,973	28,981	1,414	591,368
Administrative charges	-	-	-	-
Insurance	39,941	-	-	39,941
Other	864	-	-	864
Total operating expenses	4,336,012	28,981	5,194	4,370,187
Operating income (loss)	(3,676,360)	(28,981)	(5,194)	(3,710,535)
Non-operating Revenues (Expenses)				
Grants	1,764,795	-	-	1,764,795
Total non-operating revenues (expenses)	1,764,795	-	-	1,764,795
Income (loss) before transfers	(1,911,565)	(28,981)	(5,194)	(1,945,740)
Transfers in	1,908,369	-	54,400	1,962,769
Increase (decrease) in fund net assets	(3,196)	(28,981)	49,206	17,029
Net assets, beginning of year	4,857,303	145,164	61,589	5,064,056
Total net assets, end of year	$ 4,854,107	$ 116,183	$ 110,795	$ 5,081,085

City of Las Cruces

Combining Statement of Cash Flows—*Nonmajor Enterprise Funds*

For the Year Ended June 30, 2012

	Transit	Alternative Fuel Station	Clean Community Commission	Totals
Cash flows from operating activities				
Cash received from customers	$ 663,235	$ -	$ -	$ 663,235
Cash paid to suppliers	(1,213,714)	-	(7,737)	(1,221,451)
Cash paid to employees	(2,565,163)	-	-	(2,565,163)
Internal activity—payments to other funds	-	-	-	-
Other receipts	1,215	-	-	1,215
Net cash (used by) operating activities	(3,114,427)	-	(7,737)	(3,122,164)
Cash flows from non-capital financing activities				
Operating grants	1,260,965	-	-	1,260,965
Transfers in	1,908,369	-	54,400	1,962,769
Net cash provided by non-capital financing activities	3,169,334	-	54,400	3,223,734
Cash flows from capital financing activities				
Sale (purchase) of capital assets	(541,757)	-	-	(541,757)
Grants	11,555	-	-	11,555
Net cash (used by) capital financing activities	(530,202)	-	-	(530,202)
Cash flows from investing activities				
Net increase (decrease) in pooled cash and investments	(475,295)	-	46,664	(428,631)
Pooled cash and investments, beginning of year	926,858	-	58,478	985,336
Pooled cash and investments, end of year	$ 451,563	$ -	$ 105,142	$ 556,705

City of Las Cruces

Combining Statement of Cash Flows—*Nonmajor Enterprise Funds*

For the Year Ended June 30, 2012

	Transit	Alternative Fuel Station	Clean Community Commission	Totals
Reconciliation of operating income to net cash provided (used) by operating activities				
Operating income (loss)	$ (3,676,360)	$ (28,981)	$ (5,194)	$ (3,710,535)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization	560,973	28,981	1,414	591,368
Change in assets and liabilities				
Accounts receivable	4,798	-	-	4,798
Due from (to) other funds	-	-	-	-
Deferred revenue	-	-	-	-
Accounts and contracts payable	(18,479)	-	(3,957)	(22,436)
Wages payable and accrued liabilities	14,641	-	-	14,641
Total adjustments	561,933	28,981	(2,543)	588,371
Net cash provided (used) by operating activities	$ (3,114,427)	$ -	$ (7,737)	$ (3,122,164)
Cash and investments at June 30 consisted of:				
Current assets:				
Cash and investments	$ 451,563	$ -	$ 105,142	$ 556,705
Non-current assets:				
Restricted cash and investments	-	-	-	-
Total cash and investments, June 30	$ 451,563	$ -	$ 105,142	$ 556,705

Internal Service Funds

City of Las Cruces

Combining Statement of Net Assets—*Internal Service Funds*

June 30, 2012

	Internal Services	Self Insurance	Totals
Assets			
Current assets			
Pooled cash and investments	$ (550,694)	$ 16,969,659	$ 16,418,964
Accounts receivable, net of allowance for uncollectible accounts	-	9,947	9,947
Due from other governments	37,718	-	37,718
Inventories	368,756	-	368,756
Total current assets	(144,220)	16,979,606	16,835,386
Capital assets	3,323,171	40,110	3,363,281
Less accumulated depreciation	(3,152,274)	(40,075)	(3,192,349)
Capital assets, net	170,897	35	170,932
Total assets	26,677	16,979,641	17,006,317
Liabilities			
Current liabilities			
Accounts and contracts payable	56,316	208,612	264,928
Accrued liabilities	51,398	9,042	60,440
Current portion of non-current liabilities	13,354	2,359,809	2,373,163
Total current liabilities	121,068	2,577,463	2,698,531
Non-current liabilities			
Compensated absences	53,414	6,143	59,557
Estimated liability for insurance claims	-	6,116,100	6,116,100
Total non-current liabilities	53,414	6,122,243	6,175,657
Total liabilities	174,482	8,699,706	8,874,188
Net Assets			
Invested in capital assets, net of related debt	170,897	35	170,932
Unrestricted	(318,703)	8,279,900	7,961,197
Total net assets	$ (147,806)	$ 8,279,935	$ 8,132,129

City of Las Cruces

Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets—*Internal Service Funds*

For the Year Ended June 30, 2012

	Internal Services	Self Insurance	Totals
Operating Revenues			
Motor pool charges	$ 5,834,084	$ -	$ 5,834,084
Rental charges and other	115,030	1,038,004	1,153,034
Charges for insurance	-	2,635,365	2,635,365
Total operating revenues	5,949,114	3,673,369	9,622,483
Cost of services	3,051,218	-	3,051,218
Gross margin	2,897,896	3,673,369	6,571,265
Operating Expenses			
Personnel services	1,462,617	205,338	1,667,955
Supplies	1,880,922	1,203	1,882,125
Utilities	66,085	-	66,085
Professional services	115,933	312,964	428,897
Motor pool charges	32,292	-	32,292
Repairs and maintenance	113,113	-	113,113
Rent	46,552	-	46,552
Depreciation	81,354	426	81,780
Claims and judgments	-	2,730,927	2,730,927
Insurance	59,174	-	59,174
Other	24,843	2,144	26,987
Total operating expenses	3,882,885	3,253,002	7,135,887
Operating income (loss)	(984,989)	420,367	(564,622)
Non-operating Revenues (Expenses)			
Investment income	(12,848)	623,569	610,721
Total non-operating revenues (expenses)	(12,848)	623,569	610,721
Income (loss) before transfers	(997,837)	1,043,936	46,099
Transfers in	-	1,001,577	1,001,577
Transfers out	(3,978)	(16,961)	(20,939)
Increase (decrease) in fund net assets	(1,001,815)	2,028,552	1,026,737
Net assets, beginning of year	854,009	6,251,383	7,105,392
Net assets, end of year	$ (147,806)	$ 8,279,935	$ 8,132,129

City of Las Cruces

Combining Statement of Cash Flows—*Internal Service Funds*

For the Year Ended June 30, 2012

	Internal Services	Self Insurance	Totals
Cash flows from operating activities			
Cash received from customers (including other funds)	$ 5,949,114	$ 3,673,586	$ 9,622,700
Cash paid to suppliers	(5,387,247)	(528,658)	(5,915,905)
Cash paid to employees	(1,480,762)	3,817	(1,476,945)
Claims paid	-	(2,105,565)	(2,105,565)
Other receipts	-	-	-
Net cash provided (used) by operating activities	(918,895)	1,043,180	124,285
Cash flows from non-capital financing activities			
Transfers in	-	1,001,577	1,001,577
Transfers out	(3,978)	(16,961)	(20,939)
Net cash provided (used) by non-capital financing activities	(3,978)	984,616	980,638
Cash flows from investing activities			
Interest received	(12,847)	623,566	610,719
Net cash provided (used) by investing activities	(12,847)	623,566	610,719
Net increase (decrease) in cash and cash equivalents	(935,720)	2,651,362	1,715,642
Cash and cash equivalents, beginning of year	385,026	14,318,296	14,703,322
Cash and cash equivalents, end of year	$ (550,694)	$ 16,969,658	$ 16,418,964

City of Las Cruces

Combining Statement of Cash Flows—*Internal Service Funds*

For the Year Ended June 30, 2012

	Internal Services	Self Insurance	Totals
Reconciliation of operating income to net cash provided (used) by operating activities			
Operating income (loss)	$ (984,989)	$ 420,367	$ (564,622)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	76,356	426	76,782
Change in assets and liabilities:			
Accounts receivables	-	215	215
Inventories	17,495	-	17,495
Due from governmental agencies	92,873	-	92,873
Accounts and contracts payable	(102,485)	(7,009)	(109,494)
Estimated liability for insurance claims	-	625,364	625,364
Wages payable and accrued liabilities	(18,145)	3,817	(14,328)
Total adjustments	66,094	622,813	688,907
Net cash provided (used) by operating activities	$ (918,895)	$ 1,043,180	$ 124,285

Agency Funds

City of Las Cruces
Schedule of Changes in Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2012

	Balance June 30, 2011	Additions	Deductions	Balance June 30, 2012
	Balance June 30, 2011	Additions	Deductions	Balance June 30, 2012
Mesilla Valley Regional Dispatch Authority				
Assets				
Pooled cash and investments	$ 232,462	$ 2,942,744	$ 2,762,673	$ 412,533
Accounts receivable	14,359	28,575	29,934	13,000
Receivable from other governments	-	1,473,800	1,459,103	14,697
Total assets	$ 246,821	$ 4,445,119	$ 4,251,710	$ 440,230
Liabilities				
Accounts and contracts payable	$ 3,991	$ 526,195	$ 528,720	$ 1,466
Accrued wages payable	140,504	789,707	774,829	155,382
Funds held for others	102,326	369,643	188,587	283,382
Total liabilities	$ 246,821	$ 1,685,545	$ 1,492,136	$ 440,230
Metro Narcotics Fund				
Assets				
Pooled cash and investments	$ 1,076,617	$ 1,513,578	$ 1,611,357	$ 978,838
Accounts receivable	10,015	57,961	60,786	7,190
Receivable from other governments	106,108	1,068,711	1,093,329	81,490
Total assets	$ 1,192,740	$ 2,640,250	$ 2,765,472	$ 1,067,518
Liabilities				
Accounts and contracts payable	$ 18,735	$ 1,245,264	$ 1,225,842	$ 38,157
Accrued wages payable	9,729	57,689	55,351	12,067
Funds held for others	1,164,276	5,039	152,021	1,017,294
Total liabilities	$ 1,192,740	$ 1,307,992	$ 1,433,214	$ 1,067,518
Branigan Estate Fund				
Assets				
Pooled cash and investments	$ 2,806,508	$ 158,505	$ 84,433	$ 2,880,580
Total assets	$ 2,806,508	$ 158,505	$ 84,433	$ 2,880,580
Liabilities				
Accounts and contracts payable	$ 11	$ 41,730	$ 41,741	$ -
Funds held for others	2,806,497	74,083	-	2,880,580
Total liabilities	$ 2,806,508	$ 115,813	$ 41,741	$ 2,880,580

City of Las Cruces
Schedule of Changes in Assets and Liabilities — continued
Agency Funds
For the Year Ended June 30, 2012

	Balance June 30, 2011	Additions	Deductions	Balance June 30, 2012
Gifts and Memorials Fund				
Assets				
Pooled cash and investments	$ 200,485	$ 33,053	$ 36,353	$ 197,185
Accounts receivable	900	500	-	1,400
Total assets	$ 201,385	$ 33,553	$ 36,353	$ 198,585
Liabilities				
Accounts and contracts payable	$ 253	$ 6,158	$ 6,411	$ -
Funds held for others	201,132	-	2,547	198,585
Total liabilities	$ 201,385	$ 6,158	$ 8,958	$ 198,585
Mesilla Valley Safety Council				
Assets				
Pooled cash and investments	$ -	$ 9,621	$ 9,621	$ -
Receivable from other governments	9,226	120	9,346	-
Total assets	$ 9,226	$ 9,741	$ 18,967	$ -
Liabilities				
Accounts and contracts payable	$ 9,226	$ 150	$ 9,376	$ -
Total liabilities	$ 9,226	$ 150	$ 9,376	$ -
Employee Benefits Committee				
Assets				
Pooled cash and investments	$ 12,431	$ 15,140	$ 3,453	$ 24,118
Total assets	$ 12,431	$ 15,140	$ 3,453	$ 24,118
Liabilities				
Accounts and contracts payable	$ -	$ 1,480	$ 1,480	$ -
Funds held for others	12,431	11,687	-	24,118
Total liabilities	$ 12,431	$ 13,167	$ 1,480	$ 24,118
Veteran's Museum				
Assets				
Pooled cash and investments	$ 153	$ 9	$ 2	$ 160
Total assets	$ 153	$ 9	$ 2	$ 160
Liabilities				
Funds held for others	$ 153	$ 7	$ -	$ 160
Total liabilities	$ 153	$ 7	$ -	$ 160

City of Las Cruces
Schedule of Changes in Assets and Liabilities — continued
Agency Funds
For the Year Ended June 30, 2012

	Balance June 30, 2011	Additions	Deductions	Balance June 30, 2012
Veteran's Memorial Wall				
Assets				
Pooled cash and investments	$ 18,927	$ 1,436	$ 278	$ 20,085
Total assets	$ 18,927	$ 1,436	$ 278	$ 20,085
Liabilities				
Accounts and contracts payable	$ -	$ -	$ -	$ -
Funds held for others	18,927	1,158	-	20,085
Total liabilities	$ 18,927	$ 1,158	$ -	$ 20,085
RGNGA				
Assets				
Pooled cash and investments	$ 8,561	$ 25,926	$ 34,487	$ -
Total assets	$ 8,561	$ 25,926	$ 34,487	$ -
Liabilities				
Funds held for others	$ 8,561	$ 25,926	$ 34,487	$ -
Total liabilities	$ 8,561	$ 25,926	$ 34,487	$ -
Animal Services of Mesilla Valley				
Assets				
Pooled cash and investments	$ 531,457	$ 2,024,573	$ 2,028,414	$ 527,616
Accounts receivable	-	-	-	-
Receivable from other governments	-	903,201	903,201	-
Total assets	$ 531,457	$ 2,927,774	$ 2,931,615	$ 527,616
Liabilities				
Due to fiscal agent	$ -	$ -	$ -	$ -
Accounts and contracts payable	11,182	490,930	499,263	2,849
Accrued wages payable	53,158	428,499	424,695	56,962
Funds held for others	467,117	134,659	133,971	467,805
Total liabilities	$ 531,457	$ 1,054,088	$ 1,057,929	$ 527,616
Total – All Fiduciary Funds				
Assets				
Pooled cash and investments	$ 4,887,601	$ 6,724,585	$ 6,571,071	$ 5,041,115
Accounts receivable	25,274	87,036	90,720	21,590
Receivable from other governments	115,334	3,445,832	3,464,979	96,187
Total assets	$ 5,028,209	$ 10,257,453	$ 10,126,770	$ 5,158,892
Liabilities				
Due to fiscal agent	$ -	$ -	$ -	$ -
Accounts and contracts payable	43,398	2,311,907	2,312,833	42,472
Accrued wages payable	203,391	1,275,895	1,254,875	224,411
Funds held for others	4,781,420	622,202	511,613	4,892,009
Total liabilities	$ 5,028,209	$ 4,210,004	$ 4,079,321	$ 5,158,892

City of Las Cruces

Budgetary Comparison Schedules

In accordance with GASB Statement No. 34 and the New Mexico State Auditor Rule, the comparisons of budget and actual for the General Fund are presented in the basic financial statements. All other fund budgetary comparisons are presented in the following pages as supplementary information.

Schedules of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Governmental Funds

Debt Service Fund

Special Revenue Funds

- Community Development
- Court Awarded Funds
- MPO Urban Transportation
- Fire
- Police Protection
- Federal Stimulus Operating
- Emergency Medical Services
- Traffic Safety
- Safe Traffic Operations Program
- Court Automation
- Prisoner Care
- Juvenile Recreation
- Lodgers' Tax and LCCVB
- DWI Prevention
- Judicial Education
- Environmental Gross Receipts Tax
- Health Care Services from MMCI Lease
- Legislative Equipment Grants
- Gasoline Tax Street Maintenance Fund
- Public Safety Gross Receipts Tax
- Keep Las Cruces Beautiful
- Older Americans Act Programs
- Cash in Lieu of Commodities
- RSVP
- State Library Resources Grant
- Street Maintenance Operations
- Flood Control Operations
- Special Assessments-Northrise/Morningstar
- Downtown Revitalization
- State Operating Grants
- Valley View Heske Garden
- Griggs and Walnut Plume
- TIDD Dedicated Revenues
- Las Cruces Convention Center
- Public Safety Impact Fee

Capital Projects Funds

- HUD Facilities Projects
- Public Parks Development
- Street Improvement
- Airport Improvement
- Sales Tax–Street Maintenance
- Flood Control
- Capital Improvement Reserve
- Legislative Capital Improvements
- State Capital Improvements
- EDA West Mesa Industrial Park
- 2003 Sales Tax Facilities and Parks
- State Equipment Acquisition
- 2003 Sales Tax Street Lights
- 2005 Gross Receipts Tax Public Improvements
- Las Cruces Convention Center
- NMFA Street Improvements
- Stimulus Capital Projects
- NMFA Parking Deck
- TIDD Street Projects
- 2008 NMFA Griggs/Walnut/Plume

Debt Service Fund

Debt Service Fund: Accounts for the resources accumulated and payments made for principal and interest on long-term debt of the governmental funds.

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Community Development: The Community Development Fund accounts for the operation and installation of capital improvement projects, home rehabilitation, and social projects. Funding is from HUD, housing loan and interest repayment, and performance bond payments. PL 93-383 Title 1, Housing and Community Development Act of 1974 requires that this grant be used for these purposes.

Court Awarded Funds: To provide for drug enforcement activities. Funding is from federal High Intensity Drug Traffic-seized funds and may only be used for drug enforcement activities, and must comply with federal financial and administrative requirements of OJP M7100.ID.

MPO Urban Transportation: To provide for the transportation needs of the community. Funding sources are from the Federal Highway Administration, the Urban Mass Transportation Administration, and the General Fund. The fund was created in 1982 when the Metropolitan Planning Organization was formed through a Joint Powers Agreement. Such grants provide for the payment of current transportation operating expenses and may be used only for that purpose. City Resolution N. 94-236 requires the fund to be used only in this manner.

Fire: To provide for the purchase of fire equipment. Funding is provided by the State Fire Fund. State law requires these funds to be used for fire supplies and equipment to help maintain the fire department. (Section 979, Article 52, New Mexico State Insurance Code)

Police Protection: To provide for the purchase of police equipment and police expenses associated with advanced law enforcement planning and training. The funding source is a state grant. State law (Section 5, Chapter 289, Laws of 1983) requires these funds to be used to operate the police department.

Federal Stimulus Operating: To account for various public operations and improvements.

Emergency Medical Services: To provide for emergency medical services provided through fire department activities. Funding is through a state grant from the New Mexico Department of Health, which requires separate fund accounting according to EMS Regulation DOH 94-11.

Traffic Safety: To provide for traffic safety education. Funding is provided by a penalty assessment of $3.00 per traffic ticket. City Ordinance No. 0-1232, May 1991 requires the fund be used only in this manner.

Safe Traffic Operations Program: To account for the programs that use cameras to enforce red light and speeding violations.

Special Revenue Funds
— continued —

Court Automation: To provide for Municipal Court Automation. Funding is provided by a penalty assessment of $3.00 per traffic ticket. City Ordinance No. 0-1232, May 1991 requires the fund be used only in this manner.

Prisoner Care: To provide for operations and maintenance of a municipal jail or for paying the cost of housing municipal prisoners in the county jail. Funding is provided by a penalty assessment of $5.00 per traffic ticket. City Resolution No. 81-69, August 1981 requires the fund be used only in this manner.

Juvenile Recreation: To provide for the operation and development of community parks and operation of recreation programs. Funding source is one-third of the cigarette tax (Section 7-12-1 through 7-12-17, NMSA, 1978). These taxes may only be used to finance the parks and recreation programs.

Lodgers' Tax and LCCVB: To account for the operations of the Las Cruces Convention and Visitors' Bureau to promote tourism within the area. Financing is provided from a lodgers' tax. State law (Section 3-38-13 through 3-38-24, NMSA, 1979) requires these taxes to be used to operate the Convention and Visitors Bureau.

DWI Prevention: To account for the receipt of driving while intoxicated state fines (Section 31-12-7, NMSA 1978). Receipts are remitted to the state.

Judicial Education: To account for the receipt of imposed fees on all "guilty" traffic offenses in accordance with NMSA 1978, 35-14-11 (B)(2) and to be used for the education, training, including production of bench books and other written materials, of municipal judges and other municipal court employees.

Environmental Gross Receipts Tax: To account for the receipt of environmental gross receipts tax enacted by the City and the county as provided for in Ordinance 1484, October 12, 1995.

Health Care Services from MMCI Lease: To account for the receipt of proceeds pursuant to the terms of the lease with Memorial Medical Center, Inc., to be used for healthcare services in the City. The lease was approved by Ordinance 1655 in 1998.

Legislative Equipment Grants: To provide funding for the acquisition of equipment for legislative purposes.

Gasoline Tax Street Maintenance Fund: To account for the receipt of gasoline tax remittances from the state. State law (7-1-6.9 NMSA 1978) requires the distributions to be received into a separate road fund.

Public Safety Gross Receipts Tax: To account for the receipt of municipal gross receipts tax to be used for public safety salaries, benefits, operations, and equipment as provided for in Ordinance 1886.

Special Revenue Funds
— continued —

Keep Las Cruces Beautiful: To provide for beautification, litter eradication, graffiti abatement, and education. Funding is from the New Mexico Clean & Beautiful Program of the New Mexico Department of Tourism.

Older Americans Act Programs: To provide congregate meals to seniors at four program sites and to homebound customers who receive two delivered meals a day. Funding is from the New Mexico Aging and Long-term Services Department.

Cash in Lieu of Commodities: To provide congregate and home-delivered meals. Services will be provided through the four City meal sites. Funding is through the U.S. Department of Agriculture's Cash in Lieu of Commodities program.

RSVP: To provide a variety of opportunities for persons aged fifty-five and over to participate more fully in the life of their communities through significant volunteer service in accordance with the approved proposal. Funding is from the Corporation for National and Community Service and the New Mexico Aging and Long-term Services Department.

State Library Resources Grant: To provide funds for library materials and the equipment to provide access to information resources. Funding is from the State of New Mexico General Obligation Bond C.

Street Maintenance Operations: To account for operational expenditures for street maintenance funded by transfers from the Gas Tax Street Maintenance Fund.

Flood Control Operations: To account for operational expenditures for flood control operations funded by transfers from the Gas Tax Street Maintenance Fund.

Special Assessments—Northrise/Morningstar: To account for the reimbursement from developers to the City, through certain assessments, for the construction of Northrise and Morningstar streets.

Downtown Revitalization: To account for the redevelopment of the downtown area of Las Cruces. Funding comes from the sale of property in the downtown area and other activities for revitalization.

State Operating Grants: To account for the receipt of legislative appropriations provided for operational expenditures in support of local service agencies.

Valley View Heske Garden: To account for the construction and maintenance of a park. Funding comes from a portion of the Emma B. Heske Trust that was left to the City of Las Cruces for construction of a park according to Ms. Heske's wishes.

Griggs and Walnut Plume: To account for the operations of the Griggs and Walnut water production area, and the remediation activities associated with the site.

Special Revenue Funds

— continued —

TIDD Dedicated Revenues: To account for an amount of 75% of the State Gross Receipts Tax increment generated within the district that may be dedicated for the purpose of securing tax increment bonds issued by the district and to provide financing for projects within the TIDD Streets Project fund.

Las Cruces Convention Center: To account for receipt of the convention center fees paid to support the debt service payments for the convention center.

Public Safety Impact Fee: To account for revenues and expenditures related to city-wide public safety fees. Funds are to be used for buildings for fire, police, rescue, and essential equipment costing $10,000 or more and having a life expectancy of 10 years or more. Funding comes from fees for all new development in the City based on rate tables for various land use.

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Debt Service Fund

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget-Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income					
Investment income	$ 86,200	$ 91,340	**$ 393,719**	$ 302,379	$ 173,273
Other	843,006	1,213,029	**1,210,789**	(2,240)	839,766
Total revenues	929,206	1,304,369	**1,604,508**	300,139	1,013,039
Expenditures					
Debt Service:					
Principal	8,549,365	8,554,365	**8,618,688**	(64,323)	8,196,321
Interest	3,875,064	3,808,170	**3,838,137**	(29,967)	4,140,996
Total expenditures	12,424,429	12,362,535	**12,456,825**	(94,290)	12,337,317
Revenues over (under) expenditures	(11,495,223)	(11,058,166)	**(10,852,317)**	205,849	11,324,278
Other Financing Sources (Uses)					
Refunded bonds redeemed	-	(4,440,000)	**(4,440,000)**	-	(40,701,645)
Issuance of debt refunding	-	4,181,465	**4,301,747**	120,282	40,162,869
Premium on issuance of debt	-	-	**25,061**	25,061	-
Transfers in	12,076,367	12,286,853	**12,155,385**	(131,468)	14,458,035
Transfers out	(40,661)	(902,876)	**(900,167)**	2,709	(2,736,034)
Total other financing sources (uses)	12,035,706	11,125,442	**11,142,026**	16,584	11,183,225
Net change in fund balance	540,483	67,276	**289,709**	222,433	(141,053)
Fund balance, beginning of year	7,089,789	7,089,789	**7,089,789**	-	7,230,842
Fund balance, end of year	$ 7,630,272	$ 7,157,065	**$ 7,379,498**	$ 222,433	$ 7,089,789

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Community Development

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Charges for services	$ 10,000	$ 10,000	**$ 9,853**	$ (147)	$ 7,915
Investment income	21,355	21,355	**19,980**	(1,375)	22,928
Other	164,645	85,955	**133,748**	47,793	176,513
Intergovernmental - Federal	4,939,411	3,817,940	**2,026,664**	(1,791,276)	2,905,503
Total revenues	5,135,411	3,935,250	**2,190,245**	(1,745,005)	3,112,859
Expenditures					
Current					
Community development	4,462,060	3,665,632	**1,798,077**	1,867,555	2,544,335
Capital outlay	826,429	290,947	**266,682**	24,265	517,084
Total expenditures	5,288,489	3,956,579	**2,064,759**	1,891,820	3,061,419
Revenues over (under) expenditures	(153,078)	(21,329)	**125,486**	146,815	51,440
Other Financing Sources (Uses)					
Transfers out	(83,422)	(83,422)	**(83,422)**	-	(36,578)
Total other financing sources (uses)	(83,422)	(83,422)	**(83,422)**	-	(36,578)
Net change in fund balance	(236,500)	(104,751)	**42,064**	146,815	14,862
Fund balance, beginning of year	51,820	51,820	**51,820**	-	36,958
Fund balance, end of year	$ (184,680)	$ (52,931)	**$ 93,884**	$ 146,815	$ 51,820

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Court Awarded Funds

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income (loss)	$ 5,000	$ 5,000	**$ 9,421**	$ 4,421	$ (397)
Fees and fines	15,000	15,000	**245,038**	230,038	5,963
Total revenues	20,000	20,000	**254,459**	234,459	5,566
Expenditures					
Current					
Police	103,932	103,932	**67,033**	36,899	122,323
Total expenditures	103,932	103,932	**67,033**	36,899	122,323
Revenues over (under) expenditures	(83,932)	(83,932)	**187,426**	271,358	(116,757)
Net change in fund balance	(83,932)	(83,932)	**187,426**	271,358	(116,757)
Fund balance, beginning of year	213,927	213,927	**213,927**	-	330,684
Fund balance, end of year	$ 129,995	$ 129,995	**$ 401,353**	$ 271,358	$ 213,927

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

MPO Urban Transportation

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Intergovernmental - State	$ 515,167	$ 879,952	**$ 311,757**	$ (568,195)	$ 319,554
Total revenues	515,167	879,952	**311,757**	(568,195)	319,554
Expenditures					
Current					
Community development	515,167	879,952	311,757	568,195	319,554
Total expenditures	515,167	879,952	**311,757**	568,195	319,554
Revenues over (under) expenditures	-	-	-	-	-
Net change in fund balance	-	-	-	-	-
Fund balance, beginning of year	-	-	-	-	-
Fund balance, end of year	$ -	$ -	**$ -**	$ -	$ -

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Fire

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income	$ 8,000	$ 8,000	**$ 27,301**	$ 19,301	$ (139)
Intergovernmental - Federal	-	1,287,336	**251,196**	(1,036,140)	-
Intergovernmental - State	480,784	836,995	**621,814**	(215,181)	288,372
Total revenues	488,784	2,132,331	**900,311**	(1,232,020)	288,233
Expenditures					
Current					
Fire	480,784	2,174,312	**818,561**	1,355,751	280,740
Capital outlay	-	110,491	**54,449**	56,042	7,632
Total expenditures	480,784	2,284,803	**873,010**	1,411,793	288,372
Revenues over (under) expenditures	8,000	(152,472)	**27,301**	179,773	(139)
Net change in fund balance	8,000	(152,472)	**27,301**	179,773	(139)
Fund balance, beginning of year	158,520	158,520	**158,520**	-	158,659
Fund balance, end of year	$ 166,520	$ 6,048	**$ 185,821**	$ 179,773	$ 158,520

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Police Protection

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income (loss)	$ 3,000	$ 3,000	**$ 9,330**	$ 6,330	$ (1,075)
Intergovernmental - Federal	968,752	1,119,917	**452,834**	(667,083)	1,129,783
Intergovernmental - State	544,162	615,467	**578,131**	(37,336)	-
Intergovernmental - Local	-	62,326	**8,341**	(53,985)	-
Other	60,000	66,152	**115,132**	48,980	290,084
Total revenues	1,575,914	1,866,862	**1,163,768**	(703,094)	1,418,792
Expenditures					
Current					
Police	3,062,535	1,737,223	**1,148,452**	588,771	1,292,298
Capital outlay	166,148	238,548	**57,448**	181,100	30,147
Total expenditures	3,228,683	1,975,771	**1,205,900**	769,871	1,322,445
Revenues over (under) expenditures	(1,652,769)	(108,909)	**(42,132)**	66,777	96,347
Other Financing Sources (Uses)					
Transfers out	(10,000)	(10,000)	**(10,000)**	(10,000)	(10,000)
Total other financing sources (uses)	(10,000)	(10,000)	**(10,000)**	(10,000)	(10,000)
Net change in fund balance	(1,662,769)	(118,909)	**(52,132)**	56,777	86,347
Fund balance, beginning of year	209,324	209,324	**209,324**	-	122,977
Fund balance, end of year	$ (1,453,445)	$ 90,415	**$ 157,192**	$ 56,777	$ 209,324

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Federal Stimulus Operating

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Intergovernmental - Federal	$ 1,625,236	$ 1,825,041	**$ 525,676**	$ (1,299,365)	$ 101,789
Total revenues	1,625,236	1,825,041	**525,676**	(1,299,365)	101,789
Expenditures					
Current					
Police	1,625,236	1,625,236	**495,896**	1,129,340	85,990
Capital outlay	-	199,805	**29,780**	170,025	15,799
Total expenditures	1,625,236	1,825,041	**525,676**	1,299,365	101,789
Revenues over (under) expenditures	-	-	-	-	-
Net change in fund balance	-	-	-	-	-
Fund balance, beginning of year	-	-	-	-	-
Fund balance, end of year	$ -	$ -	**$ -**	$ -	$ -

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Emergency Medical Services

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income (loss)	$ -	$ -	**$ 520**	$ 520	$ (238)
Intergovernmental - State	20,000	20,087	**20,010**	(77)	19,913
Total revenues	20,000	20,087	**20,530**	443	19,675
Expenditures					
Current					
Fire	20,000	20,087	**20,010**	77	19,913
Capital outlay	-	-	**-**	-	-
Total expenditures	20,000	20,087	**20,010**	77	19,913
Revenues over (under) expenditures	-	-	**520**	520	(238)
Net change in fund balance	-	-	**520**	520	(238)
Fund balance, beginning of year	8,324	8,324	**8,324**	-	8,562
Fund balance, end of year	$ 8,324	$ 8,324	**$ 8,844**	$ 520	$ 8,324

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Traffic Safety

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income (loss)	$ 1,500	$ 1,500	**$ 3,123**	$ 1,623	$ 341
Fees and fines	35,000	35,000	**36,829**	1,829	43,272
Total revenues	36,500	36,500	**39,952**	3,452	43,613
Expenditures					
Current					
Police	26,500	26,500	**35,755**	(9,255)	12,196
Capital outlay	-	75,598	**75,000**	598	3,407
Total expenditures	26,500	102,098	**110,755**	(8,657)	15,603
Revenues over (under) expenditures	10,000	(65,598)	**(70,803)**	(5,205)	28,010
Net change in fund balance	10,000	(65,598)	**(70,803)**	(5,205)	28,010
Fund balance, beginning of year	105,243	105,243	**105,243**	-	77,233
Fund balance, end of year	$ 115,243	$ 39,645	**$ 34,440**	$ (5,205)	$ 105,243

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Safe Traffic Operations Program

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income	$ -	$ -	**$ 15,535**	$ 15,535	$ 883
Fees and fines	1,100,000	1,100,000	**946,106**	(153,894)	1,074,735
Total revenues	1,100,000	1,100,000	**961,641**	(138,359)	1,075,618
Expenditures					
Current					
Police	1,036,590	1,036,590	**657,712**	378,878	818,744
Capital outlay	300,000	300,000	**120,583**	179,417	147,517
Total expenditures	1,336,590	1,336,590	**778,295**	558,295	966,261
Revenues over (under) expenditures	(236,590)	(236,590)	**183,346**	419,936	109,357
Net change in fund balance	(236,590)	(236,590)	**183,346**	419,936	109,357
Fund balance, beginning of year	324,251	324,251	**324,251**	-	214,894
Fund balance, end of year	$ 87,661	$ 87,661	**$ 507,597**	$ 419,936	$ 324,251

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Court Automation

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income	$ 8,000	$ 8,000	**$ -**	$ (8,000)	$ (9,964)
Fees and fines	130,000	130,000	**131,686**	1,686	151,995
Other	-	-	**29,023**	29,023	355
Total revenues	138,000	138,000	**160,709**	22,709	142,386
Expenditures					
Current					
Police	215,232	215,232	**169,624**	45,608	133,365
Total expenditures	215,232	215,232	**169,624**	45,608	133,365
Revenues over (under) expenditures	(77,232)	(77,232)	**(8,915)**	68,317	9,021
Net change in fund balance	(77,232)	(77,232)	**(8,915)**	68,317	9,021
Fund balance, beginning of year	456,543	456,543	**456,543**	-	447,522
Fund balance, end of year	$ 379,311	$ 379,311	**$ 447,628**	$ 68,317	$ 456,543

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Prisoner Care

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income (loss)	$ 15,000	$ 15,000	**$ 76,438**	$ 61,438	$ (2,400)
Fees and fines	225,000	225,000	**275,826**	50,826	200,243
Total revenues	240,000	240,000	**352,264**	112,264	197,843
Expenditures					
Current					
Police	2,450,590	2,450,590	**1,575,419**	875,171	1,609,163
Total expenditures	2,450,590	2,450,590	**1,575,419**	875,171	1,609,163
Revenues over (under) expenditures	(2,210,590)	(2,210,590)	**(1,223,155)**	987,435	(1,411,320)
Other Financing Sources (Uses)					
Transfers in	1,500,000	1,500,000	**1,500,000**	-	2,000,000
Total other financing sources (uses)	1,500,000	1,500,000	**1,500,000**	-	2,000,000
Net change in fund balance	(710,590)	(710,590)	**276,845**	987,435	588,680
Fund balance, beginning of year	1,400,865	1,400,865	**1,400,865**	-	812,185
Fund balance, end of year	$ 690,275	$ 690,275	**$ 1,677,710**	$ 987,435	$ 1,400,865

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Juvenile Recreation

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income (loss)	$ -	$ -	**$ 3,842**	$ 3,842	$ 354
Fees and fines	20,000	20,000	**2,720**	(17,280)	2,200
State-shared taxes	-	-	**1,870**	1,870	13,826
Total revenues	20,000	20,000	**8,432**	(11,568)	16,380
Expenditures					
Current					
Community and cultural services	-	-	-	-	38,942
Total expenditures	-	-	-	-	38,942
Revenues over (under) expenditures	20,000	20,000	**8,432**	(11,568)	(22,562)
Net change in fund balance	20,000	20,000	**8,432**	(11,568)	(22,562)
Fund balance, beginning of year	91,070	91,070	**91,070**	-	113,632
Fund balance, end of year	$ 111,070	$ 111,070	**$ 99,502**	$ (11,568)	$ 91,070

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Lodgers' Tax & LCCVB

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Local taxes					
Lodgers' tax	$ 1,907,254	$ 1,907,254	**$ 1,985,944**	$ 78,690	$ 1,842,260
Total local taxes	1,907,254	1,907,254	**1,985,944**	78,690	1,842,260
Investment income	30,000	30,000	**97,264**	67,264	2,489
Other	3,500	3,500	**5,645**	2,145	5,085
Intergovernmental - State	14,300	28,300	**14,000**	(14,300)	14,300
Total revenues	1,955,054	1,969,054	**2,102,853**	133,799	1,864,134
Expenditures					
Current					
Community and cultural services	1,967,462	2,033,862	**1,645,593**	388,269	1,671,518
Capital outlay	-	31,000	**30,250**	750	488,270
Total expenditures	1,967,462	2,064,862	**1,675,843**	389,019	2,159,788
Revenues over (under) expenditures	(12,408)	(95,808)	**427,010**	522,818	(295,654)
Other Financing Sources (Uses)					
Transfers in	1,856,073	1,856,073	**1,856,073**	-	2,395,041
Transfers out	(2,312,476)	(1,940,117)	**(1,940,117)**	-	(2,679,126)
Total other financing sources (uses)	(456,403)	(84,044)	**(84,044)**	-	(284,085)
Net change in fund balance	(468,811)	(179,852)	**342,966**	522,818	(579,739)
Fund balance, beginning of year	2,497,805	2,497,805	**2,497,805**	-	3,077,544
Fund balance, end of year	$ 2,028,994	$ 2,317,953	**$ 2,840,771**	$ 522,818	$ 2,497,805

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

DWI Prevention

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Fees and fines	$ 9,000	$ 9,000	**$ 5,039**	$ (3,961)	$ 7,881
Total revenues	9,000	9,000	**5,039**	(3,961)	7,881
Expenditures					
Current					
Police	9,000	9,000	**5,039**	3,961	8,064
Total expenditures	9,000	9,000	**5,039**	3,961	8,064
Revenues over (under) expenditures	-	-	-	-	(183)
Other Financing Sources (Uses)					
Transfers out	-	-	-	-	(61,118)
Total other financing sources (uses)	-	-	-	-	(61,118)
Net change in fund balance	-	-	-	-	(61,301)
Fund balance, beginning of year	(183)	(183)	**(183)**	-	61,118
Fund balance, end of year	$ (183)	$ (183)	**$ (183)**	$ -	$ (183)

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Judicial Education

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Fees and fines	$ 40,000	$ 40,000	**$ 35,155**	$ (4,845)	$ 40,262
Total revenues	40,000	40,000	**35,155**	(4,845)	40,262
Expenditures					
Current					
Police	40,000	40,000	**34,966**	5,034	40,359
Total expenditures	40,000	40,000	**34,966**	5,034	40,359
Net change in fund balance	-	-	**189**	189	(97)
Fund balance, beginning of year	(5,172)	(5,172)	**(5,172)**	-	(5,075)
Fund balance, end of year	$ (5,172)	$ (5,172)	**$ (4,983)**	$ 189	$ (5,172)

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Environmental Gross Receipts Tax

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	Actual	(Negative)	Actual
Revenues					
Local taxes					
Gross receipts	$ 2,574,652	$ 2,574,652	**$ 2,499,808**	$ (74,844)	$ 2,486,097
Total revenues	2,574,652	2,574,652	**2,499,808**	(74,844)	2,486,097
Expenditures					
Current					
General government	991,913	991,913	**914,670**	77,243	871,969
Total expenditures	991,913	991,913	**914,670**	77,243	871,969
Revenues over (under) expenditures	1,582,739	1,582,739	**1,585,138**	2,399	1,614,128
Other Financing Sources (Uses)					
Transfers out	(1,742,434)	(1,742,434)	**(1,564,727)**	177,707	(1,932,091)
Total other financing sources (uses)	(1,742,434)	(1,742,434)	**(1,564,727)**	177,707	(1,932,091)
Net change in fund balance	(159,695)	(159,695)	**20,411**	180,106	(317,963)
Fund balance, beginning of year	259,219	259,219	**259,219**	-	577,182
Fund balance, end of year	$ 99,524	$ 99,524	**$ 279,630**	$ 180,106	$ 259,219

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Health Care Services From MMC Lease

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income	$ 650	$ 650	**$ 1,945**	$ 1,295	$ 240
Total revenues	650	650	**1,945**	1,295	240
Expenditures					
Current					
General government	300,000	313,392	**312,646**	746	288,883
Total expenditures	300,000	313,392	**312,646**	746	288,883
Revenues over (under) expenditures	(299,350)	(312,742)	**(310,701)**	2,041	(288,643)
Other Financing Sources (Uses)					
Transfers in	300,000	300,000	**300,000**	-	300,000
Total other financing sources (uses)	300,000	300,000	**300,000**	-	300,000
Net change in fund balance	650	(12,742)	**(10,701)**	2,041	11,357
Fund balance, beginning of year	30,187	30,187	**30,187**	-	18,830
Fund balance, end of year	$ 30,837	$ 17,445	**$ 19,486**	$ 2,041	$ 30,187

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Legislative Equipment Grants

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Capital grants and contributions					
State	$ -	$ 60,838	**$ 58,123**	$ (2,715)	$ 268,875
Federal	-	399,744	-	(399,744)	-
Total revenues	-	460,582	**58,123**	(402,459)	268,875
Expenditures					
Current					
Community development	-	-	-	-	4,701
Community and cultural services	-	-	**7,324**	(7,324)	-
Capital outlay	-	460,582	**50,799**	409,783	264,174
Total expenditures	-	460,582	**58,123**	402,459	268,875
Revenues over (under) expenditures	-	-	-	-	-
Net change in fund balance	-	-	-	-	-
Fund balance, beginning of year	-	-	-	-	-
Fund balance, end of year	$ -	$ -	**$ -**	$ -	$ -

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Gasoline Tax Street Maintenance Fund

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income (loss)	$ 2,000	$ 2,000	**$ 1,213**	$ (787)	$ (2,697)
State-shared taxes	1,682,895	1,598,750	**1,541,617**	(57,133)	1,537,530
Total revenues	1,684,895	1,600,750	**1,542,830**	(57,920)	1,534,833
Expenditures					
Current					
Public works	601,782	601,782	**617,223**	(15,441)	629,648
Total expenditures	601,782	601,782	**617,223**	(15,441)	629,648
Revenues over (under) expenditures	1,083,113	998,968	**925,607**	(73,361)	905,185
Other Financing Sources (Uses)					
Transfers out	(1,070,675)	(908,910)	**(908,910)**	-	(1,019,828)
Total other financing sources (uses)	(1,070,675)	(908,910)	**(908,910)**	-	(1,019,828)
Net change in fund balance	12,438	90,058	**16,697**	(73,361)	(114,643)
Fund balance, beginning of year	247,815	247,815	**247,815**	-	362,458
Fund balance, end of year	$ 260,253	$ 337,873	**$ 264,512**	$ (73,361)	$ 247,815

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Public Safety Gross Receipts Tax

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Gross receipts tax	$ 3,300,000	$ 3,210,000	**$ 3,278,575**	$ 68,575	$ 3,191,757
Total revenues	3,300,000	3,210,000	**3,278,575**	68,575	3,191,757
Expenditures					
Current					
Police	2,200,110	2,150,700	**2,150,700**	-	2,158,353
Fire	1,099,890	1,059,300	**1,059,300**	-	1,062,992
Total expenditures	3,300,000	3,210,000	**3,210,000**	-	3,221,345
Net change in fund balance	-	-	**68,575**	68,575	(29,588)
Fund balance, beginning of year	533,652	533,652	**533,652**	-	563,240
Fund balance, end of year	$ 533,652	$ 533,652	**$ 602,227**	$ 68,575	$ 533,652

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Keep Las Cruces Beautiful

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Intergovernmental - State	$ 36,000	$ 36,000	**$ 35,888**	$ (112)	$ 31,224
Total revenues	36,000	36,000	**35,888**	(112)	31,224
Expenditures					
Current					
Police	36,000	36,000	**35,888**	112	31,224
Total expenditures	36,000	36,000	**35,888**	112	31,224
Revenues over (under) expenditures	-	-	-	-	-
Net change in fund balance	-	-	-	-	-
Fund balance, beginning of year	-	-	-	-	-
Fund balance, end of year	$ -	$ -	**$ -**	$ -	$ -

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Older Americans Act Programs

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Intergovernmental - Federal	$ 188,279	$ 193,479	**$ 212,194**	$ 18,715	$ 188,279
Intergovernmental - State	360,505	356,578	**401,457**	44,879	360,180
Other	232,300	199,235	**213,343**	14,108	209,024
Total revenues	781,084	749,292	**826,994**	77,702	757,483
Expenditures					
Current					
Community and cultural services	707,199	749,292	**763,400**	(14,108)	683,598
Total expenditures	707,199	749,292	**763,400**	(14,108)	683,598
Revenues over (under) expenditures	73,885	-	**63,594**	63,594	73,885
Other Financing Sources (Uses)					
Transfers out	(73,885)	-	-	-	(73,885)
Total other financing sources (uses)	(73,885)	-	-	-	(73,885)
Net change in fund balance	-	-	**63,594**	63,594	-
Fund balance, beginning of year	-	-	-	-	-
Fund balance, end of year	$ -	$ -	**$ 63,594**	$ 63,594	$ -

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Cash in Lieu of Commodities

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Intergovernmental - State	$ 129,386	$ 172,435	**$ 172,435**	$ -	$ 129,386
Total revenues	129,386	172,435	**172,435**	-	129,386
Expenditures					
Current					
Community and cultural services	129,386	172,435	**172,435**	-	129,386
Total expenditures	129,386	172,435	**172,435**	-	129,386
Net change in fund balance	-	-	-	-	-
Fund balance, beginning of year	-	-	-	-	-
Fund balance, end of year	$ -	$ -	**$ -**	$ -	$ -

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

RSVP

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Intergovernmental - Federal	$ -	$ 88,151	**$ 50,372**	$ (37,779)	$ 62,964
Total revenues	-	88,151	**50,372**	(37,779)	62,964
Expenditures					
Current					
Community and cultural services	-	88,151	**50,372**	37,779	62,964
Total expenditures	-	88,151	**50,372**	37,779	62,964
Revenues over (under) expenditures	-	-	-	-	-
Net change in fund balance	-	-	-	-	-
Fund balance, beginning of year	-	-	-	-	-
Fund balance, end of year	$ -	$ -	**$ -**	$ -	$ -

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

State Library Resources Grant

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Intergovernmental - State	$ 73,981	$ 212,686	**$ 49,744**	$ (162,942)	$ 57,644
Total revenues	73,981	212,686	**49,744**	(162,942)	57,644
Expenditures					
Current					
Community and cultural services	73,981	212,686	**49,744**	162,942	57,644
Total expenditures	73,981	212,686	**49,744**	162,942	57,644
Net change in fund balance	-	-	-	-	-
Fund balance, beginning of year	-	-	-	-	-
Fund balance, end of year	$ -	$ -	**$ -**	$ -	$ -

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Street Maintenance Operations

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income	$ -	$ 1,000	**$ 17,872**	$ 16,872	$ 1,249
Total revenues	-	1,000	**17,872**	16,872	1,249
Expenditures					
Current					
Public works	573,125	590,208	**301,268**	288,940	323,786
Total expenditures	573,125	590,208	**301,268**	288,940	323,786
Revenues over (under) expenditures	(573,125)	(589,208)	**(283,396)**	305,812	(322,537)
Other Financing Sources (Uses)					
Transfers in	450,000	450,000	**450,000**	-	558,851
Total other financing sources (uses)	450,000	450,000	**450,000**	-	558,851
Net change in fund balance	(123,125)	(139,208)	**166,604**	305,812	236,314
Fund balance, beginning of year	365,758	365,758	**365,758**	-	129,444
Fund balance, end of year	$ 242,633	$ 226,550	**$ 532,362**	$ 305,812	$ 365,758

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Flood Control Operations

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income	$ 3,000	$ 3,000	**$ 2,138**	$ (862)	$ (2,596)
Total revenues	3,000	3,000	**2,138**	(862)	(2,596)
Expenditures					
Current					
Public works	544,622	677,492	**676,642**	850	518,712
Capital outlay	-	-	**-**	-	194,923
Total expenditures	544,622	677,492	**676,642**	850	713,635
Revenues over (under) expenditures	(541,622)	(674,492)	**(674,504)**	(12)	(716,231)
Other Financing Sources (Uses)					
Transfers in	550,000	609,400	**609,400**	-	615,000
Net change in fund balance	8,378	(65,092)	**(65,104)**	(12)	(101,231)
Fund balance, beginning of year	65,104	65,104	**65,104**	-	166,335
Fund balance, end of year	$ 73,482	$ 12	**$ -**	$ (12)	$ 65,104

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Special Assessments–Northrise/Morningstar

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income	$ -	$ -	**$ 9,774**	$ 9,774	$ 223
Intergovernmental - State	-	-	**166,629**	166,629	-
Other	-	-	**106,339**	106,339	-
Total revenues	-	-	**282,742**	282,742	223
Net change in fund balance	-	-	**282,742**	282,742	223
Fund balance, beginning of year	99,188	99,188	**99,188**	-	98,965
Fund balance, end of year	$ 99,188	$ 99,188	**$ 381,930**	$ 282,742	$ 99,188

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Downtown Revitalization

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income	$ 2,000	$ 2,000	**$ 1,893**	$ (107)	$ 1,419
Other	2,000	2,000	**1,850**	(150)	2,550
Total revenues	4,000	4,000	**3,743**	(257)	3,969
Expenditures					
Current					
Public works	70,000	70,000	**50,000**	20,000	100,000
Capital outlay	8,600	-	**-**	-	197,556
Total expenditures	78,600	70,000	**50,000**	20,000	297,556
Revenues over (under) expenditures	(74,600)	(66,000)	**(46,257)**	19,743	(293,587)
Other Financing Sources (Uses)					
Transfers in	50,000	50,000	**50,000**	-	80,000
Total other financing sources (uses)	50,000	50,000	**50,000**	-	80,000
Net change in fund balance	(24,600)	(16,000)	**3,743**	19,743	(213,587)
Fund balance, beginning of year	43,725	43,725	**43,725**	-	257,312
Fund balance, end of year	$ 19,125	$ 27,725	**$ 47,468**	$ 19,743	$ 43,725

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

State Operating Grants

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Intergovernmental - Federal	$ 6,496	$ 7,640	**$ 1,143**	$ (6,497)	$ 5,857
Intergovernmental - State	-	201,150	**76,981**	(124,169)	102,448
Intergovernmental - Local	33,377	71,429	**37,081**	(34,348)	2,095
Other	-	21,108	**17,978**	(3,130)	4,782
Total revenues	39,873	301,327	**133,183**	(168,144)	115,182
Expenditures					
Current					
Community development	6,496	57,640	**23,560**	34,080	11,552
Fire	33,377	71,429	**37,081**	34,348	2,095
Police	-	726	**726**	-	614
Community and cultural	-	171,532	**85,416**	86,116	135,924
Total expenditures	39,873	301,327	**146,783**	154,544	150,185
Revenues over (under) expenditures	-	-	**(13,600)**	(13,600)	(35,003)
Net change in fund balance	-	-	**(13,600)**	(13,600)	(35,003)
Fund balance, beginning of year	13,600	13,600	**13,600**	-	48,603
Fund balance, end of year	$ 13,600	$ 13,600	$ -	$ (13,600)	$ 13,600

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Valley View Heske Garden

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income	$ 2,500	$ 2,500	**$ 6,752**	$ 4,252	$ 93
Total revenues	2,500	2,500	**6,752**	4,252	93
Expenditures					
Current					
Parks and recreation	20,000	20,000	**13,667**	6,333	19,847
Total expenditures	20,000	20,000	**13,667**	6,333	19,847
Other Financing Sources (Uses)					
Transfers in	-	48,785	**48,784**	(1)	-
Total other financing sources	-	48,785	**48,784**	(1)	-
Net change in fund balance	(17,500)	31,285	**41,869**	10,584	(19,754)
Fund balance, beginning of year	159,627	159,627	**159,627**	-	179,381
Fund balance, end of year	$ 142,127	$ 190,912	**$ 201,496**	$ 10,584	$ 159,627

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Griggs and Walnut Plume

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income	$ 9,653	$ 9,653	**$ 14,237**	$ 4,584	$ 2,116
Intergovernmental - State	-	-	**-**	-	133,754
Other	331,000	331,000	**145,192**	(185,808)	75,283
Total revenues	340,653	340,653	**159,429**	(181,224)	211,153
Expenditures					
Current					
General government	673,429	673,429	**230,606**	442,823	233,151
Capital outlay	-	-	**-**	-	133,754
Total expenditures	673,429	673,429	**230,606**	442,823	366,905
Revenues over (under) expenditures	(332,776)	(332,776)	**(71,177)**	261,599	(155,752)
Other Financing Sources					
Transfers in	381,347	381,347	**342,454**	(38,893)	375,724
Total other financing sources	381,347	381,347	**342,454**	(38,893)	375,724
Net change in fund balance	48,571	48,571	**271,277**	222,706	219,972
Fund balance, beginning of year	278,609	278,609	**278,609**	-	58,637
Fund balance, end of year	$ 327,180	$ 327,180	**$ 549,886**	$ 222,706	$ 278,609

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

TIDD Dedicated Revenues

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income	$ 500	$ 500	**$ 60,034**	$ 59,534	$ 1,791
Gross receipts tax	1,126,591	740,024	**556,227**	(183,797)	1,985,823
State share	1,213,000	1,532,200	**1,345,312**	(186,888)	401,376
Total revenues	2,340,091	2,272,724	**1,961,573**	(311,151)	2,388,990
Expenditures					
Current					
General government	15,695	15,695	**16,444**	(749)	12,321
Total expenditures	15,695	15,695	**16,444**	(749)	12,321
Revenues over (under) expenditures	2,324,396	2,257,029	**1,945,129**	(311,900)	2,376,669
Other Financing Sources (Uses)					
Transfers out	-	-	-	-	(300,643)
Total other financing sources (uses)	-	-	-	-	(300,643)
Net change in fund balance	2,324,396	2,257,029	**1,945,129**	(311,900)	2,076,026
Fund balance, beginning of year	1,816,963	1,816,963	**1,816,963**	-	(259,063)
Fund balance, end of year	$ 4,141,359	$ 4,073,992	**$ 3,762,092**	$ (311,900)	$ 1,816,963

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Las Cruces Convention Center

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income (loss)	$ -	$ -	**$ 2,406**	$ 2,406	$ (117)
Other	1,292,042	1,305,854	**1,311,451**	5,597	1,348,593
Total revenues	1,292,042	1,305,854	**1,313,857**	8,003	1,348,476
Expenditures					
Current					
General government	-	-	-	-	-
Revenues over (under) expenditures	1,292,042	1,305,854	**1,313,857**	8,003	1,348,476
Other Financing Sources (Uses)					
Transfers out	(1,292,042)	(1,452,258)	**(1,349,914)**	102,344	(1,202,072)
Total other financing sources (uses)	(1,292,042)	(1,452,258)	**(1,349,914)**	102,344	(1,202,072)
Net change in fund balance	-	(146,404)	**(36,057)**	110,347	146,404
Fund balance, beginning of year	146,404	146,404	**146,404**	-	-
Fund balance, end of year	$ 146,404	$ -	**$ 110,347**	$ 110,347	$ 146,404

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual

Public Safety Impact Fee

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income	$ -	$ -	**$ 922**	$ 922	$ -
Other	-	-	**262,931**	262,931	-
Total revenues	-	-	**263,853**	263,853	-
Expenditures					
Current					
Police	-	-	-	-	-
Total expenditures	-	-	-	-	-
Revenues over (under) expenditures	-	-	**263,853**	263,853	-
Net change in fund balance	-	-	**263,853**	263,853	-
Fund balance, beginning of year	-	-	-	-	-
Fund balance, end of year	$ -	$ -	**$ 263,853**	$ 263,853	$ -

Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

HUD Facilities Projects: To provide financing for the acquisition and rehabilitation of the Museum of Nature and Science on Main Street in downtown Las Cruces. The source of funding is from HUD grants and Section 108 loans.

Public Parks Development: To provide for the establishment of parks and miniparks within subdivisions. The source of funding is from state grants, interest earnings, and charges to subdividers. If the parks using subdivision funds have not been started within a three-year period, the charges revert to the subdividers.

Street Improvement: To provide for the paving or improvements to streets. The source of funding is from a state grant and interest earned on investments.

Airport Improvement: To provide for the financing and construction of projects at the airport. The source of funding is from federal grants, state grants, and local matching funds.

Sales Tax–Street Maintenance: To provide for street repaving projects. The source of funding is one-quarter percent municipal gross receipts tax.

Flood Control: To construct a detention pond for the purpose of flood control and to serve as recreation as part of a multi-sport complex to include baseball, softball, and soccer fields. The source of funding is from the New Mexico Finance Authority.

Capital Improvement Reserve: To provide for the purchase of land and additions or improvements to city facilities. The source of funding is net profit on sales of securities.

Legislative Capital Improvements: To provide for the purchase of capital improvements approved by legislation.

State Capital Improvements: To provide for the purchase of capital improvements from state funding.

EDA West Mesa Industrial Park: To provide for the financing and construction of improvements, including installation of access roads and utilities for the airport and industrial complex. The source of funding is federal grants, local matching funds, rental income, and proceeds from the sale of land.

2003 Sales Tax Facilities and Parks: To provide for facilities/park improvements. The source of funding is the 2005 Gross Receipts Tax Refunding Revenue Bonds.

State Equipment Acquisition: To provide for well improvements.

2003 Sales Tax Street Lights: To provide for the acquisition of street lighting systems. The source of funding is the 2005 Gross Receipts Tax Refunding Revenue Bonds.

2005 Gross Receipts Tax Public Improvements: To account for various public improvements. The source of funding is the 2005 Sales Tax Bond.

Capital Projects Funds
— continued —

Las Cruces Convention Center: To provide for the design, construction, and equipping of the Las Cruces convention center. The source of funding is a New Mexico Finance Authority loan.

NMFA Street Improvements: To provide for the paving or improvements to streets. The source of funding is from New Mexico Finance Authority loans.

Stimulus Capital Projects: To account for various public improvements. The source of funding is from the American Recovery and Reinvestment Act.

NMFA Parking Deck: To provide for the financing and construction of a parking deck and other capital structures. The source of funding is from the New Mexico Finance Authority.

TIDD Street Projects: To account for the construction, operation, and maintenance of public infrastructure improvements in the downtown area.

2008 NMFA Griggs/Walnut/Plume: To provide for the construction of the remediation site. The source of funding is from New Mexico Finance Authority loans.

City of Las Cruces
Budgetary Comparison for Multiple-Year Capital Projects
For the Year Ended June 30, 2012

Capital Project Fund	Project Appropriations	2012 Expenditures	Expenditures Project to Date	Variance with Project Appropriations- Positive (Negative)
Facilities General Fund	$ 2,257,966	$ 223,748	$ 1,710,141	$ 547,825
HUD Facilities Projects	2,000,000	1,155,278	1,328,255	671,745
Facilities Federal Grants	1,200,000	403,598	412,793	787,207
Facilities State Grants	4,555,660	661,772	4,438,041	117,619
GRT Bond Public Improvements	225,106	90,106	90,106	135,000
Convention Center Project	22,639,346	4,837	21,061,635	1,577,711
NMFA Griggs Walnut Plume	3,535,000	1,231,915	1,445,341	2,089,659
GRT Facilities Projects	3,662,019	611,980	611,980	3,050,039
GRT Street Maintenance	1,364,898	432,860	610,063	754,835
Special Street Projects	876,882	363,833	367,156	509,726
State Grant Street Improvements	2,451,830	1,373,171	1,373,171	1,078,659
NMFA Street Projects	2,091,734	239,904	1,595,383	496,351
GRT Streets Projects	3,865,542	749,095	785,600	3,079,942
TIDD Projects	2,737,586	67,814	1,300,307	1,437,279
Airport Improvement	7,377,965	1,293,603	2,123,348	5,254,617
Flood Control	7,755,545	2,219,895	4,765,589	2,989,956
Federal Stimulus Capital Projects	888,000	273,060	412,092	475,908
State Stimulus Capital Projects	495,330	329,380	493,510	1,820
Total	$ 69,980,409	$ 11,725,849	$ 44,924,511	$ 25,055,898

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance —Budget and Actual

HUD Facilities Projects

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income (loss)	$ -	$ -	**$ 160**	$ 160	$ 239
Total revenues	-	-	**160**	160	239
Expenditures					
Capital outlay	1,933,911	1,826,933	**1,155,278**	671,655	162,067
Debt service					
Interest and other charges	-	-	-	-	10,910
Total expenditures	1,933,911	1,826,933	**1,155,278**	671,655	172,977
Revenues over (under) expenditures	(1,933,911)	(1,826,933)	**(1,155,118)**	671,815	(172,738)
Other Financing Sources (Uses)					
Issuance of debt		-	-	-	2,000,000
Total other financing sources (uses)	-	-	-	-	2,000,000
Net change in fund balance	(1,933,911)	(1,826,933)	**(1,155,118)**	671,815	1,827,262
Fund balance, beginning of year	1,827,262	1,827,262	**1,827,262**	-	-
Fund balance, end of year	$ (106,649)	$ 329	**$ 672,144**	$ 671,815	$ 1,827,262

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance —Budget and Actual

Public Parks Development

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Licenses and permits	$ 273,846	$ 273,846	**$ 267,591**	$ (6,255)	$ 356,435
Investment income	32,000	32,000	**64,582**	32,582	5,494
Intergovernmental - State	316,330	4,884	**4,884**	-	1,326,347
Total revenues	622,176	310,730	**337,057**	26,327	1,688,276
Expenditures					
Current					
Public works	-	-	**120**	(120)	-
Capital outlay	1,865,189	1,696,732	459,810	1,236,922	1,447,303
Total expenditures	1,865,189	1,696,732	**459,930**	1,236,802	1,447,303
Revenues over (under) expenditures	(1,243,013)	(1,386,002)	**(122,873)**	1,263,129	240,973
Other Financing Sources (Uses)					
Transfers in	-	16,961	**16,961**	-	-
Transfers out	-	(48,785)	**(48,784)**	1	-
Total other financing sources (uses)	-	(31,824)	**(31,823)**	1	-
Net change in fund balance	(1,243,013)	(1,417,826)	**(154,696)**	1,263,130	240,973
Fund balance, beginning of year	1,606,060	1,606,060	**1,606,060**	-	1,365,087
Fund balance, end of year	$ 363,047	$ 188,234	**$ 1,451,364**	$ 1,263,130	$ 1,606,060

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance —Budget and Actual

Street Improvement

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income (loss)	$ -	$ 8,500	**$ 72,562**	$ 64,062	$ 14,595
Other	-	-	**170,723**	170,723	89,528
Intergovernmental -State	3,077,489	3,217,500	**1,348,002**	(1,869,498)	217,555
Total revenues	3,077,489	3,226,000	**1,591,287**	(1,634,713)	321,678
Expenditures					
Current					
Public works	6,500	6,500	**23,088**	(16,588)	6,274
Capital outlay	4,299,218	4,113,871	**1,710,874**	2,402,997	1,165,887
Total expenditures	4,305,718	4,120,371	**1,733,962**	2,386,409	1,172,161
Revenues over (under) expenditures	(1,228,229)	(894,371)	**(142,675)**	751,696	(850,483)
Other Financing Sources (Uses)					
Sale of capital assets	-	-	-	-	470,950
Transfers in	-	-	-	-	800,000
Transfers out	-	(830,000)	**(835,856)**	(5,856)	-
Total other financing sources (uses)	-	(830,000)	**(835,856)**	(5,856)	1,270,950
Net change in fund balance	(1,228,229)	(1,724,371)	**(978,531)**	745,840	420,467
Fund balance, beginning of year	2,014,523	2,014,523	**2,014,523**	-	1,594,056
Fund balance, end of year	$ 786,294	$ 290,152	**$ 1,035,992**	$ 745,840	$ 2,014,523

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance —Budget and Actual

Airport Improvement

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income	$ 20,000	$ 20,000	**$ 46,795**	$ 26,795	$ 15,415
Intergovernmental - Federal	613,723	6,516,191	**1,202,107**	(5,314,084)	1,090,587
Intergovernmental - State	944,311	1,273,053	**30,802**	(1,242,251)	13,692
Total revenues	1,578,034	7,809,244	**1,279,704**	(6,529,540)	1,119,694
Expenditures					
Capital outlay	1,558,034	7,789,244	**1,293,603**	6,495,641	1,109,157
Total expenditures	1,558,034	7,789,244	**1,293,603**	6,495,641	1,109,157
Revenues over (under) expenditures	20,000	20,000	**(13,899)**	(33,899)	10,537
Other Financing Sources (Uses)					
Transfers out	-	(750,000)	**(734,601)**	15,399	-
Total other financing sources (uses)	-	(750,000)	**(734,601)**	15,399	-
Net change in fund balance	20,000	(730,000)	**(748,500)**	(18,500)	10,537
Fund balance, beginning of year	748,500	748,500	**748,500**	-	737,963
Fund balance, end of year	$ 768,500	$ 18,500	**$ -**	$ (18,500)	$ 748,500

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance —Budget and Actual

Sales Tax–Street Maintenance

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income	$ 15,000	$ 15,000	**$ 259,958**	$ 244,958	$ 9,265
Local taxes	-	-	-	-	-
Gross receipts	6,603,000	6,419,000	**6,558,267**	139,267	6,385,322
Total local taxes	6,618,000	6,434,000	**6,818,225**	384,225	6,394,587
Other	350,000	350,000	**(61,689)**	(411,689)	1,094,961
Total revenues	6,968,000	6,784,000	**6,756,536**	(27,464)	7,489,548
Expenditures					
Current					
Public works	248,000	248,000	**2,830,632**	(2,582,632)	182,826
Capital outlay	10,841,299	11,364,171	**1,588,584**	9,775,587	3,325,807
Debt service					
Interest and other charges	-	-	-	-	44,542
Total expenditures	11,089,299	11,612,171	**4,419,216**	7,192,955	3,553,175
Revenues over (under) expenditures	(4,121,299)	(4,828,171)	**2,337,320**	7,165,491	3,936,373
Other Financing Sources (Uses)					
Issuance of debt	4,335,750	4,335,750	**4,478,252**	142,502	3,132,811
Debt issuance cost	(40,950)	(40,950)	**(45,953)**	(5,003)	-
Sale of capital assets	-	2,749	-	(2,749)	-
Transfers in	-	26,772	**26,772**	-	-
Transfers out	(4,015,671)	(4,015,671)	**(4,015,671)**	-	(4,402,571)
Total other financing sources (uses)	279,129	308,650	**443,400**	134,750	(1,269,760)
Net change in fund balance	(3,842,170)	(4,519,521)	**2,780,720**	7,300,241	2,666,613
Fund balance, beginning of year	5,742,916	5,742,916	**5,742,916**	-	3,076,303
Fund balance, end of year	$ 1,900,746	$ 1,223,395	**$ 8,523,636**	$ 7,300,241	$ 5,742,916

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance —Budget and Actual

Flood Control

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Property taxes	$ 3,869,025	$ 3,945,768	**$ 3,979,615**	$ 33,847	$ 3,905,051
Investment income	30,000	30,000	**115,051**	85,051	8,756
Other	40,000	40,000	**46,222**	6,222	123,727
Total revenues	3,939,025	4,015,768	**4,140,888**	125,120	4,037,534
Expenditures					
Current					
Public works	38,690	38,690	**137,610**	(98,920)	38,957
Capital outlay	5,243,924	6,533,136	**3,149,283**	3,383,853	1,174,359
Debt service					
Interest and other charges	-	-	**-**	-	4,781
Total expenditures	5,282,614	6,571,826	**3,286,893**	3,284,933	1,218,097
Revenues over (under) expenditures	(1,343,589)	(2,556,058)	**853,995**	3,410,053	2,819,437
Other Financing Sources (Uses)					
Issuance of debt	1,485,000	1,485,000	**1,525,061**	40,061	30,000
Debt issuance cost	(44,000)	(44,000)	**(49,462)**	(5,462)	-
Transfers in	-	830,000	**835,856**	5,856	-
Transfers out	(3,026,535)	(3,085,935)	**(3,085,935)**	-	(3,837,548)
Total other financing sources (uses)	(1,585,535)	(814,935)	**(774,480)**	40,455	(3,807,548)
Net change in fund balance	(2,929,124)	(3,370,993)	**79,515**	3,450,508	(988,111)
Fund balance, beginning of year	3,472,636	3,472,636	**3,472,636**	-	4,460,747
Fund balance, end of year	$ 543,512	$ 101,643	**$ 3,552,151**	$ 3,450,508	$ 3,472,636

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance —Budget and Actual

Capital Improvement Reserve

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income	$ 75,000	$ 75,000	**$ 152,887**	$ 77,887	$ 21,036
Other	-	-	**2,525**	2,525	1,876
Total revenues	75,000	75,000	**155,412**	80,412	22,912
Expenditures					
Current					
Public works	-	11,016	**-**	11,016	33,956
Capital outlay	3,000,000	3,201,184	**859,093**	2,342,091	936,172
Total expenditures	3,000,000	3,212,200	**859,093**	2,353,107	970,128
Revenues over (under) expenditures	(2,925,000)	(3,137,200)	**(703,681)**	2,433,519	(947,216)
Other Financing Sources (Uses)					
Transfers in	1,824,709	1,334,123	**1,334,123**	-	1,652,205
Total other financing sources (uses)	1,824,709	1,334,123	**1,334,123**	-	1,652,205
Net change in fund balance	(1,100,291)	(1,803,077)	**630,442**	2,433,519	704,989
Fund balance, beginning of year	3,409,015	3,409,015	**3,409,013**	-	2,704,024
Fund balance, end of year	$ 2,308,724	$ 1,605,938	**$ 4,039,455**	$ 2,433,519	$ 3,409,013

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance —Budget and Actual

Legislative Capital Improvements

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Intergovernmental - Federal	$ 1,200,000	$ 1,190,805	**$ 403,598**	$ (787,207)	$ 9,195
Total revenues	1,200,000	1,190,805	**403,598**	(787,207)	9,195
Expenditures					
Current					
Public works	200,000	200,000	**200,000**	-	-
Capital outlay	1,000,000	990,805	**203,598**	787,207	9,195
Total expenditures	1,200,000	1,190,805	**403,598**	787,207	9,195
Net change in fund balance	-	-	-	-	-
Fund balance, beginning of year	-	-	-	-	-
Fund balance, end of year	$ -	$ -	**$ -**	$ -	$ -

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance —Budget and Actual

State Capital Improvements

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Intergovernmental - State	$ 535,443	$ 1,661,671	**$ 953,928**	$ (707,743)	$ 1,784,379
Total revenues	535,443	1,661,671	**953,928**	(707,743)	1,784,379
Expenditures					
Current					
Public works	-	-	**67,975**	(67,975)	11,324
Capital outlay	535,443	1,661,671	**885,953**	775,718	1,773,055
Total expenditures	535,443	1,661,671	**953,928**	707,743	1,784,379
Net change in fund balance	-	-	-	-	-
Fund balance, beginning of year	-	-	-	-	-
Fund balance, end of year	$ -	$ -	**$ -**	$ -	$ -

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance —Budget and Actual

EDA West Mesa Industrial Park

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income (loss)	$ 1,000	$ 1,000	**$ 23,890**	$ 22,890	$ 885
Other	20,000	20,000	**133,504**	113,504	16,324
Total revenues	21,000	21,000	**157,394**	136,394	17,209
Expenditures					
Current					
Public works	50,000	50,000	8,624	41,376	34,751
Total expenditures	50,000	50,000	**8,624**	41,376	34,751
Revenues over (under) expenditures	(29,000)	(29,000)	**148,770**	177,770	(17,542)
Other Financing Sources					
Sale of capital assets	300,000	300,000	**600,000**	300,000	104,814
Total other financing sources	300,000	300,000	**600,000**	300,000	104,814
Net change in fund balance	271,000	271,000	**748,770**	477,770	87,272
Fund balance, beginning of year	336,709	336,709	**336,709**	-	249,437
Fund balance, end of year	$ 607,709	$ 607,709	**$ 1,085,479**	$ 477,770	$ 336,709

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance —Budget and Actual

2003 Sales Tax Facilities and Parks

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income	$ 745	$ 745	**$ 75,368**	$ 74,623	$ (324)
Total revenues	745	745	**75,368**	74,623	(324)
Expenditures					
Current					
Public works	383,668	383,668	**11,246**	372,422	-
Capital outlay	4,893,253	4,895,163	**745,516**	4,149,647	-
Debt service					
Interest and other charges	-	-	-	-	5,438
Total expenditures	5,276,921	5,278,831	**756,762**	4,522,069	5,438
Revenues over (under) expenditures	(5,276,176)	(5,278,086)	**(681,394)**	4,596,692	(5,762)
Other Financing Sources (Uses)					
Issuance of debt	5,299,250	5,299,250	**5,473,420**	174,170	110,000
Debt issuance cost	(50,050)	(50,050)	**(70,063)**	(20,013)	-
Total other financing sources (uses)	5,249,200	5,249,200	**5,403,357**	154,157	110,000
Net change in fund balance	(26,976)	(28,886)	**4,721,963**	4,750,849	104,238
Fund balance, beginning of year	133,089	133,089	**133,089**	-	28,851
Fund balance, end of year	$ 106,113	$ 104,203	**$ 4,855,052**	$ 4,750,849	$ 133,089

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance —Budget and Actual

State Equipment Acquisition

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income	$ -	$ -	**$ 148**	$ 148	$ 147
Total revenues	-	-	**148**	148	147
Expenditures					
Capital outlay	903,526	940,000	-	940,000	889,684
Debt service					
Interest and other charges	-	-	-	-	35,349
Total expenditures	903,526	940,000	-	940,000	925,033
Revenues over (under) expenditures	(903,526)	(940,000)	**148**	940,148	(924,886)
Other Financing Sources (Uses)					
Issuance of debt	938,875	964,250	**964,250**	-	938,875
Debt issuance cost	(35,349)	(24,250)	**(24,250)**	-	-
Total other financing sources (uses)	903,526	940,000	**940,000**	-	938,875
Net change in fund balance	-	-	**940,148**	940,148	13,989
Fund balance, beginning of year	14,766	14,766	**14,766**	-	777
Fund balance, end of year	$ 14,766	$ 14,766	**$ 954,914**	$ 940,148	$ 14,766

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance —Budget and Actual

2003 Sales Tax Street Lights

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income	$ 500	$ 500	**$ 3,133**	$ 2,633	$ 155
Total revenues	500	500	**3,133**	2,633	155
Expenditures					
Capital outlay	25,547	25,547	-	25,547	-
Total expenditures	25,547	25,547	-	25,547	-
Revenues over (under) expenditures	(25,047)	(25,047)	**3,133**	28,180	155
Net change in fund balance	(25,047)	(25,047)	**3,133**	28,180	155
Fund balance, beginning of year	69,112	69,112	**69,112**	-	68,957
Fund balance, end of year	$ 44,065	$ 44,065	**$ 72,245**	$ 28,180	$ 69,112

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance —Budget and Actual

2005 Gross Receipts Tax Public Improvements

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income	$ 5,000	$ 5,000	**$ 24,173**	$ 19,173	$ 2,634
Total revenues	5,000	5,000	**24,173**	19,173	2,634
Expenditures					
Capital outlay	428,165	563,165	**90,106**	473,059	13,491
Total expenditures	428,165	563,165	**90,106**	473,059	13,491
Revenues over (under) expenditures	(423,165)	(558,165)	**(65,933)**	492,232	(10,857)
Net change in fund balance	(423,165)	(558,165)	**(65,933)**	492,232	(10,857)
Fund balance, beginning of year	582,490	582,490	**582,490**	-	593,347
Fund balance, end of year	$ 159,325	$ 24,325	**$ 516,557**	$ 492,232	$ 582,490

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance —Budget and Actual

Las Cruces Convention Center

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income (loss)	$ -	$ -	**$ 93,239**	$ 93,239	$ (19,864)
Total revenues	-	-	**93,239**	93,239	(19,864)
Expenditures					
Current					
Public works	30,760	30,760	**-**	30,760	-
Capital outlay	800,000	1,546,951	**4,837**	1,542,114	6,599,019
Total expenditures	830,760	1,577,711	**4,837**	1,572,874	6,599,019
Revenues over (under) expenditures	(830,760)	(1,577,711)	**88,402**	1,666,113	(6,618,883)
Net change in fund balance	(830,760)	(1,577,711)	**88,402**	1,666,113	(6,618,883)
Fund balance, beginning of year	2,243,870	2,243,870	**2,243,870**	-	8,862,753
Fund balance, end of year	$ 1,413,110	$ 666,159	**$ 2,332,272**	$ 1,666,113	$ 2,243,870

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance —Budget and Actual

NMFA Street Improvements

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income	$ -	$ -	**$ 8,769**	$ 8,769	$ (12,620)
Total revenues	-	-	**8,769**	8,769	(12,620)
Expenditures					
Current					
Public works	-	-	**118,104**	(118,104)	-
Capital outlay	162,831	267,922	**102,761**	165,161	533,076
Total expenditures	162,831	267,922	**220,865**	47,057	533,076
Revenues over (under) expenditures	(162,831)	(267,922)	**(212,096)**	55,826	(545,696)
Net change in fund balance	(162,831)	(267,922)	**(212,096)**	55,826	(545,696)
Fund balance, beginning of year	277,870	277,870	**277,870**	-	823,566
Fund balance, end of year	$ 115,039	$ 9,948	**$ 65,774**	$ 55,826	$ 277,870

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance —Budget and Actual

Stimulus Capital Projects

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income	$ -	$ -	**$ 1,891**	$ 1,891	$ -
Intergovernmental - Federal	876,916	876,916	**273,062**	(603,854)	8,578
Intergovernmental - State	117,688	394,417	**376,330**	(18,087)	1,517,424
Total revenues	994,604	1,271,333	**651,283**	(620,050)	1,526,002
Expenditures					
Current					
Community and cultural services	-	-	**1,215**	(1,215)	-
Public works	-	-	**46,951**	(46,951)	1,350
Capital outlay	994,604	1,271,333	**601,224**	670,109	1,524,652
Total expenditures	994,604	1,271,333	**649,390**	621,943	1,526,002
Revenues over (under) expenditures	-	-	**1,893**	1,893	-
Net change in fund balance	-	-	**1,893**	1,893	-
Fund balance, beginning of year	-	-	-	-	-
Fund balance, end of year	$ -	$ -	**$ 1,893**	$ 1,893	$ -

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance —Budget and Actual

NMFA Parking Deck

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income	$ -	$ -	**$ 5,593**	$ 5,593	$ 1,677
Total revenues	-	-	**5,593**	5,593	1,677
Expenditures					
Current					
Public works	-	-	**2,535**	(2,535)	-
Capital outlay	-	135,505	-	135,505	200,000
Total expenditures	-	135,505	**2,535**	132,970	200,000
Revenues over (under) expenditures	-	(135,505)	**3,058**	138,563	(198,323)
Net change in fund balance	-	(135,505)	**3,058**	138,563	(198,323)
Fund balance, beginning of year	135,525	135,525	**135,525**	-	333,848
Fund balance, end of year	$ 135,525	$ 20	**$ 138,583**	$ 138,563	$ 135,525

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance —Budget and Actual

TIDD Street Projects

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Investment income	$ -	$ -	**$ 3,465**	$ 3,465	$ 5,847
Total revenues	-	-	**3,465**	3,465	5,847
Expenditures					
Capital outlay	1,300,643	68,150	**67,814**	336	1,232,493
Total expenditures	1,300,643	68,150	**67,814**	336	1,232,493
Revenues over (under) expenditures	(1,300,643)	(68,150)	**(64,349)**	3,801	(1,226,646)
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	300,643
Total other financing sources (uses)	-	-	-	-	300,643
Net change in fund balance	(1,300,643)	(68,150)	**(64,349)**	3,801	(926,003)
Fund balance, beginning of year	74,110	74,110	**74,110**	-	1,000,113
Fund balance, end of year	$ (1,226,533)	$ 5,960	**$ 9,761**	$ 3,801	$ 74,110

City of Las Cruces

Schedule of Revenues, Expenditures, and Changes in Fund Balance —Budget and Actual

2008 NMFA Griggs/Walnut/Plume

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Revenues					
Other	$ 3,150,000	$ 3,150,000	**$ -**	$ (3,150,000)	$ -
Total revenues	3,150,000	3,150,000	-	(3,150,000)	-
Expenditures					
Capital outlay	6,300,000	6,300,000	**1,219,718**	5,080,282	23,438
Interest and other charges	-	-	**12,197**	(12,197)	2,113
Total expenditures	6,300,000	6,300,000	**1,231,915**	5,068,085	25,551
Revenues over (under) expenditures	(3,150,000)	(3,150,000)	**(1,231,915)**	1,918,085	(25,551)
Other Financing Sources (Uses)					
Issuance of debt	3,150,000	3,150,000	**1,231,915**	(1,918,085)	25,551
Total other financing sources (uses)	3,150,000	3,150,000	**1,231,915**	(1,918,085)	25,551
Net change in fund balance	-	-	-	-	-
Fund balance, beginning of year	-	-	-	-	-
Fund balance, end of year	$ -	$ -	**$ -**	$ -	**$ -**

Schedules of Revenues, Expenses, and Changes in Net Assets—Budget and Actual—Proprietary Funds

Enterprise Funds

- Gas
- Water
- Wastewater
- Solid Waste
- Transit
- Alternative Fuel Station
- Clean Community Commission

Internal Service Funds

- Internal Services
- Self-Insurance

City of Las Cruces

Schedule of Revenues, Expenses, and Changes in Fund Net Assets-Budget and Actual

Gas Fund

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Operating Revenues					
Sales/charges	$ 26,743,178	$ 26,743,178	**$ 24,190,928**	$ (2,552,250)	$ 24,418,177
Provision for uncollectible accounts	(181,838)	(181,838)	**(259,247)**	(77,409)	(1,143,105)
Net sales/charges	26,561,340	26,561,340	**23,931,681**	(2,629,659)	23,275,072
Utility extension/service fee	200,000	200,000	**200,165**	165	184,531
Other	20,000	20,000	**18,188**	(1,812)	1,038,280
Total operating revenues	26,781,340	26,781,340	**24,150,034**	(2,631,306)	24,497,883
Operating Expenses					
Personnel services	3,683,882	3,698,082	**3,319,324**	378,758	3,211,751
Cost of gas purchased	15,800,384	15,800,384	**13,151,390**	2,648,994	14,397,188
Supplies	268,000	273,000	**246,310**	26,690	242,145
Utilities	27,646	31,946	**27,440**	4,506	26,211
Professional services	858,239	858,239	**334,021**	524,218	355,863
Repairs and maintenance	1,124,355	1,444,355	**1,258,148**	186,207	1,021,223
Rent	8,500	8,500	**5,231**	3,269	5,953
Depreciation and amortization	1,843,800	2,258,900	**2,216,237**	42,663	2,070,085
Payment in lieu of taxes	655,432	655,432	**595,644**	59,788	602,042
Administrative charges from other funds	553,875	553,875	**553,875**	-	544,462
Customer service	4,032,250	2,878,698	**2,067,537**	811,161	2,728,977
Insurance	214,944	214,944	**214,944**	-	214,944
Other	90,900	85,900	**44,777**	41,123	37,648
Total operating expenses	29,162,207	28,762,255	**24,034,878**	4,727,377	25,458,492
Operating income (loss)	(2,380,867)	(1,980,915)	**115,156**	2,096,071	(960,609)
Non-operating Revenues (Expenses)					
Gain (loss) on sale of capital assets	-	-	**18,804**	18,804	1,128
Investment income	188,141	188,141	**441,235**	253,094	57,839
Interest expense	(32,000)	(32,000)	**(9,802)**	22,198	-
Total non-operating revenues (expenses)	156,141	156,141	**450,237**	294,096	58,967
Income (loss) before transfers	(2,224,726)	(1,824,774)	**565,393**	2,390,167	(901,642)
Capital contributions	120,000	120,000	**7,230**	(112,770)	4,569,540
Transfers in	300,000	300,000	**-**	(300,000)	-
Transfers out	(54,400)	(54,400)	**(54,400)**	-	(54,400)
Transfers, net	365,600	365,600	**(47,170)**	(412,770)	4,515,140
Change in fund net assets	(1,859,126)	(1,459,174)	**518,223**	1,977,397	3,613,498
Fund net assets, beginning of year	42,024,769	42,024,769	**42,024,769**	-	38,411,271
Fund net assets, end of year	$ 40,165,643	$ 40,565,595	**$ 42,542,992**	$ 1,977,397	$ 42,024,769

City of Las Cruces

Schedule of Revenues, Expenses, and Changes in Fund Net Assets-Budget and Actual

Water Fund

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Operating Revenues					
Sales/charges	$ 14,693,966	$ 14,693,966	**$ 15,348,805**	$ 654,839	$ 14,834,080
Provision for uncollectible accounts	(83,628)	(83,628)	**(187,737)**	(104,109)	(517,628)
Net sales/charges	14,610,338	14,610,338	**15,161,068**	550,730	14,316,452
Utility extension/service fee	50,000	50,000	**106,127**	56,127	110,273
Rentals	12,495	12,495	**12,795**	300	12,495
Other	92,325	92,325	**99,485**	7,160	62,252
Net operating revenues	14,765,158	14,765,158	**15,379,475**	614,317	14,501,472
Operating Expenses					
Personnel services	2,764,858	2,801,851	**2,640,708**	161,143	2,543,854
Supplies	580,300	741,014	**481,242**	259,772	459,778
Utilities	1,871,968	1,839,833	**1,877,793**	(37,960)	1,728,441
Professional services	2,121,398	2,531,579	**1,358,843**	1,172,736	1,708,078
Repairs and maintenance	1,192,053	1,353,138	**1,290,165**	62,973	1,119,936
Rent	33,500	44,020	**31,447**	12,573	31,684
Depreciation and amortization	2,186,600	2,262,750	**2,281,492**	(18,742)	2,205,837
Payment in lieu of taxes	525,099	525,099	**537,853**	(12,754)	505,827
Administrative charges from other funds	559,652	559,652	**559,652**	-	550,141
Customer service	2,325,315	2,478,349	**1,760,481**	717,868	1,572,954
Insurance	107,034	107,034	**107,034**	-	107,034
Other	172,600	174,800	**18,038**	156,762	11,434
Total operating expenses	14,440,377	15,419,119	**12,944,748**	2,474,371	12,544,998
Operating income	324,781	(653,961)	**2,434,727**	3,088,688	1,956,474
Non-operating Revenues (Expenses)					
Gain (loss) on sale of capital assets	-	-	-	-	895
Investment income	547,521	283,296	**840,731**	557,435	79,626
Grants - federal	621,184	621,184	**1,437**	(619,747)	96,550
Interest expense	(1,240,698)	(1,274,598)	**(1,249,228)**	25,370	(1,407,339)
Total non-operating revenues (expenses)	(71,993)	(370,118)	**(407,060)**	(36,942)	(1,230,268)
Income (loss) before contributions and transfers	252,788	(1,024,079)	**2,027,667**	3,051,746	726,206
Capital contributions	400,000	400,000	**22,199**	(377,801)	2,451,343
Transfers in	308,603	308,603	**277,129**	(31,474)	2,112,470
Transfers out	(725,000)	(725,000)	**(1,898,175)**	(1,173,175)	-
Transfers, net	(16,397)	(16,397)	**(1,598,847)**	(1,582,450)	4,563,813
Change in fund net assets	236,391	(1,040,476)	**428,820**	1,469,296	5,290,019
Fund net assets, beginning of year	76,380,345	76,380,345	**76,380,345**	-	71,090,326
Fund net assets, end of year	$ 76,616,736	$ 75,339,869	**$ 76,809,165**	$ 1,469,296	$ 76,380,345

City of Las Cruces

Schedule of Revenues, Expenses, and Changes in Fund Net Assets-Budget and Actual

Wastewater Fund

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Operating Revenues					
Sales/charges	$ 11,001,000	$ 11,001,000	**$ 11,657,965**	$ 656,965	$ 11,271,132
Provision for uncollectible accounts	(89,000)	(89,000)	**(162,164)**	(73,164)	(427,154)
Net sales/charges	10,912,000	10,912,000	**11,495,801**	583,801	10,843,978
Line extension/service fee	7,000	7,000	**22,657**	15,657	16,249
Other	75,000	75,000	**80,476**	5,476	36,704
Total operating revenues	10,994,000	10,994,000	**11,598,934**	604,934	10,896,931
Operating Expenses					
Personnel services	2,842,108	2,874,451	**2,282,757**	591,694	2,428,584
Supplies	890,700	1,010,690	**663,349**	347,341	597,176
Utilities	1,286,556	1,198,196	**704,733**	493,463	909,240
Professional services	1,189,409	1,278,206	**615,759**	662,447	588,234
Repairs and maintenance	724,473	773,273	**600,019**	173,254	593,087
Rent	10,000	10,000	**1,403**	8,597	10,913
Depreciation and amortization	3,092,500	3,193,000	**3,183,778**	9,222	3,132,427
Payment in lieu of taxes	485,377	485,377	**495,314**	(9,937)	464,192
Administrative charges from other funds	531,153	531,153	**531,153**	-	522,126
Customer service	1,108,863	2,362,792	**1,696,376**	666,416	738,984
Insurance	42,043	42,043	**42,043**	-	42,043
Other	16,900	21,900	**13,035**	8,865	15,929
Total operating expenses	12,220,082	13,781,081	**10,829,719**	2,951,362	10,042,935
Operating income	(1,226,082)	(2,787,081)	**769,215**	3,556,296	853,996
Non-operating Revenues (Expenses)					
Investment income (loss)	360,624	360,624	**716,137**	355,513	148,723
Interest expense	(1,012,623)	(1,047,073)	**(1,002,156)**	44,917	(1,128,316)
Total non-operating revenues (expenses)	(651,999)	(686,449)	**(286,019)**	400,430	(979,593)
Income (loss) before contributions and transfers	(1,878,081)	(3,473,530)	**483,196**	3,956,726	(125,597)
Capital contribution	400,000	400,000	**16,913**	(383,087)	2,034,232
Transfers in	2,082,892	2,032,422	**2,649,244**	616,822	856,889
Transfers out	-	-	**-**	-	(1,477,593)
Transfers, net	2,482,892	2,432,422	**2,666,157**	233,735	1,413,528
Change in fund net assets	604,811	(1,041,108)	**3,149,353**	4,190,461	1,287,931
Fund net assets, beginning of year	79,203,850	79,203,850	**79,203,850**	-	77,915,919
Fund net assets, end of year	$ 79,808,661	$ 78,162,742	**$ 82,353,203**	$ 4,190,461	$ 79,203,850

City of Las Cruces

Schedule of Revenues, Expenses, and Changes in Fund Net Assets-Budget and Actual

Solid Waste Fund

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Operating Revenues					
Sales/charges	$11,550,063	$11,550,063	**$11,174,843**	$ (375,220)	$10,558,672
Provision for uncollectible accounts	(76,306)	(76,306)	**(145,585)**	(69,279)	(512,306)
Net sales/charges	11,473,757	11,473,757	11,029,258	(444,499)	10,046,366
Rentals	-	-	**640**	640	750
Other	-	-	**19,748**	19,748	313,840
Net operating revenues	11,473,757	11,473,757	**11,049,646**	(424,111)	10,360,956
Operating Expenses					
Personnel services	2,357,643	2,414,243	**2,061,473**	352,770	1,931,611
Supplies	699,500	700,100	**331,454**	368,646	256,929
Utilities	19,228	30,828	**20,610**	10,218	9,593
Professional services	4,922,394	4,929,673	**3,995,154**	934,519	4,094,067
Repairs and maintenance	1,557,172	1,550,672	**1,253,491**	297,181	1,191,004
Rent	3,000	3,000	**-**	3,000	-
Depreciation and amortization	854,400	881,900	**717,725**	164,175	841,656
Payment in lieu of taxes	221,899	221,899	**195,940**	25,959	188,146
Administrative charges from other funds	231,601	231,601	**214,728**	16,873	203,543
Customer service	1,973,484	2,313,946	**1,542,541**	771,405	1,208,896
Post-closure costs	70,000	70,000	**627,513**	(557,513)	-
Insurance	133,311	133,311	**123,599**	9,712	119,186
Other	12,000	12,000	**-**	12,000	-
Total operating expenses	13,055,632	13,493,173	**11,084,228**	2,408,945	10,044,631
Operating income	(1,581,875)	(2,019,416)	**(34,582)**	1,984,834	316,325
Non-operating Revenues (Expenses)					
Gain (loss) on sale of capital assets	-	-	**18,910**	18,910	11,849
Investment income	130,182	130,182	**259,410**	129,228	(4,077)
Interest expense	(71,409)	(103,709)	**(61,313)**	42,396	(85,412)
Total non-operating revenues (expenses)	58,773	26,473	**217,007**	190,534	(77,640)
Income before transfers	(1,523,102)	(1,992,943)	**182,425**	2,175,368	238,685
Transfers in	890,000	-	-	-	-
Transfers, net	890,000	-	-	-	-
Change in fund net assets	(633,102)	(1,992,943)	**182,425**	2,175,368	238,685
Fund net assets, beginning of year	8,023,392	8,023,392	**8,023,392**	-	7,784,707
Fund net assets, end of year	$ 7,390,290	$ 6,030,449	**$ 8,205,817**	$ 2,175,368	$ 8,023,392

City of Las Cruces

Schedule of Revenues, Expenses, and Changes in Fund Net Assets-Budget and Actual

Transit Fund

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Operating Revenues					
Sales	$ 591,111	$ 591,111	**$ 658,437**	$ 67,326	$ 620,213
Other	-	-	**1,215**	1,215	19,572
Total operating revenues	591,111	591,111	**659,652**	68,541	639,785
Operating Expenses					
Personnel services	2,732,830	2,741,538	**2,579,804**	161,734	2,554,841
Supplies	97,270	99,205	**99,959**	(754)	66,704
Utilities	27,900	27,900	**20,889**	7,011	26,511
Professional services	108,099	80,156	**78,265**	1,891	113,715
Motor pool charges	551,213	551,213	**534,358**	16,855	527,430
Motor fuel	278,058	301,558	**309,240**	(7,682)	269,549
Repairs and maintenance	119,900	119,700	**111,719**	7,981	106,528
Depreciation and amortization	507,638	507,638	**560,973**	(53,335)	547,526
Insurance	39,941	39,941	**39,941**	-	39,941
Other	1,040	1,040	**864**	176	771
Total operating expenses	4,463,889	4,469,889	**4,336,012**	133,877	4,253,516
Operating income	(3,872,778)	(3,878,778)	**(3,676,360)**	202,418	(3,613,731)
Non-operating Revenues (Expenses)					
Grants	2,886,454	4,897,643	**1,764,795**	(3,132,848)	1,671,970
Total non-operating revenues (expenses)	2,886,454	4,897,643	**1,764,795**	(3,132,848)	1,671,970
Income (loss) before transfers	(986,324)	1,018,865	**(1,911,565)**	(2,930,430)	(1,941,761)
Transfers in	1,910,869	1,908,369	**1,908,369**	-	1,783,257
Transfers, net	1,910,869	1,908,369	**1,908,369**	-	1,783,257
Change in fund net assets	924,545	2,927,234	**(3,196)**	(2,930,430)	(158,504)
Fund net assets, beginning of year	4,857,303	4,857,303	**4,857,303**	-	5,015,807
Fund net assets, end of year	$ 5,781,848	$ 7,784,537	**$ 4,854,107**	$ (2,930,430)	$ 4,857,303

City of Las Cruces

Schedule of Revenues, Expenses, and Changes in Fund Net Assets-Budget and Actual

Alternative Fuel Station Fund

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Operating Expenses					
Depreciation and amortization	$ 29,100	$ 29,100	**$ 28,981**	$ 119	$ 28,981
Total operating expenses	29,100	29,100	**28,981**	119	28,981
Loss before transfers	29,100	29,100	**(28,981)**	119	(28,981)
Change in fund net assets	(29,100)	(29,100)	**(28,981)**	119	(28,981)
Fund net assets, beginning of year	145,164	145,164	**145,164**	-	174,145
Fund net assets, end of year	$ 116,064	$ 116,064	**$ 116,183**	$ 119	$ 145,164

City of Las Cruces

Schedule of Revenues, Expenses, and Changes in Fund Net Assets-Budget and Actual

Clean Community Commission Fund

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Operating Expenses					
Supplies	$ 1,000	$ 1,000	**$ -**	$ 1,000	$ -
Utilities	14,400	14,400	**1,280**	13,120	9,802
Special professional services	52,993	52,993	**2,500**	50,493	30,000
Depreciation and amortization	37,400	37,400	**1,414**	35,986	1,414
Total operating expenses	105,793	105,793	**5,194**	100,599	41,216
Operating income (loss)	(105,793)	(105,793)	**(5,194)**	100,599	(41,216)
Income (loss) before transfers	(105,793)	(105,793)	**(5,194)**	100,599	(41,216)
Transfers in	54,400	54,400	**54,400**	-	54,400
Change in fund net assets	(51,393)	(51,393)	**49,206**	100,599	13,184
Fund net assets, beginning of year	61,589	61,589	**61,589**	-	48,405
Fund net assets, end of year	$ 10,196	$ 10,196	**$ 110,795**	$ 100,599	$ 61,589

City of Las Cruces

Schedule of Revenues, Expenses, and Changes in Fund Net Assets-Budget and Actual

Internal Services Fund

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Operating Revenues					
Motor pool charges	$ 6,666,248	$ 6,314,930	**$ 5,834,084**	$ (480,846)	$ 6,744,924
Rental charges and other	108,215	113,315	**115,030**	1,715	128,346
Total operating revenues	6,774,463	6,428,245	**5,949,114**	(479,131)	6,873,270
Operating Expenses					
Personnel services	1,196,485	1,268,768	**1,462,617**	(193,849)	1,486,199
Cost of goods sold	2,600,000	2,660,000	**3,051,218**	(391,218)	2,484,821
Supplies	2,125,566	1,887,836	**1,880,922**	6,914	2,314,453
Utilities	63,764	65,864	**66,085**	(221)	64,005
Professional services	109,690	133,007	**115,933**	17,074	103,737
Motor pool charges	19,000	20,000	**32,292**	(12,292)	28,216
Repairs and maintenance	80,350	71,647	**113,113**	(41,466)	134,322
Rent	212,680	47,272	**46,552**	720	211,405
Insurance	59,174	59,174	**59,174**	-	60,986
Depreciation	119,200	125,976	**81,354**	44,622	87,193
Other	32,124	34,124	**24,843**	9,281	25,493
Total operating expenses	6,618,033	6,373,668	**6,934,103**	(560,435)	7,000,830
Operating income (loss)	156,430	54,577	**(984,989)**	(1,039,566)	(127,560)
Non-operating Revenue (Expense)					
Gain/(loss) on sale of capital assets	-	-	-	-	(890,921)
Investment income (loss)	5,500	8,700	**(12,848)**	(21,548)	21,573
Total non-operating revenue (expense)	5,500	8,700	**(12,848)**	(21,548)	(869,348)
Income before transfers	161,930	63,277	**(997,837)**	(1,061,114)	(996,908)
Transfers out	(3,978)	(3,978)	**(3,978)**	-	(236,139)
Transfers, net	(3,978)	(3,978)	**(3,978)**	-	(236,139)
Change in fund net assets	157,952	59,299	**(1,001,815)**	(1,061,114)	(1,233,047)
Fund net assets, beginning of year	854,009	854,009	**854,009**	-	2,087,056
Fund net assets, end of year	$ 1,011,961	$ 913,308	**$ (147,806)**	$ (1,061,114)	$ 854,009

City of Las Cruces

Schedule of Revenues, Expenses, and Changes in Fund Net Assets-Budget and Actual

Self-Insurance Fund

For the Year Ended June 30, 2012

	2012				2011
	Budgeted Amounts			Variance with Final Budget - Positive	
	Original	Final	**Actual**	(Negative)	Actual
Operating Revenues					
Rental charges and other	$ 924,090	$ 924,090	**$ 1,038,004**	$ 113,914	$ 1,003,094
Charges for insurance	2,469,014	2,680,611	**2,635,365**	(45,246)	2,508,930
Total operating revenues	3,393,104	3,604,701	**3,673,369**	68,668	3,512,024
Operating Expenses					
Personnel services	238,993	238,993	**205,338**	33,655	179,311
Supplies	4,900	4,900	**1,203**	3,697	2,577
Professional services	539,200	689,200	**312,964**	376,236	436,761
Depreciation	-	450	**426**	24	483
Other	7,000	7,000	**2,144**	4,856	2,665
Claims and judgments	3,281,160	3,816,160	**2,730,927**	1,085,233	3,391,869
Total operating expenses	4,071,253	4,756,703	**3,253,002**	1,503,701	4,013,666
Operating income (loss)	(678,149)	(1,152,002)	**420,367**	1,572,369	(501,642)
Non-operating Revenue (Expense)					
Investment income	123,000	123,000	**623,569**	500,569	50,416
Total non-operating revenue (expense)	123,000	123,000	**623,569**	500,569	50,416
Income before transfers	(555,149)	(1,029,002)	**1,043,936**	2,072,938	(451,226)
Transfers in	1,001,577	1,501,577	**1,001,577**	(500,000)	1,990,973
Transfers out	-	(516,961)	**(16,961)**	500,000	-
Transfers, net	1,001,577	984,616	984,616	-	1,990,973
Change in fund net assets	446,428	(44,386)	**2,028,552**	2,072,938	1,539,747
Fund net assets, beginning of year	6,251,383	6,251,383	**6,251,383**	-	4,711,636
Fund net assets, end of year	$ 6,697,811	$ 6,206,997	**$ 8,279,935**	$ 2,072,938	$ 6,251,383

City of Las Cruces

City of Las Cruces
Schedule of Insurance in Force
June 30, 2012

Insurer	Deductible	Amount of Coverage	Risks Covered
ACE/Huntington T. Block Ins.	1,000 per claim	$1,000,000 maximum any one loss	Fine Arts Policy, museum collections and temporary loans
Travelers-commercial package			
Commercial Property	5,000	various	Property, earnings & expense, equipment breakdown boiler & machinery.
Inland Marine	5,000/1,000	various	Contractor equipment, vehicles over $100,000, leased/ rented equipment, EDP (electronic data processing)
ACE Crime	50,000	$5,000,000 per occurrence	Employee dishonesty, forgery, theft, robbery, fraud, outside the premises
Indian Harbor Insurance Co. expires 06/20/2014	25,000	$5,000,000	Pollution liability Environmental impairment Underground storage tank Self-insured retention $250,000 for each pollution condition
ACE Property & Casualty	Nil (zero)	$10,000 to $10,000,000	Airport liability
Safety National	500,000	$375,001-$1,000,000 Statutory liability in excess-per occurrence	Excess workers' compensation liability
CCMSI - TPA Contractor	Per NM Fee schedule		Third-party Administrator for workers compensation claims. They are managing WC claims for City of Las Cruces.
City of Las Cruces	N/A	Actual expense up to maximum allowable under State Claims Act	Comprehensive automobile liability, general liability defense of civil rights litigation, foreign jurisdiction coverage
Westchester Fire Ins. Co.	50,000	$5,000,000 umbrella	Excess crime
Traveler's Insurance Co.	5,000	cost of replacement, minus deductible	Commercial automobile coverage, comprehensive, and collision Commercial vehicles, such as fire truck and semi trucks, etc.

The insurance in force covers all City of Las Cruces employees, boards, council members, and the Mayor.

Ordinance No. 479 Section 24 requires inclusion of this schedule in the financial statements.

City of Las Cruces
Schedule of Pledged Collateral
June 30, 2012

Institution/Security	CUSIP #	Maturity Date	Safe Keeping Location	Market Value
Wells Fargo Bank, NA			BNY Mellon	
FMAC FGPF 5.000% 10/01/2038	3128M6VZ8	10/01/2038		$ 66,597
FNMA FNMS 4.000% 12/01/2040	3138A1AG6	12/01/2040		87,240
FNMA FNMS 3.000% 12/01/2025	3138A1G62	12/01/2025		4,223
FNMA FNMS 3.500% 12/01/2025	3138A2CF4	12/01/2025		12,036
FNMA FNMS 4.000% 01/01/2041	31409DUS0	01/01/2041		39,277
FNMA FNMS 4.000% 01/01/2041	3138A2WW5	01/01/2041		46,457
FNMA FNMS 3.500% 01/01/2041	3138A36S1	01/01/2041		4,741
FNMA FNMS 4.000% 01/01/2041	3138A3S65	01/01/2041		9,461
FNMA FNMS 4.000% 01/01/2041	3138A4XY6	01/01/2041		916,732
FNMA FNMS 4.500% 03/01/2041	3138A74F2	03/01/2041		208,072
FNMA FNMS 4.000% 03/01/2041	3138A8RD0	03/01/2041		33,006
FNMA FNMS 4.500% 02/01/2041	3138A8XX9	02/01/2041		139,848
FNMA FNMS 4.500% 04/01/2041	3138ABZX0	04/01/2041		4,321
FNMA FNMS 3.000% 11/01/2026	31418ABC1	11/01/2026		13,752,247
FNMA FNMS 3.500% 03/01/2042	31418AD96	03/01/2042		462,330
				$ 15,786,588

Summary of Collateralization	
Wells Fargo Bank	
Ending bank balance	$ 27,836,926
Less: FDIC insurance	(12,633,362)
Total uninsured public funds	$ 15,203,564
Pledged collateral held by the pledging bank's trust department in the City's name	$ 15,786,588
100% collateral requirement	15,453,564
Pledged collateral in excess of requirement	$ 333,024
Uninsured and uncollaterized	$ -

City of Las Cruces
Schedule of Special Appropriations
June 30, 2012

Appropriation Number	Appropriation Description	Original Appropriation	Amended Appropriation	Appropriation Period	Expended thru 6/30/2012	Outstanding Encumberences 6/30/2012	Unencumbered Balance
08-3222	P/D/C Transitional Housing Vets Community of	$ 227,700	$ 227,000	02/10 - 06/12	$ 102,711	$ -	$ 124,289
08-3223	P/D/C/E/F Recreation & Aquatic Center	594,000	588,060	02/10 - 06/12	588,060	-	-
08-3224	P/C/E/F La Casa Transitional Housing Facilities	215,000	215,000	02/10 - 06/12	207,507	7,493	-
08-4276	P/D/C/R Amador Museum	114,000	96,162	02/10 - 06/12	96,160	-	2
08-4278	P/D/C Branigan Library Children's Wing	125,000	98,858	02/10 - 06/12	98,858	-	-
12-1590	P/D/C Burn Lake/Esslinger Park	30,000	30,000	05/12 - 06/14	-	-	30,000
08-4283	P/D/C Kitchen for Meal Preparation	20,000	20,000	02/10 - 06/12	20,000	-	-
08-4291	P/D/C/Purchase/Install Skeet & Trap Range	65,000	65,000	02/10 - 06/12	65,000	-	-
09-3877	P/D/C/E/F Recreation & Aquatic Center (06-	3,740,000	344,490	02/10 - 06/13	284,365	674	59,451
08-4808	East Mesa Senior Center - 2500	18,000	18,000	09/09 - 06/12	18,000	-	-
08-4809	East Side Senior Center - 2500	5,000	5,000	09/09 - 06/12	5,000	-	-
08-4810	East Side Senior Center - 4012	18,000	18,000	02/10 - 06/12	18,000	-	-
09-3023	Benavidez Senior Center	76,600	76,600	02/10 - 06/13	76,600	-	-
09-3025	Senior Programs Vehicles - Handicap Access - 2500	100,000	100,000	02/10 - 06/13	97,885	-	2,115
08-4618	Union Multi-Use Path	70,000	70,000	09/08 - 06/12	65,259	-	4,741
10-1150	Munson Senior Center Code Compliance	178,500	178,500	08/11 - 06/14	-	-	178,500
10-1151	Mesilla Park Senior Center	75,000	75,000	08/11 - 06/14	-	44,481	30,519
STP-9991-2(1)	Main Street (North)	1,176,000	1,665,060	07/09 - 09/13	495,458	982,624	186,978
MAP-7613 (904)	Main Street (South)	228,019	228,019	10/12 - 06/12	228,019	-	-
SP-1-11 (960)	Union Avenue/Stern Drive Intersection	40,500	40,500	08/10 - 12/11	40,500	-	-
08-4619	Valley Drive Master Plan	20,000	20,000	09/08 - 06/12	20,000	-	-
09-690-9704-0	La Casa Inc Domestic Violence Capital Project	635,384	635,384	07/10 - 06/12	635,384	-	-
11-1242	Munson Senior Center	250,000	250,000	02/12 - 06/16	-	-	250,000
L10AC20454	Prehistoric Trackways National Monument & Curation Development	200,000	218,000	10/10 - 09/15	216,629	759	612
2012-006	Eastside Senior Center	5,000	5,000	05/12 - 06/12	5,000	-	-
11-521-0551-0198	Alameda Arroyo Trail	266,330	266,330	03/11 - 12/13	-	-	266,330
SP-1-12-(912)	El Paseo Road Median Improvements	38,875	38,875	09/11 - 12/12	38,875	-	-
D13434	Outfall Channel Trail	758,418	758,418	05/11 - 09/15	570,318	188,100	-
MAP-7613-(908)	Amador Ave.-17th to Motel Blvd.	210,018	210,018	10/11 - 06/13	-	199,065	10,953
LRU-10-002	Automated Weather Observation System	5,622	5,622	08/10 - 06/12	5,293	-	329
LRU-12-03	Rehab Taxiway "A"	144,312	144,312	09/11 - 09/13	90,932	53,380	-
LRU-12-02-03	Electronic Airport Layout Plan	11,015	11,015	09/11 - 09/12	6,499	4,516	-
LRU-11-001	Upgrades to LRU Fuel Farm	173,415	173,415	01/11 - 10/13	-	-	173,415
2010-GO-67	Library 2010 General Obligation Bond	162,941	162,941	07/11 - 03/14	-	-	162,941

City of Las Cruces
Schedule of Deposit Accounts and Investments
June 30, 2012

Account	Type of Account	Pooled Cash & Investments	Other Cash & Investments	Total Reconciled Balance	On Deposit 6/30/2012
DEPOSIT ACCOUNTS					
Wells Fargo Bank					
Community Development	Checking	$ -	$ 24,029	$ 24,029	$ 62,204
Community Development Home Rehab	Checking	-	22,774	22,774	22,774
Community Development Home Program	Checking	-	854	854	854
Community Development MONAS Loan	Checking	-	8	8	8
Community Development NSP Program	Checking	-	63,933	63,933	63,933
Metro Narcotics Agency	Savings	-	95,495	95,495	95,495
2006 Water Projects	Savings	-	1,398,837	1,398,837	1,398,837
Fiscal Account SCSWA	Savings	-	1,201,326	1,201,326	1,201,326
Revenue Bonds Proceeds	Savings	-	12,574,906	12,574,906	12,574,907
Treasury Fund - Operating	Checking	12,129,135	-	12,129,135	12,182,885
Payroll Direct Deposit Account	Checking	(32,862)	-	(32,862)	-
Accounts Payable	Checking	(1,619,282)	-	(1,619,282)	-
On Demand	Checking	42,847	-	42,847	50,703
Depository	Checking	482,815	-	482,815	-
Credit Card	Checking	2,862	-	2,862	-
Electronic	Checking	(814,343)	-	(814,343)	-
TOTAL DEPOSIT ACCOUNTS		10,191,172	15,382,162	25,573,334	$ 27,653,925
INVESTMENTS					
Wells Fargo Bank					
Stagecoach Sweep Repo	Sweep	9,664,181	-	9,664,181	
Wells Fargo Brokerage Services, LLC					
FNMA Step 2/8/2027-13	Investment	3,001,440	-	3,001,440	
SDWF MM	Investment	-	994,490	994,490	
First Tennessee					
FFCB 1.57 11/7/2016-12	Investment	9,745	1,597,439	1,607,184	
FHLMC Step 7/27/2023-12	Investment	3,005,220	-	3,005,220	
FHLMC 1.4 1/25/2017-13	Investment	1,005	2,496,345	2,497,350	
FHLMC Step 1/25/2027-13	Investment	7,026,600	-	7,026,600	
FHLMC Step 2/13/2032-13	Investment	-	10,079,000	10,079,000	
FHLMC Step 2/22/2027-13	Investment	4,017,840	-	4,017,840	
FNMA 1.25 3/14/2017-13	Investment	2,003	1,770,900	1,772,903	
FNMA Step 2/8/2027-13	Investment	7,003,360	1,500,720	8,504,080	
FNMA Step 2/8/2027-13	Investment	5,004,500	-	5,004,500	
FNMA 4 12/26/2031-12	Investment	-	4,022,560	4,022,560	
FNMA Step 3/12/2027-13	Investment	3,004,830	-	3,004,830	
FNMA Step 1/25/2027-13	Investment	7,048,020	-	7,048,020	
FNMA Step 4/16/2027-13	Investment	8,070,400	-	8,070,400	
FNMA Step 4/26/2027-13	Investment	5,028,200	-	5,028,200	
FNMA Step 5/24/2027-13	Investment	10,013,500	-	10,013,500	
FNMA Step 5/24/2027-13	Investment	9,011,700	-	9,011,700	
FNMA Step 6/21/2027-13	Investment	12,095,401	-	12,095,401	
FNMA Step 6/28/2032-13	Investment	-	997,300	997,300	
FNMA Step 6/28/2027-13	Investment	7,975,760	-	7,975,760	

(Continued)

City of Las Cruces
Schedule of Deposit Accounts and Investments — continued
June 30, 2012

Account	Type of Account	Pooled Cash & Investments	Other Cash & Investments	Total Reconciled Balance	On Deposit 6/30/2012
Morgan Keegan					
FHLB Step 3/5/2027-12	Investment	8,401,512	-	8,401,512	
FHLMC Step 11/21/2023-12	Investment	3,000,000	-	3,000,000	
FHLMC Step 2/22/2027-13	Investment	8,447,509	-	8,447,509	
FNMA Step 5/24/2027-13	Investment	8,004,800	-	8,004,800	
First Tennessee Safekeeping					
T-Bond 7.25 5/15/2016	Investment	-	777,517	777,517	
NM State Investment Council					
Large Cap Active Equity Pool	Investment	-	4,882,257	4,882,257	
Large Cap Index Equity Pool	Investment	-	2,543,563	2,543,563	
Non-U.S. Developed Equity Pool	Investment	-	1,688,013	1,688,013	
Mid/Small Cap Equity Pool	Investment	-	4,241,220	4,241,220	
TOTAL INVESTMENTS		128,837,526	37,591,324	166,428,850	
TOTAL DEPOSITS AND INVESTMENTS		139,028,698	52,973,486	192,002,184	
Other Cash:					
Petty Cash & Change Funds	Cash	-	12,096	12,096	
New Mexico Finance Authority					
2007 JB PP-1958	Debt Service	-	187,353	187,353	
2007 JB PP-1950	Debt Service	-	180,190	180,190	
2008 JB PP-2103	Debt Service	-	221,755	221,755	
2008 JB PP-2102	Debt Service	-	90,058	90,058	
2008 JB PP-2186	Debt Service	-	171,636	171,636	
2008 JB PP-2203	Debt Service	-	458,411	458,411	
ZD PP-2618	Debt Service	-	204,723	204,723	
ZD PP-2634	Debt Service	-	101,643	101,643	
ZD PP-2711	Debt Service	-	3,805	3,805	
Accrued Interest Receivable					
Accrued Interest - Pooled Investments	Accrued Int	611,014	-	611,014	
TOTAL CASH AND INVESTMENTS		$ 139,639,712	$ 54,605,156	$ 194,244,867	

City of Las Cruces
Statistical Section Table of Contents
June 30, 2012

This part of the City of Las Cruces' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

GASB 44 provides the requirements for the schedules contained in this section of the City's CAFR.

Content

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source; the sales tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

City of Las Cruces
Net Assets by Category (in 000's)
Last Ten Years
(Unaudited)

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental activities										
Invested in capital assets, net of related debt	$ 133,022	$ 139,710	$ 149,395	$ 131,645	$ 140,890	$ 146,327	$ 199,706	$ 258,566	$ 276,355	$ 251,703
Restricted	22,263	20,820	19,752	17,301	34,371	32,766	32,625	33,168	34,983	58,634
Unrestricted	31,278	50,714	63,166	103,080	103,926	126,919	82,891	57,690	64,435	76,973
Subtotal governmental activities net assets	186,563	211,244	232,313	252,026	279,187	306,012	315,222	349,424	375,773	387,310
Business-type activities										
Invested in capital assets, net of related debt	99,468	99,149	104,896	106,615	105,556	103,498	126,330	140,672	152,450	153,706
Restricted	4,814	-	13,879	20,976	34,894	49,377	30,498	22,870	21,757	18,590
Unrestricted	31,764	42,854	35,901	40,051	43,678	41,540	43,807	39,193	38,596	42,696
Subtotal business-type activities net assets	136,046	142,003	154,676	167,642	184,128	194,415	200,635	202,735	212,803	214,992
Primary government										
Invested in capital assets, net of related debt	232,490	238,859	254,291	238,260	246,446	249,825	326,036	399,238	428,805	405,409
Restricted	27,077	20,820	33,631	38,277	69,265	82,143	63,123	56,038	56,740	77,224
Unrestricted	63,042	93,568	99,067	143,131	147,604	168,459	126,698	96,883	103,031	119,669
Total primary government net assets	$ 322,609	$ 353,247	$ 386,989	$ 419,668	$ 463,315	$ 500,427	$ 515,857	$ 552,159	$ 588,576	$ 602,302

City of Las Cruces
Changes in Net Assets (in 000's)
Last Ten Years
(Unaudited)

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Expenses										
Governmental activities										
General government	$ 12,948	$ 14,953	$ 17,433	$ 16,800	$ 25,894	$ 16,560	$ 16,914	$ 16,101	$ 16,667	$ 18,105
Facilities	6,953	7,107	7,948	9,018	9,648	9,857	10,372	13,629	13,237	-
Police	16,745	17,666	19,474	21,822	21,426	23,814	28,112	26,886	26,628	26,719
Fire	7,810	7,653	8,464	9,288	10,346	11,290	11,261	11,155	11,339	11,984
Community development	3,903	4,728	4,653	5,123	4,641	5,047	4,605	7,586	5,835	4,743
Community and cultural services	-	-	-	-	-	-	-	-	-	9,033
Public services	8,862	9,201	9,741	10,889	11,774	12,525	12,797	10,506	9,833	-
Public works	13,017	13,888	14,334	15,604	16,756	19,728	20,552	19,728	20,285	26,085
Information technology	-	-	-	-	-	-	-	-	3,245	2,948
Transportation	-	-	-	-	-	-	-	-	-	4,045
Parks and recreation	-	-	-	-	-	-	-	-	-	9,214
Interest on long-term debt	2,015	2,166	1,919	2,726	3,148	4,003	4,307	4,564	3,862	3,844
Subtotal governmental activities expenses	72,253	77,362	83,966	91,270	103,633	102,824	108,920	110,155	110,931	116,720
Business-type activities										
Gas	17,986	22,414	22,934	30,367	29,976	30,478	25,095	25,834	25,500	24,045
Water	6,398	9,549	8,621	10,655	12,219	11,679	14,787	14,474	13,997	14,194
Wastewater	6,260	7,506	7,697	8,362	8,514	8,767	10,878	11,217	11,212	11,832
Solid waste	9,124	8,403	8,163	9,335	9,172	10,905	10,534	10,431	10,151	11,145
Transit	-	-	-	-	-	-	4,167	4,310	4,363	4,370
Other	2,435	2,492	3,059	3,419	3,801	4,185	107	-	-	-
Interest on long-term debt	1,920	1,665	1,709	1,965	2,626	3,422	-	-	-	-
Subtotal business-type activities expenses	44,123	52,029	52,183	64,103	66,308	69,436	65,568	66,266	65,223	65,586
Total primary government expenses	116,376	129,391	136,149	155,373	169,941	172,260	174,488	176,421	176,154	182,306
Program Revenues										
Governmental activities										
Charges for services										
General government	95	99	108	5,291	5,038	4,676	2,042	3,736	4,793	1,793
Facilities	172	173	44	114	396	-	340	340	987	-
Police	104	63	169	2,234	2,833	2,041	4,638	3,544	3,405	4,282
Fire	-	-	-	-	61	161	-	1	146	1,889
Community development	5	8	-	3,662	1,607	3,644	2,618	2,615	2,889	790
Community and cultural services	-	-	-	-	-	-	-	-	-	1,363
Public services	531	351	313	1,404	4,879	3,942	1,920	610	409	-
Public works	134	235	287	698	2,910	2,249	1,987	1,491	2,711	2,444
Information technology	-	-	-	-	-	-	-	-	-	487
Transportation	-	-	-	-	-	-	-	-	-	534
Parks and recreation	-	-	-	-	-	-	-	-	-	1,435
Operating grants and contributions										
General government	1,010	733	926	1,420	490	540	30	1,701	102	973
Facilities	-	-	-	-	-	-	-	-	-	-
Police	1,517	1,061	996	1,019	688	1,669	955	839	1,269	1,668
Fire	251	328	357	349	442	440	381	392	308	736
Community development	2,311	2,977	1,797	2,727	1,896	2,410	1,369	4,768	320	308
Community and cultural services	-	-	-	-	-	-	-	-	-	531
Public services	942	1,425	1,497	1,082	1,148	1,262	1,197	1,290	789	-
Public works	27	21	73	-	554	11	-	2,909	7,290	952
Information technology	-	-	-	-	-	-	-	-	-	190
Transportation	-	-	-	-	-	-	-	-	-	208
Parks and recreation	-	-	-	-	-	-	-	-	-	559
Capital grants and contributions										
General government	-	-	-	1,236	3,344	2,531	3,350	15,129	4,226	-
Facilities	-	-	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-	-	-
Community development	-	-	1,718	-	134	-	-	-	2,905	3,943
Public services	-	-	-	-	-	-	-	-	-	-
Public works	4,074	1,650	3,868	4,673	11,832	11,508	11,515	10,857	2,524	649
Subtotal governmental activities revenues	11,173	9,124	12,153	25,909	38,252	37,084	32,342	50,222	35,073	25,734

(Continued)

City of Las Cruces
Changes in Net Assets (in 000's) — continued
Last Ten Years
(Unaudited)

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Program Revenues - continued										
Business-type activities										
Charges for services										
Gas	17,342	22,580	24,019	30,498	31,614	31,991	23,880	24,693	24,498	24,150
Water	11,302	13,721	13,289	16,235	15,140	13,941	13,182	13,231	14,501	15,379
Wastewater	7,518	8,661	9,862	11,829	12,070	10,910	10,793	10,822	10,897	11,599
Solid waste	6,066	7,649	8,532	9,854	10,155	10,194	10,267	10,204	10,361	11,050
Transit	-	-	-	-	-	-	-	564	640	660
Other	221	286	225	233	263	325	420	-	-	-
Operating grants and contributions										
Gas	114	175	200	-	-	-	-	-	-	-
Water	547	608	891	-	-	-	-	8	-	1
Wastewater	557	408	938	-	-	-	-	-	-	-
Solid waste	-	-	-	-	-	-	-	-	-	-
Transit	-	-	-	-	-	-	1,520	1,368	1,614	1,765
Other	735	1,297	2,984	1,048	-	1,188	-	-	-	-
Capital grants and contributions										
Gas	-	-	-	46	342	335	333	50	4,570	-
Water	-	-	-	1,569	1,398	1,263	1,968	1,069	2,548	-
Wastewater	-	-	-	307	2,141	1,926	2,383	531	2,034	-
Solid waste	-	-	-	-	-	-	-	-	-	-
Transit	-	-	-	-	-	-	1,267	626	58	-
Other	-	-	-	427	1,141	118	-	-	-	-
Subtotal business-type activities revenues	44,402	55,385	60,940	72,046	74,264	72,191	66,013	63,166	71,721	64,604
Total primary government revenues	55,575	64,509	73,093	97,955	112,516	109,275	98,355	113,388	106,794	90,338
Net (Expenses) Revenues										
Governmental activities	(61,080)	(68,238)	(71,813)	(65,361)	(65,381)	(65,740)	(76,578)	(59,933)	(75,858)	(90,986)
Business-type activities	279	3,356	8,757	7,943	7,956	2,755	445	(3,100)	6,498	(982)
Total primary government net (expenses) revenues	(60,801)	(64,882)	(63,056)	(57,418)	(57,425)	(62,985)	(76,133)	(63,033)	(69,360)	(91,968)
General Revenues and Other Changes in Net Assets										
Governmental activities										
Taxes										
Gross receipts	48,087	54,312	58,946	66,618	72,887	77,080	73,506	75,230	76,793	82,113
Property	6,786	7,234	7,535	8,483	9,355	10,891	12,168	13,216	13,904	13,281
Franchise/lodgers	2,459	2,114	2,339	2,609	2,999	2,985	2,699	2,739	2,952	2,743
Investment income	1,448	794	1,857	3,881	5,902	3,842	(1,720)	3,569	3,462	4,172
Hospital net assets received	-	18,025	3,760	3,308	-	-	-	-	-	-
Telshor Facility income	-	-	-	-	2,973	267	278	139	5,473	-
Other	-	-	-	-	-	-	-	2,683	2,878	-
Donated capital assets	-	-	8,253	-	-	-	-	-	-	-
Licenses and permits	-	-	3,194	-	-	-	-	-	-	-
Fees, fines, franchise fees	-	-	4,363	-	-	-	-	-	-	-
Other	13,784	12,946	5,403	3,335	2,456	2,835	3,091	-	-	-
Gain (loss) on disposal of fixed assets/sale of investments	5	-	66	-	-	-	-	-	-	-
Contribution of capital assets	-	-	-	-	-	-	-	-	443	1,044
Transfers	(2,389)	(2,507)	(2,834)	(3,158)	(4,434)	(4,083)	(4,232)	(3,442)	(3,697)	(830)
Total governmental activities	70,180	92,918	92,882	85,076	92,138	93,817	85,790	94,134	102,208	102,523
Business-type activities										
Investment income	1,295	35	1,095	1,857	3,855	3,408	1,517	1,302	306	2,258
Other	371	-	-	8	239	40	25	457	10	38
Gain (loss) on disposal of fixed assets/sale of investments	109	58	(13)	-	-	-	-	-	-	-
Contribution of capital assets	-	-	-	-	-	-	-	-	(443)	46
Transfers	2,389	2,507	2,834	3,158	4,434	4,083	4,232	3,442	3,697	830
Total business-type activities	4,164	2,600	3,916	5,023	8,528	7,531	5,774	5,201	3,570	3,172
Total primary government general revenues	74,344	95,518	96,798	90,099	100,666	101,348	91,564	99,335	105,778	105,695
Change in Net Assets										
Governmental activities	9,100	24,680	21,069	19,715	26,757	28,077	9,212	34,201	26,350	11,537
Business-type activities	4,443	5,956	12,673	12,966	16,484	10,286	6,219	2,101	10,068	2,190
Total primary government change in net assets	$ 13,543	$ 30,636	$ 33,742	$ 32,681	$ 43,241	$ 38,363	$ 15,431	$ 36,302	$ 36,418	$ 13,727

Note:
* The requirement for statistical data is ten years, which begins with the GASB 34 implementation in 2002. Data from 2003 to 2012 is shown.

City of Las Cruces
Fund Balances – Governmental Funds
(Unaudited)

	2012	2011
General Fund		
Non-spendable	$ 1,531,425	$ 1,330,306
Restricted	43,994	853,513
Committed	5,142,436	5,809,607
Assigned	4,817,723	4,185,702
Unassigned	25,898,101	21,718,500
General fund subtotal	37,433,679	33,897,628
All Other Governmental Funds		
Restricted	58,590,185	34,129,396
Committed	21,284,190	33,900,122
Unassigned	(5,166)	-
All other governmental funds subtotal	79,869,209	68,029,518
	$ 117,302,888	$ 101,927,146

Notes:

*The requirement for statistical data is ten years. GASB 54 was implemented in 2011, therefore, only data from 2011 and 2012 is shown.

Prior years' data is available upon request.

City of Las Cruces
Changes in Fund Balances – Governmental Funds
Last Ten Years
(Unaudited)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues										
Taxes	$ 57,331,966	$ 63,660,076	$ 68,819,813	$ 77,710,596	$ 85,240,647	$ 90,955,351	$ 88,372,353	$ 91,184,536	$ 93,649,128	$ 95,393,242
Charges for services	1,042,261	930,507	919,973	1,224,934	1,401,332	1,359,566	2,038,227	1,639,472	1,693,974	2,748,831
Fees and fines	1,773,983	1,814,857	2,198,654	2,498,111	2,849,604	1,935,093	2,975,920	3,313,826	2,885,626	3,094,954
Franchise fees	2,045,459	2,176,607	2,164,259	2,389,962	2,456,015	2,677,024	2,772,546	2,683,038	2,877,685	2,742,676
Investment income	1,241,166	739,313	1,571,350	3,438,111	5,593,370	3,580,256	(1,909,490)	3,371,641	3,414,644	3,561,375
Licenses and permits	1,633,918	2,007,529	3,194,133	4,307,748	3,792,776	1,963,361	1,340,840	1,240,495	1,714,527	1,278,941
Operating grants and contributions	-	-	11,232,583	12,481,851	9,233,847	-	-	-	-	-
Grants and contracts	-	-	-	-	10,072,290	-	-	-	-	-
Intergovernmental	10,131,917	8,105,548	-	-	-	12,566,035	13,083,996	35,021,604	12,020,390	10,717,386
Other	4,580,702	5,111,599	5,998,934	7,011,904	-	12,030,681	7,805,665	6,780,990	9,661,224	8,601,347
Contributions from other government agencies	-	-	-	-	-	-	-	-	-	-
Total revenues	79,781,372	84,546,036	96,099,699	111,063,217	120,639,881	127,067,367	116,480,057	145,235,602	127,917,198	128,138,752
Expenditures										
Current										
General government	12,036,419	13,775,498	16,753,705	16,378,155	18,249,867	16,096,382	15,793,871	15,499,329	14,007,817	14,943,693
Facilities	6,519,077	6,842,730	7,227,918	8,089,108	8,919,653	9,029,214	9,567,127	12,899,522	12,419,506	-
Development services	-	-	-	-	-	-	-	-	-	-
Police	16,099,748	17,439,027	18,626,802	20,994,073	20,577,179	22,887,190	26,930,951	25,629,244	25,131,037	25,616,229
Fire	7,426,258	7,398,016	7,909,612	8,663,400	9,717,207	10,620,627	10,611,882	10,461,299	10,704,845	11,300,825
Public safety	-	-	-	-	-	-	-	-	-	-
Community development	3,901,257	4,766,996	4,545,151	5,028,537	4,586,224	5,005,801	4,574,265	7,541,002	5,797,178	4,724,846
Community and cultural services	-	-	-	-	-	-	-	-	-	8,153,572
Community facilities	-	-	-	-	-	-	-	-	-	-
Public services	8,357,357	8,835,194	9,108,361	10,164,743	10,696,197	11,437,702	11,524,761	9,085,863	8,331,342	-
Public works	6,576,259	7,276,334	7,213,101	8,003,143	8,950,461	10,909,474	11,083,997	10,260,104	10,401,815	14,620,521
Information technology	-	-	-	-	-	-	-	-	2,795,580	2,913,463
Transportation	-	-	-	-	-	-	-	-	-	3,192,467
Parks and recreation	-	-	-	-	-	-	-	-	-	8,582,487
Capital outlay	9,555,113	7,763,925	13,723,810	18,572,968	23,443,820	32,342,749	52,076,944	60,876,060	25,235,056	16,511,278

(Continued)

City of Las Cruces
Changes in Fund Balances – Governmental Funds — continued
Last Ten Years
(Unaudited)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Expenditures - continued										
Debt service										
Principal	6,350,612	3,894,959	11,920,744	6,421,767	5,628,623	7,260,878	8,298,537	7,554,567	48,897,966	13,058,688
Interest and other charges	1,917,452	2,046,928	1,811,112	2,724,004	3,021,761	4,003,447	4,307,153	4,194,303	4,244,129	4,040,062
Bond issuance costs	-	-	185,926	498,780	-	-	-	-	-	-
Total expenditures	78,739,552	80,039,607	99,026,242	105,538,678	113,790,992	129,593,464	154,769,488	164,001,293	167,966,271	127,658,131
Excess of revenues over (under) expenditures	1,041,820	4,506,429	(2,926,543)	5,524,539	6,848,889	(2,526,097)	(38,289,431)	(18,765,691)	(40,049,073)	480,621
Other Financing Sources (Uses)										
Issuance of debt	10,023,555	-	7,980,000	33,000,000	12,667,476	32,184,395	9,749,434	187,874	46,400,106	17,462,973
Bond premium (discount)	-	-	-	276,275	(74,891)	-	-	-	-	536,733
Hospital net assets received	-	30,124,793	-	-	-	-	-	-	-	-
Capital leases	-	112,000	-	-	-	-	-	-	-	-
Proceeds of notes payable	-	-	-	-	-	-	-	-	-	-
Gain on capital assets	-	-	40,213	-	-	157,755	587,667	28,308	575,764	812,621
Escrow refund	-	-	-	-	-	-	-	-	4,097,607	-
Transfers in	6,283,603	9,020,123	9,870,984	12,951,247	12,616,224	25,472,862	21,088,190	19,719,483	26,035,390	22,493,222
Transfers out	(8,884,383)	(13,590,200)	(13,836,610)	(17,038,483)	(17,995,605)	(29,827,582)	(25,797,583)	(24,029,943)	(31,065,247)	(26,410,428)
Total other financing sources (uses)	7,422,775	25,666,716	4,054,587	29,189,039	7,213,204	27,987,430	5,627,708	(4,094,278)	46,043,620	14,895,121
Net change in fund balances	$ 8,464,595	$ 30,173,145	$ 1,128,044	$ 34,713,578	$ 14,062,093	$ 25,461,333	$ (32,661,723)	$ (22,859,969)	$ 5,994,547	$ 15,375,742
Debt service as a percentage of non-capital expenditures	11.95%	8.22%	16.32%	11.09%	9.57%	11.58%	12.28%	11.39%	37.23%	15.38%

Notes:

* The substantial increase in governmental fund balances from FY03 to FY04 was primarily due to the 40-year lease of the Telshor Facility. The net hospital assets recognized by the City in FY04 was $30,124,793.

**The substantial increase from FY05 to FY06 was primarily due to the issuance of $33,000,000 in sales tax bonds for a new City Hall and other public improvements.

City of Las Cruces
Taxable and Assessed Value of Property
Last Ten Years
(Unaudited)

	Real Property		Personal Property		Exemptions	Total		Ratio of Total Taxable Value
Fiscal Year	Taxable Value	Assessed Value	Taxable Value	Assessed Value	Real/Personal Property	Taxable Value	Assessed Value	To Total Assessed Value
2003	$1,069,314,271	$3,207,942,813	$ 64,125,478	$ 192,376,434	$ 112,208,406	$1,021,231,343	$3,063,694,029	33%
2004	1,145,299,951	3,435,899,853	71,335,260	214,005,780	118,976,695	1,097,658,516	3,292,975,548	33%
2005	1,201,648,115	3,604,944,345	72,472,540	217,417,620	125,099,497	1,149,021,158	3,447,063,474	33%
2006	1,380,287,657	4,140,862,971	75,179,023	225,537,069	145,116,822	1,310,349,858	3,931,049,574	33%
2007	1,465,644,191	4,396,932,573	78,063,717	234,191,151	151,047,500	1,392,660,408	4,177,981,224	33%
2008	1,727,610,513	5,182,831,539	80,241,171	240,723,513	170,687,030	1,637,164,654	4,911,493,962	33%
2009	1,997,809,308	5,730,625,452	87,600,824	262,802,472	176,456,635	1,908,953,497	5,726,860,491	33%
2010	2,106,691,015	6,320,073,045	57,474,536	172,423,608	196,456,064	1,967,709,487	5,903,128,461	33%
2011	2,177,020,916	6,531,062,748	58,320,048	174,960,144	203,413,980	2,031,926,984	6,095,780,952	33%
2012	2,151,439,907	6,454,319,721	54,925,488	164,776,464	202,125,710	2,004,239,685	6,012,719,055	33%

Source: Doña Ana County Property Abstract

City of Las Cruces

Property Tax Rates Per $1,000 Assessed Valuation
Both Residential and Non-Residential—Overlapping Governments
Last Ten Years
(Unaudited)

Residential

Fiscal Year	City	State	County	School District	Other	Total Residential
2003	5.813	1.123	8.134	9.838	1.907	26.815
2004	5.841	1.520	7.896	9.835	1.895	26.987
2005	5.985	1.028	8.120	9.832	1.899	26.864
2006	5.781	1.234	7.852	9.722	1.904	26.493
2007	5.879	1.221	7.979	9.795	1.927	26.801
2008	5.960	1.250	8.029	9.809	1.936	26.984
2009	6.136	1.150	8.249	9.807	1.961	27.303
2010	6.155	1.530	8.388	9.818	1.977	27.868
2011	6.452	1.362	8.736	9.831	2.000	28.381
2012	6.614	1.360	8.989	9.840	2.000	28.803

Non-Residential

Fiscal Year	City	State	County	School District	Other	Total Non-Residential
2003	6.617	1.123	12.184	9.976	2.000	31.900
2004	6.551	1.520	11.700	9.970	1.971	31.712
2005	6.794	1.028	12.079	9.982	2.000	31.883
2006	6.831	1.234	12.082	9.954	2.000	32.101
2007	7.120	1.221	12.017	10.014	2.000	32.372
2008	7.120	1.250	11.992	10.014	2.000	32.376
2009	7.120	1.150	12.001	10.004	2.000	32.275
2010	7.120	1.530	12.002	10.014	2.000	32.666
2011	7.120	1.362	12.000	10.014	2.000	32.496
2012	7.120	1.360	11.995	10.014	2.000	32.489

Source: New Mexico Department of Finance & Administration, Local Government Division
Doña Ana County

City of Las Cruces
Principal Property Taxpayers
June 30, 2012
Last Ten Years
(Unaudited)

		FY2012			FY2011			FY 2010			FY 2009			FY 2008		
Taxpayer	Type of Business	Taxable Value	Percentage of Total Taxable Value	Rank	Taxable Value	Percentage of Total Taxable Value	Rank	Taxable Value	Percentage of Total Taxable Value	Rank	Taxable Value	Percentage of Total Taxable Value	Rank	Taxable Value	Percentage of Total Taxable Value	Rank
EL PASO ELECTRIC COMPANY	ELECTRICITY	83,900,940	4.19%	1	75,082,228	3.70%	1	74,944,703	3.81%	1	67,831,036	3.55%	1	64,345,540	3.93%	1
MEMORIAL MEDICAL CENTER	MEDICAL CENTER	66,824,652	3.33%	3	67,263,063	3.31%	2	74,406,896	3.78%	2	17,287,000	0.91%	6	17,169,067	1.05%	5
LAS CRUCES MEDICAL CENTER LLC	MEDICAL CENTER	68,328,088	3.41%	2	65,207,949	3.21%	3	56,276,100	2.86%	3	18,758,700	0.98%	4	19,334,467	1.18%	4
QWEST CORPORATION	COMMUNICATIONS	26,808,806	1.34%	5	39,753,714	1.96%	4	39,251,670	1.99%	4	19,977,512	1.05%	3	26,869,586	1.64%	3
MESILLA VALLEY MALL LLC	SHOPPING CENTERS	31,562,620	1.57%	4	31,160,200	1.53%	5	31,422,000	1.60%	5						
COMCAST CABLEVISION OF NM/PA INC	TELEVISION SERVICES	25,781,160	1.29%	6	27,078,136	1.33%	6	24,878,595	1.26%	6						
LAS CRUCES MADISON OWNERSHIP CO. LLC	REAL ESTATE	14,277,800	0.71%	10	14,277,800	0.70%	10	15,833,100	0.80%	7	9,171,319	0.48%	9	9,007,400	0.55%	10
CASA BANDERA TIC LLC	REAL ESTATE	14,303,200	0.71%	9	14,450,000	0.71%	9	15,454,200	0.79%	8						
LAS CRUCES - TMB LLC	REAL ESTATE	14,780,000	0.74%	8	15,300,000	0.75%	7	15,300,000	0.78%	9						
FS LAGUNA SECA I LLC	SHOPPING CENTERS							13,160,400	0.67%	10						
PUBLIC SERVICE CO OF NM	ELECTRICITY										34,621,991	1.81%	2	34,744,992	2.12%	2
UNION PACIFIC RAILROAD COMPANY	RAILROAD										17,964,050	0.94%	5	15,951,623	0.97%	6
EL PASO NATURAL GAS CO	GASOLINE										12,938,360	0.68%	8	12,558,435	0.77%	7
LAS UVAS VALLEY DAIRY	AGRICULTURE													11,841,705	0.72%	8
BURLINGTON NORTHERN & SANTA FE RAILROAD	RAILROAD										13,413,383	0.70%	7	11,487,369	0.70%	9
NEW MEXICO MALL PARTNERS LP	SHOPPING CENTERS										8,309,100	0.44%	10			
MY WAY OF HOLDINGS LLC	CASINO															
SONOMA SPRINGS PARTNERS LP	REAL ESTATE															
PARK PLACE PERIDOT LLC	BUSINESS COMPLEX				15,131,252	0.74%	8									
SOUTHWEST MALLS REAL ESTATE	SHOPPING CENTERS															
LAS CRUCES APARTMENT Co. LLC	PROPERTY DEVELOPMENT															
WAL-MART STORES, INC.	DISCOUNT STORES															
LAS CRUCES LAGUNA SECA LTD	SHOPPING CENTERS															
CMAT 1999-CI TOWN CENTER LLC	BUSINESS COMPLEX															
SAM'S EAST, INC.	DISCOUNT STORES															
ANTHEM PARK PLACE LP	BUSINESS COMPLEX															
SUNE SPS1 LLC	ELECTRICITY	18,908,564	0.94%	7												
			18.23%			17.94%			18.34%			11.54%			13.63%	

(Continued)

City of Las Cruces
Principal Property Taxpayers — continued
June 30, 2012
Last Ten Years
(Unaudited)

		FY 2007			FY 2006			FY 2005			FY 2004			FY 2003		
Taxpayer	Type of Business	Taxable Value	Percentage of Total Taxable Value	Rank	Taxable Value	Percentage of Total Taxable Value	Rank	Taxable Value	Percentage of Total Taxable Value	Rank	Taxable Value	Percentage of Total Taxable Value	Rank	Taxable Value	Percentage of Total Taxable Value	Rank
EL PASO ELECTRIC COMPANY	ELECTRICITY	59,515,890	4.27%	1	58,026,006	4.43%	1	15,985,973	1.39%	2	14,790,872	1.35%	2	13,351,410	1.31%	2
MEMORIAL MEDICAL CENTER	MEDICAL CENTER	16,482,767	1.18%	5	13,754,267	1.05%	5	13,754,267	1.20%	3						
LAS CRUCES MEDICAL CENTER LLC	MEDICAL CENTER	18,392,667	1.32%	4	18,392,667	1.40%	4	23,386,967	2.04%	1	17,285,900	1.57%	1	17,651,467	1.73%	1
QWEST CORPORATION	COMMUNICATIONS	24,800,703	1.78%	3	24,027,370	1.83%	3	12,711,340	1.11%	4	12,965,357	1.18%	3	12,571,205	1.23%	3
MESILLA VALLEY MALL LLC	SHOPPING CENTERS															
COMCAST CABLEVISION OF NM/PA INC	TELEVISION SERVICES							4,779,585	0.42%	7						
LAS CRUCES MADISON OWNERSHIP CO. LLC	REAL ESTATE	7,687,900	0.55%	10												
CASA BANDERA TIC LLC	REAL ESTATE							5,748,767	0.50%	6						
LAS CRUCES - TMB LLC	REAL ESTATE															
FS LAGUNA SECA I LLC	SHOPPING CENTERS							3,608,233	0.31%	10						
PUBLIC SERVICE CO OF NM	ELECTRICITY	43,703,556	3.14%	2	34,927,202	2.67%	2									
UNION PACIFIC RAILROAD COMPANY	RAILROAD	13,610,022	0.98%	6	13,267,394	1.01%	6									
EL PASO NATURAL GAS CO	GASOLINE	13,732,645	0.99%	7	11,923,259	0.91%	7									
LAS UVAS VALLEY DAIRY	AGRICULTURE															
BURLINGTON NORTHERN & SANTA FE RAILROAD	RAILROAD	10,883,002	0.78%	8	9,824,600	0.75%	8									
NEW MEXICO MALL PARTNERS LP	SHOPPING CENTERS	8,159,267	0.59%	9	8,249,767	0.63%	9	8,187,367	0.71%	5						
MY WAY OF HOLDINGS LLC	CASINO				6,329,967	0.48%	10									
SONOMA SPRINGS PARTNERS LP	REAL ESTATE							4,727,467	0.41%	8						
PARK PLACE PERIDOT LLC	BUSINESS COMPLEX							4,132,329	0.36%	9	3,102,667	0.28%	8			
SOUTHWEST MALLS REAL ESTATE	SHOPPING CENTERS										7,604,067	0.69%	4	7,411,833	0.73%	4
LAS CRUCES APARTMENT Co. LLC	PROPERTY DEVELOPMENT										3,524,333	0.32%	5	3,524,333	0.35%	5
WAL-MART STORES, INC.	DISCOUNT STORES										3,493,133	0.32%	6	3,096,833	0.30%	8
LAS CRUCES LAGUNA SECA LTD	SHOPPING CENTERS										3,115,167	0.28%	7	3,115,167	0.31%	6
CMAT 1999-CI TOWN CENTER LLC	BUSINESS COMPLEX										2,782,267	0.25%	9	2,836,200	0.28%	9
SAM'S EAST, INC.	DISCOUNT STORES										2,592,833	0.24%	10	2,592,833	0.25%	10
ANTHEM PARK PLACE LP	BUSINESS COMPLEX													3,102,667	0.30%	7
SUNE SPS1 LLC	ELECTRICITY															
			15.58%			15.16%			8.45%			6.48%			6.79%	

Source: Doña Ana County Property Abstract - County Assessors Office

City of Las Cruces
Property Tax Levies and Collections
Last Ten Years
(Unaudited)

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections To Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2003	$ 5,962,480	$ 5,879,515	98.6%	$ 82,965	$ 5,962,480	100.0%
2004	6,334,688	6,246,544	98.6%	88,144	6,334,688	100.0%
2005	7,014,082	6,916,485	98.6%	97,597	7,014,082	100.0%
2006	7,708,511	7,601,251	98.6%	107,260	7,708,511	100.0%
2007	9,079,604	8,953,266	98.6%	126,338	9,079,604	100.0%
2008	10,269,520	10,126,626	98.6%	142,894	10,269,520	100.0%
2009	11,824,232	11,249,267	95.1%	574,965	11,824,232	100.0%
2010	12,679,515	12,103,053	95.5%	576,462	12,679,515	100.0%
2011	13,128,205	12,566,172	95.7%	562,033	13,128,205	100.0%
2012	13,345,949	12,823,300	96.1%	522,649	13,345,949	100.0%

Source: Doña Ana County Treasurer's Office
Property Tax Schedule

City of Las Cruces
Ratio of Outstanding Debt by Type
Last Ten Years

	Governmental Activities				Business-type Activities						
Fiscal Year	Sales Tax Revenue Bonds	Unamortized Premium on Sales Tax Revenue Bonds	Notes Payable	Capital Lease	Utility Revenue Bonds	Unamortized Discount on Utility Revenue Bonds	Capital Leases	Notes Payable	Total Primary Government	Percentage of Personal Income *	Per Capita *
2003	$ 43,370,000	$ -	$ 724,897	$ 906,347	$ 30,610,000	$ (322,275)	$ 1,176,991	$ 1,041,291	$ 77,507,251	5.93%	1,028
2004	39,685,000	-	667,497	1,417,616	29,050,000	(293,624)	367,064	549,668	71,443,221	5.14%	925
2005	37,409,000	-	319,931	1,214,376	27,420,000	(264,972)	237,373	1,057,708	67,393,416	4.09%	842
2006	64,340,000	276,275	-	998,963	36,755,000	(173,805)	93,439	810,044	103,099,916	6.07%	1,248
2007	59,080,000	346,548	12,298,853	770,645	52,530,000	(207,671)	83,981	1,029,010	125,931,366	7.41%	1,524
2008	54,125,000	208,925	42,333,919	554,258	50,200,000	(99,490)	74,147	26,069,790	173,466,549	7.96%	1,933
2009	48,950,000	346,679	49,003,451	324,909	44,635,000	27,375	65,147	27,486,462	170,839,023	7.84%	1,824
2010	44,145,000	298,717	46,441,758	81,822	41,225,000	30,003	-	27,046,304	159,268,604	2.73%	1,700
2011	73,335,000	2,400,558	12,521,411	-	61,980,000	677,189	-	1,904,310	152,818,468	2.63%	1,561
2012	73,385,000	2,761,500	16,875,696	-	58,060,000	639,532	-	2,558,421	154,280,149	2.47%	1,548

Notes:
Details regarding the City's outstanding debt-can be found in the notes to the financial statements.
* These ratios are calculated using personal income and population for the prior fiscal year.

City of Las Cruces

Ratio of Net General Obligation Debt to Taxable Value and Net General Obligation Bonded Debt Per Capita Last Ten Years (Unaudited)

Fiscal Year	Population	Taxable Value	General Obligation Bonded Debt Outstanding	Less Debt Service Fund	Net Bonded Debt	Ratio of Net Bonded Debt To Taxable Value	Net Bonded Debt Per Capita
2003	77,237	$1,021,231,343	$ -	$ -	$ -	N/A	N/A
2004	80,054	1,097,658,516	-	-	-	N/A	N/A
2005	82,611	1,149,021,158	-	-	-	N/A	N/A
2006	86,607	1,310,349,858	-	-	-	N/A	N/A
2007	87,542	1,392,660,408	-	-	-	N/A	N/A
2008	89,722	1,637,164,654	-	-	-	N/A	N/A
2009	93,680	1,821,352,673	-	-	-	N/A	N/A
2010	93,452	1,921,638,946	-	-	-	N/A	N/A
2011	97,906	2,031,926,984	-	-	-	N/A	N/A
2012	99,665	2,004,239,685	-	-	-	N/A	N/A

Source: Doña Ana County Property Abstract

City of Las Cruces
Computation of Direct and Overlapping Debt
June 30, 2012
(Unaudited)

Jurisdiction	General Debt Oustanding as of June 30, 2012	Percentage Applicable to City of Las Cruces	City of Las Cruces Share of Debt
Direct:			
City of Las Cruces	$ 154,280,149	100.00%	$ 154,280,149
Overlapping :			
Doña Ana County	1,070,000	46.66%	499,272
Las Cruces School District	111,800,000	67.77%	75,769,839
Doña Ana Community College	20,060,000	27.18%	5,452,223
Total Overlapping	132,930,000		81,721,334
Total Direct and Overlapping General Obligation Bonded Debt	$ 287,210,149		$ 236,001,483

Note:
Overlapping rates are those of local and county governments that apply to the property owners of the City of Las Cruces.

Source: City of Las Cruces; State of New Mexico; Doña Ana County; Las Cruces School District; Doña Ana Branch Community College

City of Las Cruces
Computation of Legal Debt Margin
Last Ten Years
June 30, 2012
(Unaudited)

	FY 2012
Taxable Valuation	$2,004,239,685
Legal Debt Limit- 4% of Assessed Valuation	80,169,587
Amount of Long-term Debt Subject To Legal Debt Limit: General Obligation Debt Outstanding	-
Legal Debt Margin	$ 80,169,587

	Fiscal Year								
	2003	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
Debt Limit	$ 40,849,254	$ 43,906,341	$ 45,906,846	$ 52,413,994	$ 55,706,416	$ 65,486,586	$ 72,854,107	$ 76,865,558	$ 81,277,079
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-
Total debt margin	$ 40,849,254	$ 43,906,341	$ 45,906,846	$ 52,413,994	$ 55,706,416	$ 65,486,586	$ 72,854,107	$ 76,865,558	$ 81,277,079
Total debt applicable to the limit as a percentage of debt limit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: Doña Ana County Property Abstract

City of Las Cruces
Pledged-Revenue Bond/Note Coverage
Last Ten Years
(Unaudited)
June 30, 2012

Gross Receipts Tax Revenue Bonds/Notes

Fiscal Year	Pledged Revenues	Debt Service Principal	Debt Service Interest	Coverage
2003	$ 29,598,948	$ 1,521,087	$ 927,515	12.09
2004	33,236,280	3,089,418	1,213,189	7.72
2005	36,245,275	3,203,196	1,209,419	8.21
2006	40,686,980	3,992,351	1,096,173	8.00
2007	47,195,398	4,583,873	2,447,367	6.71
2008	52,160,180	6,149,329	3,470,509	5.42
2009	49,211,512	7,084,187	3,931,990	4.47
2010	50,704,723	6,529,567	3,844,737	4.89
2011	50,530,078	7,131,321	2,828,948	5.07
2012	51,730,477	7,215,472	3,370,997	4.89

Utility Revenue Bonds/Notes

Fiscal Year	Utility Service Charges	Less Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2003	$ 35,803,200	$ (27,376,457)	$ 8,426,743	$ 1,550,000	$ 1,607,861	2.67
2004	43,902,605	(34,970,027)	8,932,578	1,643,043	1,542,500	2.80
2005	46,421,742	(34,718,010)	11,703,732	1,739,857	1,473,776	3.64
2006	57,510,802	(44,533,053)	12,977,749	1,838,047	1,781,858	3.59
2007	58,441,509	(45,068,724)	13,372,785	1,940,010	2,330,112	3.13
2008	56,842,630	(45,125,377)	11,717,253	2,390,701	2,980,463	2.18
2009	47,854,543	(40,565,130)	7,289,413	2,967,453	3,342,628	1.16
2010	48,746,903	(41,635,816)	7,111,087	3,556,476	2,765,451	1.12
2011	49,896,286	(40,638,076)	9,258,210	4,085,000	2,101,594	1.50
2012	51,128,443	(40,127,838)	11,000,605	3,920,000	2,205,491	1.80

Environmental Gross Receipts Tax Bonds

Fiscal Year	Pledged Revenues	Debt Service Principal	Debt Service Interest	Coverage
2003	$ 1,011,472	$ 425,000	$ 498,981	1.09
2004	1,134,753	450,000	477,200	1.22
2005	1,237,329	410,000	189,656	2.06
2006	1,401,404	590,000	253,366	1.66
2007	1,523,163	605,000	235,666	1.81
2008	1,616,819	625,000	217,516	1.92
2009	1,519,556	640,000	198,766	1.81
2010	1,559,777	660,000	179,566	1.86
2011	1,555,093	680,000	159,766	1.85
2012	1,585,138	705,000	149,567	1.85

Gas Tax Notes

Fiscal Year	Pledged Revenues	Debt Service Principal	Debt Service Interest	Coverage
2003	$ 1,512,281	$ 265,000	$ 260,853	2.88
2004	1,544,437	275,000	248,663	2.95
2005	1,451,120	290,000	235,875	2.76
2006	1,532,985	300,000	222,245	2.94
2007	1,506,014	315,000	207,845	2.88
2008	1,439,465	330,000	192,568	2.75
2009	1,500,597	345,000	176,398	2.88
2010	1,523,173	365,000	159,148	2.91
2011	1,537,530	385,000	140,533	2.93
2012	1,541,617	410,000	9,338	3.68

Fire Protection Fund

Fiscal Year	Pledged Revenues	Debt Service Principal	Debt Service Interest	Coverage
2003	$ -	$ -	$ -	-
2004	-	-	-	-
2005	-	-	-	-
2006	-	-	-	-
2007	389,470	38,630	15,213	7.23
2008	416,741	99,929	27,942	3.26
2009	359,453	201,746	76,637	1.29
2010	371,065	208,969	51,045	1.43
2011	285,715	219,316	65,387	1.00
2012	628,710	227,216	61,790	2.18

Lodger's Tax and Convention Center Fees Bonds/Notes

Fiscal Year	Pledged Revenues	Debt Service Principal	Debt Service Interest	Coverage
2003	$ -	$ -	$ -	-
2004	-	-	-	-
2005	-	-	-	-
2006	-	-	-	-
2007	-	-	-	-
2008	2,894,472	327,038	738,163	2.72
2009	2,796,277	678,338	1,184,922	1.50
2010	2,872,180	703,976	1,159,349	1.54
2011	3,057,756	365,000	704,831	2.86
2012	3,297,396	550,000	1,036,894	2.08

Solid Waste Revenue Notes

Fiscal Year	Utility Service Charges	Less Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2003	$ -	$ -	$ -	$ -	$ -	-
2004	-	-	-	-	-	-
2005	-	-	-	-	-	-
2006	-	-	-	-	-	-
2007	-	-	-	-	-	-
2008	10,194,037	(10,238,849)	(44,812)	89,791	33,090	(0.36)
2009	10,267,228	(9,733,870)	533,358	229,627	72,597	1.76
2010	10,204,248	(9,578,086)	626,162	293,682	86,309	1.65
2011	10,360,956	(9,202,975)	1,157,981	302,457	77,522	3.05
2012	11,049,646	(10,366,503)	683,143	362,450	72,549	1.80

Notes:

Details regarding the City's outstanding debt can be found in Note 7 of the financial statements.
Operating expenses do not include interest, depreciation, or amortization expenses.
The 2010 Convention Center bonds are pledged first with the lodger's tax and convention center fees, and then by the state-shared gross receipts taxes.

City of Las Cruces
Demographic Data
Last Ten Years
June 30, 2012
(Unaudited)

Fiscal Year	Population	Personal Income (in thousands)	Per Capita Income	Median Age	School Enrollment	Unemployment Rate %
2003	77,237	$ 1,389,030	$ 17,984	31.2	22,633	7.3%
2004	80,054	1,646,951	20,573	31.2	22,880	6.1%
2005	82,611	1,699,556	20,573	31.2	23,400	6.8%
2006	86,607	1,477,429	17,059	30.1	23,100	5.1%
2007	87,542	1,539,951	17,591	32.5	24,000	4.2%
2008	89,722	2,179,617	24,293	32.5	23,747	4.5%
2009	93,680	4,792,238	51,155	31.0	24,530	7.2%
2010	93,452	5,832,000	62,406	31.0	24,400	7.9%
2011	97,906	5,814,839	59,392	35.8	24,706	6.9%
2012	99,665	6,249,942	62,709	33.0	24,534	6.8%

Sources:
U.S. Census Bureau
Las Cruces Public Schools
New Mexico Department of Labor

City of Las Cruces
Principal Employers
Last Two Years
June 30, 2012
(Unaudited)

2012	2011
New Mexico State University	New Mexico State University
Las Cruces Public Schools	Las Cruces Public Schools
City of Las Cruces	Memorial Medical Center
Memorial Medical Center	Coordinated Care Corp.
Doña Ana Branch Community College	Doña Ana Branch Community College
Doña Ana County	Wal-Mart
Mountain View Regional Medical Center	Doña Ana County
Wal-Mart	Mountain View Regional Medical Center
Coordinated Care Corp.	City of Las Cruces
National Aeronautics & Space	National Aeronautics & Space

Note:
By law, the New Mexico Department of Labor may not release the number of employees. For further information, contact Ms. Susan Reagan at the New Mexico Department of Labor at (505) 383-2731.

Source: New Mexico Department of Labor, Bureau of Labor & Statistics

City of Las Cruces
City Government Employees by Function/Program
Last Ten Years
June 30, 2012
(Unaudited)

Function/program	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Government										
City Administration	15	11	18	17	17	8	15	18	22	28
Financial Services	9	52	48	49	47	62	59	58	58	42
Human Resources	49	11	9	12	12	14	14	15	14	15
Legal	34	36	35	31	35	46	35	22	26	22
Risk Management**	6	6	6	6	6	7	7	7	9	-
Facilities**										
Administration**	6	7	6	7	7	12	12	10	10	-
Airport Operations**	5	4	3	4	4	4	4	4	4	-
Building Services**	29	39	33	31	32	38	35	34	37	-
Fleet Services**	16	22	21	19	22	24	23	27	31	-
Parks**	53	56	51	56	60	58	58	72	70	-
Police										
Administration	50	69	41	58	61	56	56	64	65	52
Officers	183	189	189	194	192	204	209	213	241	209
Fire										
Administration	12	8	9	10	12	12	13	13	11	13
Firefighters and Officers	100	97	103	115	109	116	108	104	116	122
Community Development										
Administration	16	20	29	22	22	22	21	21	19	11
Neighborhood Development	5	5	10	6	7	15	16	16	21	17
Permits and Inspections	17	16	17	19	20	21	22	23	21	23
Community and Cultural Services (PS)**										
Convention & Visitors' Bureau	7	7	8	7	8	10	10	10	10	9
Library	32	34	38	39	37	36	43	40	36	38
Museum Systems	13	14	13	16	15	18	21	19	31	18
Parks & Recreation**	34	35	42	39	51	26	41	43	47	-
Public Information	6	6	5	6	6	7	7	7	7	6
Senior Programs	37	37	40	41	46	34	59	51	56	45
Transit**	43	36	37	50	51	49	50	49	60	-
Public Works										
Administration	1	2	3	2	2	3	3	3	3	8
Building Services	-	-	-	-	-	-	-	-	-	38
Engineering	38	41	40	41	36	53	50	44	38	34
Street Systems**	48	44	44	49	58	58	53	53	57	-
Support Services										
Document Services	28	3	3	2	3	2	2	2	2	2
Information Tech. & Comm.	3	31	29	26	28	32	27	19	24	24
Transportation**										
Administration**	-	-	-	-	-	-	-	-	-	8
Airport Operations**	-	-	-	-	-	-	-	-	-	4
Fleet Services**	-	-	-	-	-	-	-	-	-	24
Street Systems**	-	-	-	-	-	-	-	-	-	46
Transit**	-	-	-	-	-	-	-	-	-	48
Parks and Recreation**										
Administration**	-	-	-	-	-	-	-	-	-	7
Aquatics**	-	-	-	-	-	-	-	-	-	44
Parks**	-	-	-	-	-	-	-	-	-	52
Recreation and Athletic Programs**	-	-	-	-	-	-	-	-	-	31
Utilities										
Administration**	-	-	-	-	-	-	-	-	-	19
Gas	63	68	62	66	67	77	69	61	64	62
Solid Waste	58	57	57	61	63	74	67	53	39	42
Wastewater	51	53	53	53	55	81	73	71	75	66
Water	50	48	45	48	52	37	33	46	51	50
Total Employees	1,119	1,164	1,147	1,202	1,243	1,316	1,315	1,292	1,375	1,279

*The requirement for statistical data is ten years. GASB 34 was implemented in 2002. Data from 2003 to 2012 is shown.

**These are changes due to the 2012 reorganization.

City of Las Cruces
Operating Indicators by Function/Program
Last Ten Years
June 30, 2012
(Unaudited)

Function/program	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Government										
Number of newsletters printed and mailed	-	-	108,000	216,000	216,000	231,100	232,000	222,000	232,800	-
Number of newsletters produced	-	-	-	-	-	-	-	-	-	4
Cost per newsletter	$ -	$ -	$ 0.26	$ 0.26	$ 0.26	$ 0.26	$ 0.26	$ 0.26	$ 0.23	$ 88.00
Average number of days from position postings to position hires			43	44	44	39	80	79	76	78
Operating and maintenance cost per work station	-	-	<$3,500	<$3,500	<$3,500	<$3,500	<$3,600	<$3,600	<$3,800	<$4,000
Facilities										
Dollar amount of projects managed per employee	N/A	N/A	N/A	$7.13M	$8.96M	$10.49M	$8.94M	$10.4M	$4.1M	$2.2M
Number of project work orders (over $10,000) requested	N/A	N/A	N/A	86	75	79	70	43	31	39
Conduct park safety and maintenance inspections	-	-	120/qtr	126/qtr	126/qtr	147/qtr	148/qtr	150/qtr	153/qtr	153/qtr
Total number of facilities operated and maintained	88	88	88	90	94	96	97	99	99	106
Police										
Number of citations issued	-	-	28,251	32,000	26,374	33,810	30,109	47,193	21,869	24,238
Number of clean up events	N/A	N/A	N/A	25	103	141	132	146	223	287
Number of codes violations addressed	30,784	33,547	37,073	31,719	26,615	30,944	20,082	23,064	30,399	32,000
Fire										
Number of building inspections	1,871	2,535	3,586	3,410	2,696	3,400	1,449	2,279	2,796	2,162
Number of citizens who receive safety education	1,763	4,385	3,653	2,584	3,860	2,224	1,556	2,150	3,150	3,691
Community Development										
Number of affordable rental and owner-occupied housing using CDBG and HOME funds	50	147	50	100	108	71	67	96	53	58
Miles of bicycle facility lane installed	14	11	6	10	5	-	2.2	4.0	3.0	3.1
Number of special events hosted in downtown area	11	12	22	23	23	21	15	25	14	15
Number of vendors participating in the Farmer's and Crafts Market	110	125	135	121	126	255	295	275	300	340
Number of residential building permits issued	1,389	1,435	2,044	1,756	1,547	1,158	490	468	475	396
Amount collected for residential permits	$ 2,767,171	$ 2,841,679	$ 5,072,857	$ 4,883,106	$ 4,751,817	$ 2,948,042	$ 1,370,971	$ 1,272,140	$ 1,447,377	$ 1,443,350
Number of commercial building permits issued	170	218	177	131	147	125	22	17	21	45
Amount collected for commercial permits	$ 417,162	$ 589,046	$ 342,056	$ 551,029	$ 532,631	$ 367,385	$ 156,315	$ 83,232	$ 64,748	$ 408,195

(Continued)

City of Las Cruces
Operating Indicators by Function/Program — continued
Last Ten Years
June 30, 2012
(Unaudited)

Function/program	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Public Services										
Request for visitor information at Convention & Visitor's Bureau (CVB)	15,780	19,978	24,920	33,889	33,585	27,315	26,426	30,657	20,832	21,215
Walk-in visitors to CVB office	4,824	3,702	5,544	5,674	5,153	5,464	4,834	3,332	1,660	1,710
Number of congregate meals served to seniors	72,877	76,500	78,877	73,138	82,205	88,215	95,192	87,017	85,715	88,000
Number of home-delivered meals served to seniors	130,852	155,000	172,141	173,048	184,615	192,192	156,828	135,014	130,587	136,000
Number of homemaker units	3,334	5,510	7,135	8,200	9,905	10,103	10,027	8,235	3,164	4,000
Museum visitors	-	-	159,630	172,245	279,202	301,318	270,512	291,232	269,260	249,000
Museum exhibit openings attendance	-	-	10,271	11,409	9,659	18,056	16,415	16,345	18,876	17,000
Museum program participants	-	-	13,248	32,755	13,643	19,494	31,550	26,436	26,409	31,000
Fixed Route ridership	-	-	622,560	690,000	733,128	671,727	656,590	601,782	637,797	696,580
Cost per trip on fixed route	$ -	$ -	$ 2.90	$ 2.90	$ 2.90	$ 3.85	$ 3.81	$ 4.13	$ 4.00	$ 3.73
Total library circulations	421,925	425,757	423,340	475,156	533,294	540,936	550,687	583,892	566,302	577,657
Total number of library-sponsored programs	308	283	304	445	1,040	971	676	665	887	880
Computer sessions at library	47,817	59,515	54,654	97,932	104,382	106,539	100,428	97,058	95,780	89,447
Public Works										
Percent of potholes patched within 24 hours of report			95.7%	90.0%	92.0%	76.0%	59.0%	75.5%	63.9%	88.0%
Maintain major arterials and intersections through routine striping program			1/yr	2/yr	3/yr	3/yr	3/yr	2/yr	2/yr	2/yr
Utilities										
Meter reading complaints	<1%	<1%	<1%	<1%	<1%	<1%	<1%	<1%	<1%	<1%
Metering operating cost per customer	$ 0.52	$ 0.59	$ 0.58	$ 0.60	$ 0.61	$ 0.61	$ 0.61	$ 0.67	$ 0.77	$ 0.64
Operating and maintenance cost per dekatherm (Gas)	$ 1.10	$ 1.24	$ 1.03	$ 1.48	$ 1.83	$ 2.05	$ 2.37	$ 1.83	$ 1.76	$ 1.72
Operating and maintenance cost per 1,000 gallons produced (Water)	$ 0.93	$ 1.07	$ 1.05	$ 1.10	$ 1.37	$ 1.23	$ 1.20	$ 1.13	$ 1.06	$ 1.17
Operating and maintenance cost per 1,000 gallons treated (Wastewater)	$ 1.83	$ 2.23	$ 2.03	$ 2.02	$ 2.44	$ 1.97	$ 1.80	$ 1.73	$ 1.44	$ 1.85
Total operating cost per ton collected (Solid Waste)	$ 42.27	$ 48.40	$ 43.04	$ 44.42	$ 49.34	$ 57.82	$ 77.43	$ 60.06	$ 66.09	$ 61.32

*The requirement for statistical data is ten years. GASB 34 was implemented in 2002. Data from 2003 to 2012 is shown.

City of Las Cruces
Capital Assets and Infrastructure Statistics by Function/Program
Last Ten Years
June 30, 2012
(Unaudited)

Function/program	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Area in square miles	50.46	51.5	52.25	56.07	76.18	76.38	76.38	76.99	76.99	76.99
Government facilities and services:										
Miles of streets	438	438	992	524	537	556	558	563	564	565
Number of street lights	4,245	5,019	5,488	4,889	6,392	6,641	7,138	7,360	7,458	7,488
Culture and Recreation:										
Community centers	5	6	6	5	5	5	5	5	5	5
Lakes	1	1	1	1	1	1	1	1	1	1
Ponds	1	1	1	1	1	1	1	1	1	1
Parks	72	51	75	78	77	80	80	82	84	84
Park acreage	303	308	308	373	373	600	600	646	678	678
Sports complex	12	13	13	13	13	13	13	13	13	13
Swimming pools	3	3	3	3	3	4	4	4	4	4
Shooting range	1	1	1	1	1	1	1	1	1	1
Tennis courts	18	18	18	18	18	18	18	18	18	18
Bike paths	2	2	2	2	2	2	2	2	2	4
Miles of bike paths	-	-	-	10	10	10	10	10	10	14
Fire Protection:										
Number of stations	7	7	7	7	7	7	7	7	7	7
Police Protection:										
Number of stations	1	1	1	1	1	1	1	1	1	1
Sewerage Systems:										
Miles of sanitary sewers (est.)	369	373	393	435	476	507	525	530	530	536
Miles of storm sewers (mains)	29	111	18	17	17.5	17	17	17	17	17
Number of treatment plants	2	2	2	2	2	2	2	3	3	3
Number of service connections	23,117	23,955	25,180	33,806	26,018	28,323	29,329	30,866	31,734	32,094
Water System:										
Miles of water mains (est.)	389	412	462	476	505	525	547	558	558	573
Number of service connections	24,525	25,616	27,040	28,835	29,980	31,193	30,521	31,249	31,797	31,924
Transit System:										
Miles of Bus Routes	-	81.7	81.7	86	86	125	133	133	133	133
Number of Bus Stops	-	358	358	358	358	337	350	350	350	345
Number of Buses	-	17	17	16	16	15	15	15	18	18
Number of Dial-a-Ride Vehicles	-	11	11	17	17	17	17	17	23	21

Sources: Various City departments.

City of Las Cruces
Sales Tax Revenue Payers by Industry
Last Seven Years
(Unaudited)
June 30, 2012

	Fiscal Year 2012				Fiscal Year 2011			
Industry	**Number of Filers**	**Percentage of Total**	**Tax Liability**	**Percentage of Total**	**Number of Filers**	**Percentage of Total**	**Tax Liability**	**Percentage of Total**
Retail Trade	10,156	20.12%	$ 59,170,981	35.70%	10,210	19.50%	$ 61,955,156	36.46%
Construction	6,614	13.10%	19,149,191	11.55%	7,036	13.44%	20,365,580	11.99%
Other Services (except Public Admin)	11,844	23.47%	13,943,584	8.41%	12,709	24.28%	16,542,853	9.74%
Health Care and Social Assistance	5,752	11.40%	22,776,880	13.74%	5,819	11.12%	22,565,074	13.28%
Accommodation and Food Services	3,220	6.38%	16,810,873	10.14%	3,221	6.15%	17,642,384	10.38%
Professional, Scientific and Technical Svcs	6,407	12.69%	11,272,006	6.80%	6,680	12.76%	10,532,343	6.20%
Wholesale Trade	2,330	4.62%	3,558,828	2.15%	2,383	4.55%	3,415,197	2.01%
Unclassified Establishments	293	0.58%	521,462	0.31%	565	1.08%	451,938	0.27%
Utilities	103	0.20%	6,391,697	3.86%	101	0.19%	6,184,660	3.64%
Information and Cultural Industries	1,374	2.72%	9,708,312	5.86%	1,316	2.51%	7,880,332	4.64%
Real Estate and Rental and Leasing	2,380	4.72%	2,445,620	1.48%	2,312	4.42%	2,384,331	1.40%
Total	50,473	100%	$ 165,749,434	100%	52,352	100%	$ 169,919,848	100%

	Fiscal Year 2010				Fiscal Year 2009			
Industry	**Number of Filers**	**Percentage of Total**	**Tax Liability**	**Percentage of Total**	**Number of Filers**	**Percentage of Total**	**Tax Liability**	**Percentage of Total**
Retail Trade	9,485	18.79%	$ 57,662,658	34.79%	9,809	18.74%	$ 57,692,756	33.95%
Construction	5,972	11.83%	21,149,490	12.76%	6,859	13.10%	21,576,264	12.70%
Other Services (except Public Admin)	11,558	22.90%	14,829,585	8.95%	11,074	21.15%	15,741,662	9.26%
Health Care and Social Assistance	5,683	11.26%	23,866,680	14.40%	5,596	10.69%	20,425,524	12.02%
Accommodation and Food Services	2,949	5.84%	15,363,382	9.27%	2,932	5.60%	14,315,226	8.42%
Professional, Scientific and Technical Svcs	6,023	11.93%	10,371,267	6.26%	5,678	10.85%	10,649,058	6.27%
Wholesale Trade	2,242	4.44%	3,178,722	1.92%	2,410	4.60%	3,571,603	2.10%
Unclassified Establishments	665	1.32%	1,112,128	0.67%	682	1.30%	812,425	0.48%
Utilities	90	0.18%	5,903,990	3.56%	94	0.18%	6,225,175	3.66%
Information and Cultural Industries	1,264	2.50%	6,247,725	3.77%	1,114	2.13%	3,808,499	2.24%
Real Estate and Rental and Leasing	2,018	4.00%	1,773,614	1.07%	2,064	3.94%	1,892,641	1.11%
Total	47,949	95%	$ 161,459,241	97%	48,312	92%	$ 156,710,833	92%

(Continued)

City of Las Cruces

Sales Tax Revenue Payers by Industry – continued

Last Seven Years

(Unaudited)

June 30, 2012

	Fiscal Year 2008				Fiscal Year 2007			
Industry	**Number of Filers**	**Percentage of Total**	**Tax Liability**	**Percentage of Total**	**Number of Filers**	**Percentage of Total**	**Tax Liability**	**Percentage of Total**
Retail Trade	9,965	19.74%	$ 56,577,965	34.13%	9,934	18.98%	$ 54,982,847	32.36%
Construction	7,028	13.92%	24,163,297	14.58%	7,134	13.63%	27,879,283	16.41%
Other Services (except Public Admin)	11,465	22.72%	16,390,115	9.89%	11,210	21.41%	15,924,204	9.37%
Health Care and Social Assistance	5,256	10.41%	18,227,889	11.00%	5,037	9.62%	15,916,601	9.37%
Accommodation and Food Services	2,856	5.66%	13,777,131	8.31%	2,784	5.32%	13,413,860	7.89%
Professional, Scientific and Technical Svcs	5,997	11.88%	9,941,355	6.00%	5,655	10.80%	8,817,718	5.19%
Wholesale Trade	2,395	4.75%	3,968,200	2.39%	2,247	4.29%	6,431,631	3.79%
Unclassified Establishments	558	1.11%	1,204,372	0.73%	426	0.81%	442,676	0.26%
Utilities	98	0.19%	5,952,788	3.59%	104	0.20%	5,226,613	3.08%
Information and Cultural Industries	1,390	2.75%	3,560,350	2.15%	1,531	2.92%	3,275,233	1.93%
Real Estate and Rental and Leasing	2,081	4.12%	2,358,809	1.42%	1,967	3.76%	2,419,365	1.42%
Total	49,089	97%	$ 156,122,271	94%	48,029	92%	$ 154,730,030	91%

	Fiscal Year 2006			
Industry	**Number of Filers**	**Percentage of Total**	**Tax Liability**	**Percentage of Total**
Retail Trade	9,334	18.49%	$ 48,838,520	29.47%
Construction	6,362	12.60%	22,699,553	13.70%
Other Services (except Public Admin)	10,901	21.60%	14,730,815	8.89%
Health Care and Social Assistance	4,444	8.80%	12,806,038	7.73%
Accommodation and Food Services	2,491	4.94%	11,132,432	6.72%
Professional, Scientific and Technical Svcs	5,250	10.40%	7,725,877	4.66%
Wholesale Trade	2,141	4.24%	5,856,880	3.53%
Unclassified Establishments	3,102	6.15%	5,394,616	3.25%
Utilities	84	0.17%	5,016,725	3.03%
Information and Cultural Industries	1,291	2.56%	2,721,581	1.64%
Real Estate and Rental and Leasing	1,681	3.33%	2,480,707	1.50%
Total	47,081	93%	$ 139,403,745	84%

Source: State of New Mexico Taxation & Revenue

* Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

*The requirement for statistical data is ten years, however, no data is available prior to 2006.

City of Las Cruces

MOSS-ADAMS LLP
Certified Public Accountants | Business Consultants

Report of Independent Auditors on the Schedule of Expenditures of State and Federal Awards

Mr. Hector H. Balderas, New Mexico State Auditor
and the Honorable Mayor and City Council Members
of the City of Las Cruces

We have audited the basic financial statements, combining and individual fund financial statements, and the budgetary comparisons presented as supplemental information for the City of Las Cruces as of and for the year ended June 30, 2012, and have issued our report thereon dated December 17, 2012. Our audit was conducted for the purpose of forming opinions on the financial statements and supplemental information described above. The accompanying schedule of expenditures of state and federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The schedule of expenditures of state and federal awards has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the procedures performed as described previously, the schedule of expenditures of state and federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Moss Adams LLP

December 17, 2012
Albuquerque, New Mexico

Praxity MEMBER
GLOBAL ALLIANCE OF INDEPENDENT FIRMS

City of Las Cruces
Schedule of Expenditures of State Awards
For the Year Ended June 30, 2012

Grantor/Program Title	State Number	Program Period	Program or Award Amount	Life-to-Date Expenditures	Current - FY12 Expenditures as of 6/30/12
New Mexico Aging & Long-term Services Dept.					
Title IIIB, IIIC1, IIIC2, IIID, IIIE	2011-12-64014	7/11 thru 6/12	$ 356,578	$ 356,578	$ 356,578
Benavidez Senior Center	2010-3023	09/09 thru 06/13	76,600	76,600	3,001
Munson Center Meal Prep Kitchen	08-L-5167	07/08 thru 06/11	51,900	-	-
Eastside Abatement	2002-006	05/12 thru 06/12	5,000	5,000	5,000
East Side Sr Ctr Bldg Improvements	2009-4810	09/09 thru 06/12	18,000	18,000	18,000
Total NM Aging and Long-term Services			508,078	456,178	382,579
NM State Department of Transportation					
Wildlife Hazard Assessment	LRU-10-001	08/10 thru 12/2011	2,098	2,098	988
Safe Routes to School Funds	SRSI-7700 (150)	07/09 thru complete	130,562	130,562	23,090
Safe Routes to School Funds	SRSI-7700 (150)	07/11 thru 06/12	64,281	30,405	30,405
MPO Section 5303	PL-92A-2(042)	7/08 thru complete	45,262	45,262	23,697
MPO Section 5303	PL-92A-2(042)	7/11 thru 6/12	45,154	31,820	31,820
MPO FHWA 112 PL	PL-92-A-2(94)	12/31/10 thru 12/31/11	229,085	229,085	138,146
MPO FHWA 112 PL	PL-92-A-2(94)	07/01/11 thru 06/31/12	229,085	64,600	64,600
Weather Station	LRU-10-002	06/10 thru 03/12	5,622	5,294	1,170
Valley Drive Master Plan	SP-GA-4536(203)	09/08 thru 06/12	20,000	20,000	20,000
Rehab Taxiway "A"	AIP 03-35-0024-026-2011	09/11 thru 12/12	144,312	24,689	24,689
Electronic Airport Plan	LRU-12-02	09/11 thru 09/12	11,015	6,499	6,499
El Paseo Medians	SP-1-12 (912)	09/11 thru 12/12	38,875	38,875	38,875
Outfall Channel Trail	D13434	05/11 thru 09/15	758,418	570,318	570,318
Union Ave/Stern Drive Intersection	SP-1-11-(960)	08/10 thru 12/11	40,500	40,500	40,500
Main St Rehab	STP-9991-2-(1)	07/09 thru 09/13	1,665,060	495,458	495,458
MAP South Main St Alameda to Idaho	MAP-7613 (904)	thru 06/12	228,019	228,019	228,019
Airfield Maintenance	LRU-12-01	08/11 thru 08/13	9,553	9,553	9,553
Click It Or Ticket	12-OP-COIT-049	05/21/12 thru 06/03/12	6,845	6,356	6,356
Education and Enforcement Program	12-EE-05-049	07/11 thru 09/13	4,233	3,740	3,740
Community DWI Program	12-CD-05-049	07/11 thru 06/12	9,000	8,995	8,995
Total NM State Dept of Transportation			3,686,979	1,992,128	1,766,918
Children, Youth, and Families Department					
Juvenile Citation Program	11-690-12422-3	07/10 thru 06/12	534,874	532,326	257,491
La Casa Renovation	11-690-11637	05/09 thru 06/12	635,384	635,384	70,785
Total Children, Youth, and Families Department			1,170,258	1,167,710	328,276
NM Tourism Department					
New Mexico Clean and Beautiful	12-418-6001-0029	06/16/11-06/30/12	31,000	30,888	30,888
Convention & Visitors Bureau - Cooperative Marketing Agreement	12-418-3002-0012	7/1/2011-6/30/2012	14,000	3,284	3,284
Total New Mexico Tourism Department			45,000	34,172	34,172
NM State Library					
NM State Library Aid Grant	Vendor #54342, NMSA 1978 Section 18-2-4 B, NMAC 4.5.2 Cost Center 602000000	11/1/10 to 10/31/11	8,648	8,648	1,528
NM State Library Aid Grant	Vendor #54342, NMSA 1978 Section 18-2-4 B, NMAC 4.5.2 Cost Center 602000000	11/1/11 to 6/30/12	8,966	8,966	8,966
Total New Mexico State Library			17,614	17,614	10,494

(Continued)

City of Las Cruces
Schedule of Expenditures of State Awards — continued
For the Year Ended June 30, 2012

Grantor/Program Title	State Number	Program Period	Program or Award Amount	Life-to-Date Expenditures	Current - FY12 Expenditures as of 6/30/12
NM CULTURAL AFFAIRS - NM ART					
Museum of Art -100 Years of Art	CUGE 12-075	07/11 thru 06/12	6,394	6,394	6,394
			6,394	6,394	6,394
NEW MEXICO HUMANITIES COUNCIL					
Museum of Art -100 Years of Art	2402-1410-433	11/15/2011-12/21/2012	13,000	12,033	12,033
Museum of Art - Journey Stories in Las Cruces and Southern New Mexico	2405-1413-433	11/15/2011-05/01/2012	6,642	6,642	6,642
Total New Mexico Humanities Council			19,642	18,675	18,675
NM FINANCE AUTHORITY					
Water Trust Board Planning	235-WTB	01/12 to 12/12	100,620	-	-
Planning - Economic Feasibility Study	2673-PG	02/12 to 11/30/13	50,000	22,417	22,417
Total New Mexico Finance Authority			150,620	22,417	22,417
NM Department of Health					
Emergency Medical Services Fund		7/1/2011 - 6/30/2012	20,000	20,010	20,010
			20,000	20,010	20,010
New Mexico Public Regulation Commission					
Fire Protection Distribution Fund		7/1/2011 - 6/30/2012	471,174	629,411	621,814
			471,174	629,411	621,814
New Mexico Department of Finance and Administration					
Senior Programs Kitchen Equipment	08-L-4283	08/09 thru 06/12	20,000	20,000	20,000
East Mesa Senior Equipment	09-L-4808	07/09 to 06/12	18,000	17,999	6,423
East Side Center Equipment/Furnishings	09-L-4809	07/09 to 06/12	5,000	5,000	5,000
Las Cruces Senior Centers Equipment	09-L-4811	07/09 to 06/12	6,000	6,000	6,000
Las Cruces Senior Centers Equipment	09-L-4812	07/09 to 06/12	40,700	40,700	40,700
La Casa Shelter	08-L-3224	02/10 thru 06/12	215,000	128,350	41,745
La Casa Shelter	12-L-1597	05/12 thru 06/14	86,650	79,157	79,157
Law Enforcement Protection Fund	LEPF FY 12	7/1/11 thru 6/30/11	131,400	162,549	162,549
Indoor Swimming Pool	06-L-G-1608/09-L-3877	05/06 thru 06/13	344,490	284,365	38,497
LC Aquatic & Family Rec Ctr	08-L-3223	02/10 to 06/12	588,060	588,060	502,373
Skeet & Trap Range	08-L-4291	07/08 thru 06/12	65,000	65,000	4,884
Thomas Branigan Memorial Library GO Bond	50500-0000012142	07/09 to 03/12	240,400	240,400	49,744
Thomas Branigan Memorial Library GO Bond	Proj 2010-GO-67	02/12 to 03/13	162,941	-	-
Branigan Library Childrens Wing	08-L-G-4278	07/08 to 06/12	98,858	98,858	72,244
Amador Museum	08-L-G-4276	07/08 to 06/12	96,162	96,160	416
Union Avenue Multi-use Path	08-L-G-4286	06/08 to 06/12	20,000	-	-
Homeless Veterans Housing Complex	12-L-1591	05/12 thru 06/14	227,700	102,711	102,711
Total Department of Finance and Administration			2,366,361	1,935,309	1,132,443
New Mexico Historical Records Advisory Board					
Document Services	077609279	7/30/11 - 6/15/12	5,100	2,500	2,500
Total State Awards			$ 10,467,220	$ 8,302,518	$ 4,346,692

City of Las Cruces
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant No./ Pass-Through Identifying No.	Program Period	Program or Award Amount	Life-to-Date Expenditures	Current - FY12 Expenditures as of 6/30/12
U.S. Department of Agriculture						
Passed Through U.S. Forest Service						
Green Infrastructure Planning	10.664	10-PA-11031600-077	8/23/10 thru 9/30/11	$ 7,000	$ 7,000	$ 1,143
Total U.S. Department of Agriculture				**7,000**	**7,000**	**1,143**
U.S. Department of Housing and Urban Development						
Community Development Block Grant						
Metro Entitlement Grants						
B-06-MC-35-0002	14.218	B-06-MC-35-0002	10/06 to Comp	1,019,805	1,068,484	33,512
B-07-MC-35-0002	14.218	B-07-MC-35-0002	10/07 to Comp	1,022,960	1,081,448	33,682
B-08-MC-35-0002	14.218	B-08-MC-35-0002	10/08 to Comp	992,600	1,166,182	-
B-09-MC-35-0002	14.218	B-09-MC-35-0002	07/09 to Comp	1,010,375	1,411,711	196,863
B-10-MC-35-0002	14.218	B-10-MC-35-0002	07/10 to Comp	1,096,221	1,150,284	246,987
B-11-MC-35-0002	14.218	B-11-MC-35-0002	07/11 to Comp	916,360	804,688	804,688
Total Community Development Block Grant				6,058,321	6,682,797	1,315,732
Other HUD						
Supportive Housing Program	14.238	NM0025B6B010800	12/09 thru 12/12	311,353	222,357	112,494
Shelter Plus Care	14.238	NM0023C6B010800	10/09 thru 11/14	330,720	129,852	58,743
Shelter Plus Care	14.238	NM0030C6B011003	07/11 thru 6/12	99,120	82,704	82,704
Museum of Nature and Science	14.248	B-08-MC-35-0002	07/11 thru 6/12	2,000,000	1,328,255	1,155,278
Brownfields Economic Development Grant	14.248	B-09-BD-35-8006	08/09 thru 12/13	2,000,000	487,970	471,502
Total Other HUD				4,741,193	2,251,138	1,880,721
Home Program Grant						
M-06-MC-35-0222	14.239	M-06-MC-35-0222	10/06 to Comp	502,636	850,751	-
M-07-MC-35-0222	14.239	M-07-MC-35-0222	10/07 to Comp	496,988	566,740	-
M-08-MC-35-0222	14.239	M-08-MC-35-0222	10/08 to Comp	481,937	578,834	2,482
M-09-MC-35-0222	14.239	M-09-MC-35-0222	07/09 to Comp	537,892	592,226	81,141
M-10-MC-35-0222	14.239	M-10-MC-35-0222	07/10 to Comp	535,186	571,779	22,476
M-11-MC-35-0222	14.239	M-11-MC-35-0222	07/10 to Comp	471,404	117,695	117,695
Total Home Program Grant				3,026,043	3,278,025	223,794
Pass-through New Mexico Department of Housing and Urban Development Neighborhood Stabilization Program	14.256	09-NSP-2-G-02	08 to 6/30/12	1,500,000	1,446,645	-
Total U.S. Department of Housing and Urban Development				**15,325,557**	**13,658,605**	**3,420,248**
U.S. Department of Justice						
2007 Cops Technology	16.710	2007-CKWX-0047	09/07-8/11	570,303	402,790	69,855
2005 Cops Interoperability	16.710	2005-INWX-0014	09/05 thru 08/12	981,360	884,604	22,798
2009 COPS CHRP - ARRA	16.710	2009-RKWX-0636	07/09 - 06/12	1,518,784	325,872	325,872
2011 Justice Assistance - ARRA	16.738	2011-DJ-BX-3242	10/01/10-09/30/14	50,972	50,708	50,708
2010 Justice Assistance - ARRA	16.804	2010-DJ-BX-1065	10/01/09-09/30/13	64,074	13,634	137
2010 Justice Assistance - ARRA	16.804	2010-DJ-BX-1065	10/01/09-09/30/13	43,293	43,080	-
2009 Justice Assistance - ARRA	16.804	2009-DJ-BX-0264	10/08-09/12	66,895	60,213	14,514
2009 Justice Assistance - ARRA	16.804	2009-DJ-BX-0264	10/08-09/12	39,514	26,018	1,426
Justice Assistance - ARRA	16.804	2009-SB-B9-0497	03/01 thru 02/13	281,558	252,694	199,805
Justice Assistance - ARRA	16.804	2009-SB-B9-0497	03/01 thru 02/13	166,312	133,031	-
Bullet Proof Vest Program	16.607	2009-BUBX05027165	04/09 thru 09/11	24,600	24,600	172
Bullet Proof Vest Program	16.607	2009-BUBX05027165	04/10 thru 09/12	9,375	9,375	6,346
Bullet Proof Vest Program	16.607	2009-BUBX05027165	04/01/11 - 08/31/13	15,000	15,000	15,000
Victim Assistance Unit	16.575	2012-VA-734	07/01/11-06/30/12	30,450	29,399	29,399
FBI SNM Gang Task Force	16.xxx	MOA	09/07/10-until rescinded	102,765	91,922	34,817
US Marshals Service	16.xxx	MOU	11/3/10-until rescinded	56,000	16,106	7,111
Safe Haven-After School Program	16.726	2010-JL-FX-0420	8/01/10-7/31/12	250,000	135,070	97,590
Subtotal U.S. Department of Justice				4,271,255	2,514,116	875,551
Project Safe Neighborhoods	16.609	10-PSN-LCPD-SFY11	7/1/10-6/30/11	10,000	9,975	9,911
Project Safe Neighborhoods	16.609	11-PSN-LCPD-SFY12	7/1/10-6/30/11	8,000	8,000	8,000
Total Pass-through Department of Public Safety				18,000	17,975	17,911
Pass-through Neighboring Cities and Counties						
Southwest New Mexico Border Law Enforcement Alliance through Luna County	16.753	2009-D1-BX-0266/2009 -G8697-NM-DD	01/06/10-08/31/12	37,500	37,500	20,100
Justice Assistance-Silver City	16.804	11-JAG-REGVII-SFY12	07/01/2011-06/30/2012	18,649	18,649	18,649
Total Department of Justice Pass-through Neighboring Cities and Counties				56,149	56,149	38,749
Total U.S. Department of Justice				4,345,404	2,588,239	932,211

(Continued)

City of Las Cruces
Schedule of Expenditures of Federal Awards — continued
For the Year Ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant No./ Pass-Through Identifying No.	Program Period	Program or Award Amount	Life-to-Date Expenditures	Current - FY12 Expenditures as of 6/30/12
Executive Office of the President						
Office of National Drug Control Policy						
HIDTA	95.001	G10SN0006A	01/10 thru 12/11	832,169	832,169	47,407
HIDTA	95.001	G11SN0006A	01/11 thru 12/12	810,191	756,530	756,530
Pass-through HIDTA						
HIDTA-DHE	95.001	award to LCPD-HIDTA's Grant-G11SN0012A through Town of Mesilla	06/21/10-12/10	33,236	30,158	3,956
Total Office of National Drug Control Policy				1,675,596	1,618,857	807,893
U. S. Department of Transportation						
Airport Improvement Programs						
Airport Air Traffic Control Tower	20.106	OTA City of Las Cruces	7/04 to Completion	1,100,900	700,550	31,626
Weather Station	20.106	AIP 3-35-0024-0024-2010	09/10 thru 03/11	213,648	201,163	44,465
Wildlife Hazard Assessment	20.106	AIP 03-35-0024-025-2010	09/10 thru 09/13	79,714	79,711	37,554
Rehab Taxiway "A"	20.106	AIP 03-35-0024-026-2011	09/11 thru 12/12	5,483,879	938,187	938,187
Electronic Airport Plan	20.106	AIP 03-35-0024-027-2011	09/11 thru 12/12	418,589	246,967	246,967
Total U.S. DOT Airport Improvement Programs				7,296,730	2,166,578	1,298,799
Federal Transportation Administration						
Section 5309	20.500	NM 03-0052	09/05 thru Completion	1,868,050	577,425	190,672
Section 5307	20.507	NM 90-0084	12/07 thru Completion	13,500	11,772	-
Section 5307	20.507	NM 90-0088	09/08 thru Completion	111,680	89,799	66,327
Section 5309	20.500	NM 04-0013	09/09 thru Completion	58,730	57,137	50,423
Section 5307	20.507	NM 90-4102	11/11 thru Completion	1,292,087	1,292,087	1,292,087
Section 5309	20.500	NM-04-0017	08/10 thru Completion	146,700	146,700	146,700
Section 5307	20.507	NM-90-X071	01/05 thru Completion	34,500	34,500	14,974
Section 5307	20.507	NM 90-0076	08/06 thru Completion	17,490	1,608	-
Total Federal Transportation Administration				3,542,737	2,211,028	1,761,183
Federal Highway Administration						
Pass-through State Department of Transportation						
Del Rey Boulevard - ARRA	20.205	D12743	07/09 thru 09/12	2,000,000	2,000,000	46,951
S.T.E.P. FY11	20.600	11-RF-01-049	10/01/09 - 09/30/10	12,695	12,685	(236)
S.T.E.P. 100 DAYS & NIGHTS 2011	20.600	11-RF-DS-049	06/01/11 - 09/30/11	18,007	15,769	15,769
S.T.E.P. 100 DAYS & NIGHTS 2012	20.600	12-RF-DS-049	06/21/12 - 10/30/12	18,016	4,260	4,260
Pedestrian Safety Blitz	20.614	TS03388	10/01/11 - 08/30/12	8,400	3,575	3,575
OBD-Traffic Safety Bureau	20.608	11-OP-RF-049	10/01/10 - 9/30/11	6,877	69,188	3,177
OBD-Traffic Safety Bureau	20.608	12-OP-RF-049	11/18/11 - 06/3/12	9,866	7,689	7,689
ODWI-Traffic Safety Bureau	20.608	11-AL-64-049	10/01/10 - 09/30/11	98,503	98,503	32,492
ODWI-Traffic Safety Bureau	20.608	12-AL-64-049	10/01/11 - 09/30/12	98,503	79,423	79,423
Total Pass-through State Department of Transportation				2,270,867	2,291,092	193,100
Pass-through New Mexico Department of Homeland Security and Emergency Management						
Federal Transit Administration						
Transit - ARRA	20.507	NM-96-X004-00	07/09 thru completion	1,713,911	325,871	33,035
				1,713,911	325,871	33,035
Total U.S. Department of Transportation				14,824,245	6,994,569	3,286,117
Environmental Protection Agency						
Las Cruces Drinking Water Transmission Line Grant	66.202	XP-966347-01-4	10/01/06 - 09/30/12	955,600	714,484	1,437
Total Environmental Protection Agency				955,600	714,484	1,437

(Continued)

City of Las Cruces
Schedule of Expenditures of Federal Awards — continued
For the Year Ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant No./ Pass-Through Identifying No.	Program Period	Program or Award Amount	Life-to-Date Expenditures	Current - FY12 Expenditures as of 6/30/12
U.S. Department of Energy						
Energy Efficiency and Conservation Block Grant - ARRA	81.128	09/09 thru 09/12		888,000	412,092	273,060
Pass-through New Mexico Energy, Minerals, and Natural Resources						
Convention Center Stimulus - ARRA	81.128	04/10 thru 04/12		495,330	493,510	329,380
Total U.S. Department of Energy				1,383,330	905,602	602,440
U.S. Department of Health and Human Services						
Disease Prev. & Health Prom. - Title III-Part D	93.043	2011-11- 64014	7/11 thru 6/12	15,943	15,943	15,943
Supportive Services & Senior Ctrs - Title III-Part B	93.044	2011-11- 64014	7/11 thru 6/12	21,752	21,752	21,752
Meals/Transportation Grant - Title III-Part C1 & C2	93.045	2011-11- 64014	7/11 thru 6/12	115,081	115,081	115,081
National Family Caregivers Support - Title III-Part E	93.052	2011-11- 64014	7/11 thru 6/12	40,703	40,703	40,703
Nutrition Services Incentive Program - Title III	93.053	2011-11- 64014	7/11 thru 6/12	172,435	172,435	172,435
Total U.S. Department of Health and Human Services				365,914	365,914	365,914
Corporation for National and Community Service						
Retired and Senior Volunteer Program	94.002	11SRWNM003	07/11 thru 03/12	37,779	37,779	37,779
Retired and Senior Volunteer Program	94.002	11SRWNM004	04/12 thru 03/13	50,372	12,593	12,593
Total Corporation for National and Community Service				88,151	50,372	50,372
U.S. Deptartment of Homeland Security						
FY12 FEMA SAFER	97.083	EMW-2010-FH-00211	10/9/2011 -10/8/2013	1,287,336	251,196	251,196
Homeland Security-ICE	97.xxx	MOA	06/11/10-until rescinded	10,000	12,557	12,557
FY11 FEMA FIRE DEPT EQUIP	97.044	EMW-2011-FO-06514	12/9/2011-12/8/2013	399,744	-	-
				1,697,080	263,753	263,753
Pass-through OEM - Doña Ana County						
Operation Stone Garden	97.067	DHS-09-GPD-067-1972	01/01/11 - 12/31/12	251,929	50,794	49,391
CSTI Training	97.067	2009-SS-T9-000030-DONA ANA 03	01/01/12 - 07/15/2012	33,379	33,379	33,379
2010 OEM Talon Robot Training	97.067	2010-SS-T0-0011-DONA ANA 01	01/01/11 - 07/15/12	4,673	3,702	3,702
Total Pass-through OEM-Doña Ana County				289,981	87,874	86,472
Total U.S. Department of Homeland Security				**1,987,061**	**351,628**	**350,225**
National Endowment for the Humanities						
Bison Exhibit	45.164	MR-50143-12	5/1/2012-9/30/2012	1,000	-	-
				1,000	-	-
US Department of the Interior - BLM						
Prehistoric Trackways National Monument	15.224	L10AC20454	10/1/2010-9/30/2015	218,000	200,000	200,000
				218,000	200,000	200,000
Total Federal Awards				**$ 41,176,857**	**$ 27,455,270**	**$ 10,018,000**

City of Las Cruces

Notes to the Schedule of Expenditures of State and Federal Awards
June 30, 2012

1) General

The accompanying schedules of expenditures of state and federal awards presents the activity of all state and federal award programs for the City of Las Cruces, New Mexico, (the City). The City's reporting entity is defined in Note 1 to the City's financial statements. The Office of Management and Budget's (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* sets forth requirements whereby federal grants may be audited under a "single audit" approach at the same time the City's financial statements are audited. All awards received from state and federal agencies, as well as awards passed through other organizations and government agencies, are included on the schedule, except for those awards received directly by the Housing Authority of the City of Las Cruces, New Mexico (the Housing Authority) for the six-month period ending June 30, 2012. These awards are presented on the Housing Authority's schedule of expenditures of federal awards.

2) Basis of Presentation

The accompanying schedules of expenditures of state and federal awards includes the state and federal grant activity of the City and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

3) Federal Loans

On May 24, 2010, the City was awarded a promissory note from the U.S. Department of Housing and Urban Development in the amount of $2,000,000. The note was awarded under the HUD Section 108 loan guarantee program for the purpose of constructing, rehabilitating, and improving the Museum of Nature and Science in the City. Land serves as collateral for the loan and interest is charged at a rate of 1.7%. As of June 30, 2011, none of the loan proceeds had been expended. During the year ended June 30, 2012, the City expended $1,155,278 of the proceeds; leaving $844,722 available to be expended. Payments on the loan for the year ended June 30, 2012 included $61,000 in principal and $105,714 in interest; leaving an outstanding balance of $1,939,000.

4) Reconciliation of the Schedule of Expenditures of State and Federal Awards

The following is a reconciliation of the expenditures reported on the schedule of expenditures of state and federal awards to the expenditures reported in the financial statements for the City:

Expenditures on schedule of expenditures of state and federal awards - State Expenditures	$ 4,346,692
Expenditures on schedule of expenditures of state and federal awards - Federal Expenditures	10,018,000
Expenditures financed by other funding sources	108,853,440
Expenditures reported in the statement of revenues, expenditures, and changes in fund balance—governmental funds	$ 123,218,132

5) Former Housing Authority

Effective January 1, 2012, resolution No. 12-071 approved an intergovernmental agreement between the City and Doña Ana County to establish the Mesilla Valley Public Housing Authority (MVPHA). As a result, only the activity for the City of Las Cruces Public Housing Authority (PHA), formerly a discretely presented component unit of the City, from the period of July 1, 2011 through December 31, 2011 is presented in the City's financial statements. None of the activity for PHA or MVPHA is presented in this schedule of expenditures of federal and nonfederal awards.

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Report of Independent Auditors 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 H. Balderas, New Mexico State Auditor
and the Honorable Mayor and City Council Members
of the City of Las Cruces

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, the aggregate remaining fund information and the budgetary comparisons of the general and major special revenue funds and the combining and individual funds and related budgetary comparisons presented as supplemental information of the City of Las Cruces, New Mexico (the City) as of and for the year ended June 30, 2012, and have issued our report thereon dated December 17, 2012. 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. Other auditors audited the financial statements of the City of Las Cruces Public Housing Authority, as described in our report on the City's financial statements. However, this report does not include the results of the other auditor's testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors.

Internal Control Over Financial Reporting

Management of the City is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

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

Praxity MEMBER
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Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs as findings 2012-01 and FS 10-3, that we consider to be significant deficiencies in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's basic 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*.

In addition, the results of our tests disclosed matters that are required to be reported under New Mexico State Auditor Rule 2 NMAC 2.2, *Requirements for Contracting and Conducting Audits of Agencies*, which are described in the accompanying schedule of state auditor rule findings as SA 10-1 and SA 11-2.

The City's responses to the findings identified in our audit are included in the accompanying schedule of findings and questioned costs and schedule of state auditor rule findings. We did not audit the City's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the Mayor, the City Council, the New Mexico State Auditor, the New Mexico Department of Finance and Administration, federal awarding agencies, and pass-through entities, and is not intended to be, and should not be, used by anyone other than these specified parties.

Moss Adams LLP

December 17, 2012
Albuquerque, New Mexico

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Certified Public Accountants | Business Consultants

Report of Independent Auditors on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

Mr. Hector H. Balderas, New Mexico State Auditor
and the Honorable Mayor and City Council Members
of the City of Las Cruces

Compliance

We have audited the City of Las Cruces, New Mexico's (the City) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2012. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

The City's basic financial statements include the operations of the City of Las Cruces Public Housing Authority (PHA), which received $2,417,238 in federal awards through December 31, 2011, which is not included in the schedule during the year ended June 30, 2012. Our audit, described below, did not include the operations of PHA because effective January 1, 2012, PHA was reorganized and is no longer considered a component unit of the City. The new entity, Mesilla Valley Public Housing Authority, engaged other auditors to perform an audit in accordance with OMB Circular A-133 as of and for the year ended June 30, 2012.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

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In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2012-02.

Internal Control Over Compliance

The City's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified a deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying schedule of findings and questioned costs as finding 2012-02. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the City's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the Mayor, the City Council, the New Mexico State Auditor, the New Mexico Department of Finance and Administration, federal awarding agencies, and pass-through entities, and is not intended to be, and should not be, used by anyone other than these specified parties.

Moss Adams LLP

December 17, 2012
Albuquerque, New Mexico

City of Las Cruces
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

Section I — Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unqualified
Internal control over financial reporting:	
Material weakness identified?	No
Significant deficiency identified?	Yes
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness identified?	No
Significant deficiency identified?	Yes
Type of auditors' report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?	Yes

City of Las Cruces
Schedule of Findings and Questioned Costs — continued
For the Year Ended June 30, 2012

Section I — Summary of Auditors' Results — continued

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
14.248	Brownfield's Economic Development Grant and Museum of Nature and Science Loan
16.710	Public Safety Partnership and Community Policing Grants –ARRA
16.710	Public Safety Partnership and Community Policing Grants
81.128	Energy Efficiency and Conservation Block Grant - ARRA
95.001	High Intensity Drug Trafficking Areas Program
93.044/93.045/93.053	Aging Cluster

Dollar threshold used to distinguish between type A and type B programs:	$300,540
Auditee qualified as low-risk auditee?	Yes

City of Las Cruces
Schedule of Findings and Questioned Costs — continued
For the Year Ended June 30, 2012

Section II — Financial Statement Findings

2012-01 — Internal Service Fund Allocations (Significant Deficiency)

Conditions: Adequate internal controls are not in place to ensure billings from the vehicle maintenance internal service fund are charged and allocated to the City's functions and departments timely and accurately. Vehicle maintenance program accountants do not integrate the Munis ERP functions in the billing function and a complete inventory of supplies is not conducted on a timely basis. In addition, significant budget variances occurred in fiscal year 2012. Actual expenditures of $6,934,103 exceeded the budget of $6,373,668 by $560,435. In fiscal year 2011, actual expenditures also exceeded budget by $377,374.

Criteria: Internal service funds are accounting devices used to accumulate and allocate costs internally among the City's various functions and departments. Charges calculated in this manner are recognized as revenue in the internal service fund and as expenditures (expenses) by other funds of the governmental unit. The City uses internal service funds to account for its support services, vehicle maintenance, and self-insurance. Safeguards should be in place to ensure expenses of internal service funds are allocated timely and accurately.

Effect: As a result, functions and departments of the City were not charged appropriately for services provided from the vehicle maintenance fund. In addition, the vehicle maintenance fund incurred the following at and for the year ending June 30, 2012:

- Operating losses of $984,989, before non-operating expenses and transfers
- A net deficit equity position of $147,806

Cause: Internal controls are not operating effectively to prevent budget overruns and deficits.

Auditors' Recommendations: The City should improve processes and safeguards to ensure the following:

- That monthly billings are performed timely and Munis ERP is utilized during the billing process;
- Variances with budgets are investigated to prevent unfavorable results at year end; and
- An inventory of supplies is conducted at least annually and reconciled with accounting records.

Management's Response: Fleet management is in the process of evaluating and strengthening internal controls, including identifying roles and responsibilities with the section. Processes are being analyzed to ensure timely billing to departments utilizing the City's ERP. Specifically, controls and processes are being put in place to ensure compliance with the approved budget. A complete inventory will be completed by the end of the third quarter of the current fiscal year and annually thereafter. An assessment and adjustments to internal charges to address the operating losses will be completed by the end of this fiscal year. These adjustments are anticipated to mitigate the negative equity position that currently exists in this fund.

Section II — Financial Statement Findings

FS 10-3 — Utility Accounts Receivable (Significant Deficiency)

Condition: Internal controls should be strengthened to ensure the City's accounts receivable for utility billings are accurate. The City did not perform adequate reconciliation of accounts receivable for each utility billing until the closing for fiscal year 2012. We found a difference between the subsidiary ledgers and the general ledger of $84,000.

Criteria: Adequate controls should be in place to ensure accounts receivable utility billing is accurate. Accounts receivable subsidiary ledger, or equivalent reports, for each utility billing should be reconciled to general ledger balances on a regular basis.

Effect: Utility accounts receivable balances recorded in the general ledger were not accurate by $84,000. Adjusting journal entries were required to correct utility accounts receivable balances at year-end. Incorrect accounts receivable may provide inaccurate financial information and may prevent the City from collecting outstanding charges.

Cause: Although the City's utility billing system has the ability to generate a detailed accounts receivable listing, adequate reconciliation to the general ledger was not performed for utility accounts receivable balances during fiscal year 2012.

Auditors' Recommendation: Accounts receivable for utilities should be analyzed and reconciled on a regular basis. Reconciliations should include sufficient detail to ensure the accuracy of recorded balances. The aged accounts receivable listing should be generated at the end of each month and reconciled to the general ledger. This will ensure utility accounts receivable balances recorded in the general ledger are accurate at year-end.

Management's Response: Staff has identified the cause of the $84,000 difference between the subsidiary ledger and general ledger and has taken appropriate measures to rectify this issue and prevent future occurrence. Utility staff has a high level of confidence in the accuracy of utility billing due to internal control of consumption and reporting procedures. The utility accounting staff has identified necessary procedures in order to perform routine reconciliation of the accounts receivable subsidiary ledger for each utility billing to general ledger balances. System inadequacies and inconsistency of report operation generated by the City's ERP software package continues to make monthly reconciliation difficult. While these issues are being addressed, staff is doing a manual cutoff quarterly to fully reconcile utility billing with the general ledger. Utilities continue to work with the software vendor to provide accurate and functional reporting to assist with better reconciliation processes. It is anticipated that the report generation issues and processes to accomplish monthly reconciliation will be adequately addressed by the end of the fiscal year.

Section III — Federal Award Findings and Questioned Costs

2012-02 — Allowable Costs/Cost Principles – Payroll (Significant Deficiency and Noncompliance)

Federal program information:

Funding agency:	Department of Health and Human Services
Title:	▪ Special Programs for the Aging – Title III, Part D – Disease Prevention and Health Promotion Services ▪ Special Programs for the Aging – Title III, Part B – Grants for Supportive Services and Senior Centers
CFDA Number:	93.043, 93.044, 93.053
Award year and number:	2011, 64014

Condition: Personnel Action Notice (PAN) forms are used as the basis for allocating payroll costs for the senior services program. The PAN forms are before-the-fact estimations that do not reflect the actual time spent on an award. The PAN forms were not completed monthly and were not signed by the employee.

Criteria: In accordance with OMB Circular A-87, when employees work on multiple activities or cost objectives, charges for salaries and wages should be supported by personnel activity reports or equivalent documentation. The supporting documentation should reflect an after-the-fact distribution of the actual activity of each employee, as well as account for the total activity for which each employee is compensated. The documentation should be prepared at least monthly, and should be signed by the employee.

Questioned Costs: Unknown

Effect: The payroll costs being charged to given awards are not based on the actual time spent, but on a predetermined allocation based on estimations.

Cause: Standardized policies and procedures are not in place to ensure compliance with payroll certification requirements.

Auditors' Recommendation: The City should implement policies and procedures requiring certifications be signed by the employee at least monthly.

Management's Response: Senior Programs will conduct time studies at "least" semi-annually and require that each employee participate. Time studies will be reviewed by management/supervisor to ensure accuracy. Time studies will then be used for the basis of budgeting:

a. Allocating personnel/fringe to individual service budgets (i.e. congregate, home delivered, homemaker, etc.)
b. Allocating other operating costs to individual service budgets (i.e. audit, utilities, insurance, etc.

City of Las Cruces
Schedule of State Auditor Rule Findings
For the Year Ended June 30, 2012

Section IV – The following findings are reported in accordance with the New Mexico State Audit Rule 2.2.2 NMAC, *Requirements for Contracting and Conducting Audits of Agencies.*

SA 10-1 — Actual Expenditures Exceeded Budget Expenditures (Other)

Condition: The following funds over-expended budgeted amounts as of June 30, 2012:

- Debt Service ($94,290)
- Traffic Safety ($8,657)
- Gas Tax Street Maintenance ($15,441)
- Older Americans Act Program ($14,108)
- Internal Services ($560,435)
- TIDD Dedicated Revenues ($749)

Criteria: In accordance with 2.2.2.10 (P) NMAC, actual expenditures should not exceed budgeted expenditures at the legal level of compliance.

Effect: Actual expenditures exceed budgeted amounts in six of the City's funds.

Cause: Procedures were not in place to ensure budgetary compliance.

Auditors' Recommendations: We recommend the City establish adequate procedures to monitor budget compliance and prohibit spending exceeding the budgeted amounts.

Management's Response: The City continues to refine the procedures for identifying budget overruns more timely. There is now a greater coordination between Accounting and the Budget Office regarding unfavorable budget variances.

SA 11-2 — Information Technology (Other)

Condition: The following areas of the Information Technology (IT) infrastructure were identified as needing enhanced controls. These areas include:

- lack of true role-based user access controls to Munis ERP system and lack of annual user access reviews;
- lack of a formal, comprehensive City government business continuity and disaster recovery plan;
- lack of a firewall between Mesilla Valley Regional Dispatch Authority, Sunland Park, and the City's network; and
- lack of a formal change in management process.

Criteria: Information Technology, including systems and infrastructure are essential and integral to the efficiency of the City's operations. IT internal controls are essential to maintain the confidentiality, integrity, and availability of data. IT internal controls are as important as the internal controls that surround the input of financial transactions into the City's general ledger.

Effect: Without strong internal controls over the City's IT infrastructure and the Munis ERP System, there is the potential for the confidentiality, integrity, and/or availability of data to be compromised. This compromise could be by an internal user of the system, by an external source (hacker), could be intentional or unintentional, and could be the result of a disaster.

Cause: The IT department has made a great deal of improvement in the strength of IT internal controls. In order to continue this improvement and implement the approved IT policies, the IT Department needs the support of City management and the cooperation of the City's employees.

SA 11-2 — Information Technology (Other) — continued

Auditors' Recommendation: We recommend the following:

- The City should ensure that a complete review of all user access levels on the Munis ERP system is performed and that true role-based access is implemented. This review will be easier once the system has "role-based" access levels.
- The City should ensure that a comprehensive, written business continuity and disaster recovery plan is developed and implemented for all departments. It is prudent to test this plan on a regular basis, and training should be provided to all employees.
- The City should ensure that, as an interim precaution, a firewall is installed between the MVRDA network and the City's network. Ideally, MVRDA and Sunland Park should be entirely separate networks.
- Develop a formal change management process, covering authorization, testing, users' acceptance, deployment procedures, and back-up plan.
- Develop a formal vendor assessment process in order to ensure that processes/functions that are assigned to a vendor/third party are fulfilled in accordance with the agreement.
- Engage a third-party service provider to perform a network penetration test. This is to ensure that vulnerabilities and system weaknesses are identified and will be addressed by the City.

Management's Response: The City acknowledges the issues identified and the effect of these issues on the integrity of the systems affected.

Lack of true role-based user access controls to Munis ERP system and lack of annual user access reviews:

Due to a lack of clear documentation from the vendor regarding permissions, IT staff has been working with Accounting to research the permissions structures and to document them. As the documentation process proceeds, the City will utilize the City Auditor and accounting staff to mitigate incompatible permissions. Due to the number of current users and the interaction of various modules of the ERP, it is anticipated that this process will take several months to accomplish.

Through the course of the City's assessment of role-based security in fiscal year 2012, it was determined that a Munis ERP consultant would be needed for each module to implement roles on a project-by-project basis. Utilities went through this process last fiscal year and while the project was not fully completed, all of the major roles were developed over the course of several months.

IT has not yet developed an annual user access review process. This process cannot be developed until the new role-based system is in place due to the volume of current roles in the system. IT anticipates that as individual departments develop their role-based access controls, protocols for annual review of user access will be developed.

SA 11-2 — Information Technology (Other) — continued

Lack of a formal, comprehensive City government business continuity and disaster recovery plan:

A comprehensive City government business continuity plan is beyond the scope of the IT department's responsibilities and will need to be addressed by the City Manager's office as a City-wide initiative. However, the IT operations and disaster recovery planning are in process as part of the department's development of Standard Operating Procedures (SOP). All of the major processes performed by IT have been documented. Work continues in documenting new processes as they are being developed.

The IT department is currently working with Tyler Technologies on a disaster recovery test project which is scheduled to be completed by the end of this calendar year. Tyler Technologies provides an outsourced disaster recovery function for the Munis ERP system. This testing will verify the readiness of Tyler Technologies to provide a disaster recovery site for the City's ERP system in case of emergency.

Lack of a firewall between Mesilla Valley Regional Dispatch Authority, Sunland Park, and the City's network:

Based on a review of the MVRDA network, it was determined that the primary roadblock to implementing a firewall between the two networks was the inability of MVRDA to host their own Microsoft Active Directory Domain. Ultimately, due to the child-domain relationship between the City's network and MVRDA's network, a firewall cannot be effectively deployed until MVRDA has its own network infrastructure that is not dependent upon the City's infrastructure.

MVRDA has indicated that at this time the funds necessary to implement their own Microsoft Active Directory Domain infrastructure are not available. The City will continue to encourage the MVRDA to obtain their own Domain. Once MVRDA has their own Domain, the City can implement a firewall and continue to provide email and fiscal services to MVRDA.

Lack of a formal change-in-management process:

IT started the development of a formal change-in-management process for the Munis ERP system and Microsoft Active Directory during the fourth quarter of fiscal year 2012. Work continues on both systems (Munis ERP and MS AD). Some SOP's for change management are available for Munis, including system updates and patching. This work will continue as new Munis modules are implemented. IT is implementing new change-in-management tools for Microsoft Active Directory. Those tools should be in place by the end of the calendar year and their associated SOP's will be developed at that time. It is anticipated that both of these projects will be completed for production systems by the end of fiscal year 2013.

SA 11-2 — Information Technology (Other) — continued

Develop and implement vendor assessment process:

IT has a technology review process in place that is focused on technology standards, risk, and information security. IT is responsible to review technology purchases within this scope. However, IT is not responsible for the scope of a Vendor Assessment Process; "This process is performed to ensure that the vendor can perform its obligations in accordance with the agreed terms of the contract. This includes confirmation that external service providers comply with legal and regulatory requirements and contractual obligations."

During the procurement phase, this should be the responsibility of the Purchasing department and part of the Selection Advisory Committee process. The IT department should not be auditing legal and regulatory requirements. If the Vendor Assessment is performed regularly after the purchase, then we believe it would be Internal Audit who would perform an audit of the vendor's ability to meet their contractual obligations. This type of review should extend to purchases and contracts beyond the IT department's purchases.

In regards to the Munis DR, we are in the process of testing Tyler Technologies' ability to restore our data and this could be considered part of a vendor assessment which includes the other objectives that have been mentioned. The IT department can provide the technical evaluation component, but not the contractual, regulatory, or legal components.

Third-party penetration test:

IT had an independent third-party penetration test performed in 2009. Many changes and improvements to the network have been implemented since then. IT will procure a new penetration test during the third quarter of fiscal year 2013.

City of Las Cruces
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2012

Effective January 1, 2012, resolution No. 12-071 approved an intergovernmental agreement between the City and Doña Ana County to establish the Mesilla Valley Public Housing Authority (MVPHA). As a result, MVPHA submits its own financial statements and OMB Circular A-133 reporting package and therefore none of the prior audit findings relating to the former City of Las Cruces Public Housing Authority or MVPHA are presented in this summary.

Prior Audit Findings	Current Status
Financial Statement Findings	
FS 10-2 – Capital Assets	Resolved
FS 10-3 – Utility Accounts Receivable	Repeat finding; see FS 10-3
FS 11-1 – Contract Monitoring	Resolved
Federal Award Findings	
FA 11-1 – Property Acquisition	Resolved
FA 11-2 – Equal Employment Opportunity Plan	Resolved
State Auditor Findings	
SA 10-1 — Actual Expenditures Exceeded Budget Expenditures	Repeat finding; see SA 10-1
SA 10-2 — Workers' Compensation	Resolved
SA 11-1 — Clothing Allowance and Mileage Reimbursement	Resolved
SA 11-2 — Information Technology	Repeat finding; see SA 11-2

City of Las Cruces
Corrective Action Plan
For the Year Ended June 30, 2012

Audit Finding	Corrective Action Plan	Person Responsible	Estimated Completion Date
2012-01 Internal Service Fund Allocations	See management's response.	Comptroller's Office	June 30, 2013
2012-02 Allowable Costs/Cost principles-Payroll	See management's response.	Human Resources Director	June 30, 2013
FS 10-3 Utility Accounts Receivable	See management's response.	Treasurer's Office	June 30, 2013
SA 10-1 Actual Expenditures Exceed Budget Expenditures (Repeat)	See management's response.	Budget Office	June 30, 2013
SA 11-2 Information Technology	See management's response.	IT Director	June 30, 2013

City of Las Cruces

Exit Conference and Financial Statement Preparation
For the Year Ended June 30, 2012

An exit conference was conducted on November 14, 2012, in a closed meeting pursuant to *Section 12-6-5 NMSA, 1978,* with the following individuals in attendance:

City of Las Cruces

Ken Miyagishima	Mayor
Sharon Thomas	Councilor
Olga Pedroza	Councilor
Gill M. Sorg	Councilor
Robert Garza	City Manager
Brian Denmark	Assistant City Manager
Mark Winson	Assistant City Manager
Pete Connelly	City Attorney
Melissa Nelson	Accounting Supervisor
Maria Villa	Accounting Supervisor

Moss Adams LLP

Larry Carmony	Partner
Wayne Brown	Partner
Ryan Luetkemeyer	Senior Manager
Lupita Martinez	Senior Manager

The City`s accounting department and independent public accountants jointly prepared the accompanying financial statements. The City is responsible for the financial statement content.