



## Popular Annual Financial Report For the Fiscal Year Ended June 30, 2014

### Our City is Green

Nestled in the fertile Mesilla Valley between the majestic Organ Mountains and the historic Rio Grande, Las Cruces is quickly becoming a popular southwestern destination. Our ideal location at the crossroads of Interstates 10 and 25 brings visitors to year-round golf, unique special events, and world-class cuisine. Las Cruces blends culture and history with 350 days of sunshine annually.

The City Council adopted the Sustainability Action Plan 2014-2017 on June 16, 2014 which lists a number of strategic objects regarding sustainability. Already the City has one LEED Gold certified building, the Las Cruces Convention Center, and one LEED Silver certified building, the City of Las Cruces City Hall.

### How the City Operates

The City of Las Cruces is a Home Rule municipality and has a council-manager form of government. The City Council consists of the mayor, who chairs the meetings, and six city councilors.

The mayor is elected at-large and each of the city councilors represents one neighborhood district within the city; thus, each resident of Las Cruces is represented by the mayor and by one city councilor. The mayor and City Council serve staggered four-year terms. The city manager is appointed by the council based entirely on the basis of executive and administrative qualifications. As city manager and chief administrator of the city, he or she is responsible to the council for the administration of all city affairs, including, but not limited to, the administration of all organizational units placed in the city manager's charge by City Charter and/or by ordinance. The city manager and assistant city managers implement policies and programs that are prioritized and directed by the City Council and governed by the City of Las Cruces Charter.

### Selected Demographics

	2014	2013	2012
Population	101,324	100,557	99,665
Per Capita Income, estimated	21,179	\$20,042	\$20,498
Unemployment Rate	6.8%	6.9%	6.8%
Median Age	32.4	33.2	33.0
School Enrollment	24,395	24,495	24,534



Desert Trails Park

### Table of Contents

<i>Our City</i>	1
<i>Our Progress</i>	2
<i>Our Finances</i>	
<i>Revenues</i>	3
<i>Expenditures</i>	4
<i>Capital Assets</i>	5
<i>Our Future</i>	6

### Mission

*To provide responsive, cost effective and high quality services to the citizens of Las Cruces.*

### Vision Statement

*Be a collaborative and innovative organization that is future focused and committed to excellence.*

This report is largely based on the City's 2014 Comprehensive Annual Financial Report. However, only the financial data for the general government is included in this report and, therefore, the City's discretely presented component unit and business type activities are excluded. Additionally, information is presented in a summarized manner and certain financial statements and note disclosures required by GAAP are omitted. A copy of this PAFR as well as the City's audited 2014 CAFR, which is prepared in accordance with GAAP, is available from the Director of Financial Services, PO Box 20000, Las Cruces, NM 88004.

# Our Progress

## Fiscal Year 2014



### Accomplishments



- \* Parks & Recreation completed numerous facility enhancements including total renovation of the infield and new scoreboards and bleachers at Maag Park, upgrades to the sand volleyball area, additional wall padding to the Recreational Gym, and replacement basketball goals.
- \* Public Works worked on several street and flood projects including the Main Street, Foster Road, Las Colinas Drive, and Enzie Drive. Additionally, the airport fuel farm was completed and \$4.5 million was spent on pavement and electrical projects at the Las Cruces International Airport.
- \* Public Works/Facilities completed Fire Station #7 and started design on the East Mesa Public Safety Complex.
- \* Grants of \$7.2 million were accepted in fiscal year 2014, an increase of \$3.4 million from fiscal year 2013. The Transportation and Public Works departments each received \$1 million for capital improvements such as the El Paseo Road improvements and replacement vehicles for RoadRUNNER Transit.



Parks and Recreation's electric vehicle

*All target measures were met in 2014.*

	2014 Target	2014 Actual	2013 Actual	2012 Actual
<b>Public Safety - Fire - Performance Measures</b>				
Respond to 90% of all EMS incidents with an AEMT or Paramedic on the first arriving unit	90%	99%	99%	n/a
Total calls for fire service	15,000	15,513	14,370	15,394
Average response time - Fire (minutes seconds)	5:00	4:57	5:21	5:29

<b>Public Safety - Police - Number of Incidents</b>			
Arrests		Violent/Major Property Investigations Completed	
Adults	5,716	Against Persons	201
Juveniles	981	Against Property	1,581
Traffic Incidents		Non-Violent/Minor Property Investigations Completed	
Crashes	3,699	Against Persons	5,557
Fatality	4	Against Property	1,626
Theft		DWI/Alcohol	
Shoplifting	1,711	Missing	
From Auto	657	Narcotics/Vice/Weapons	
All Other	1,313	Other Miscellaneous Offenses	
			5,150

### City Museums

Through the use of grants from the U.S. Department of Housing and Urban Development along with the U.S. Department of Energy, the City opened the Museum of Nature and Science at 411 N. Main Street in November 2012. The building houses several exhibits related to the science of the area, including local flora and fauna, our night skies, and our Paleozoic trackways.

MoNAS, as it is referred to within the City, is now in an almost 9000 square foot building that was previously a bank and was re-purposed to be the latest edition to the overall Museum System. Previously known as the Museum of Natural History, it was renamed when it relocated to downtown from the Mesilla Valley Mall.

Other museums including the Museum of Art, the Branigan Cultural Center, and the Railroad Museum are located on Main Street or in close proximity to Downtown Las Cruces helping to create a part of the heart and vibrancy to our sunny community.

### Parks and Recreation Department

The Parks and Recreation Department purchased two electric vehicles to be used for events and around the main Hadley Park complex. (bottom left picture)

The Parks and Recreation Department continues to participate in recycling programs such as the Bags to Benches Program to help clean up the environment and our community. Pictured at right is one of two benches acquired to date.

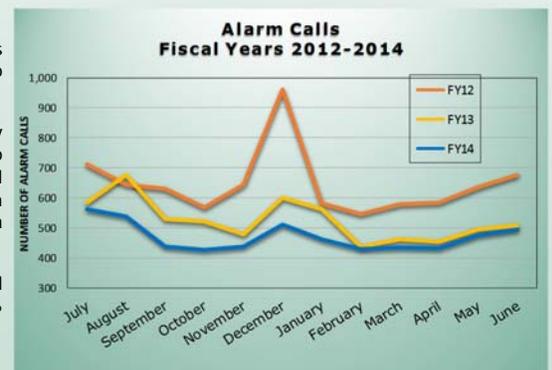


### Alarm System Registrations

In January 2013, The City of Las Cruces enacted an Alarm Ordinance in an effort to reduce the number of false alarms.

Responses to false alarms may divert or delay public safety resources from responding to legitimate calls for emergency services. All persons owning an alarm system, both commercial and residential, shall obtain a permit from the City.

The total alarm calls for Las Cruces Police and Fire Department have declined by 11% compared to fiscal year 2013.



# Our Finances

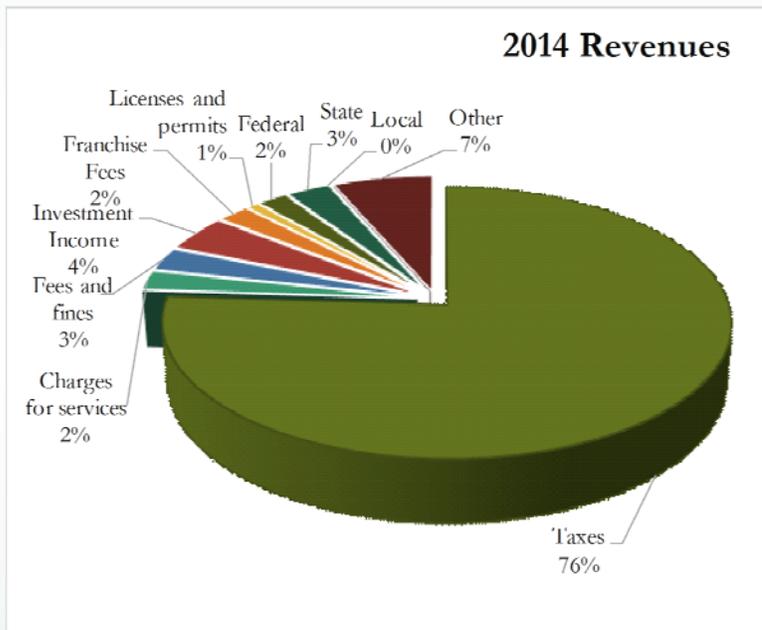
*What are the costs for servicing our citizens and how are those costs paid?*

## Where the money comes from

The General Fund is the primary operating fund of the City. It and other special governmental funds exist to account for the resources used to pay for the services traditionally associated with local government. Major services provided are police and fire protection, road construction and maintenance, parks and recreation, library and museums, planning and economic development, and general administration of the City.

## Revenues—governmental funds

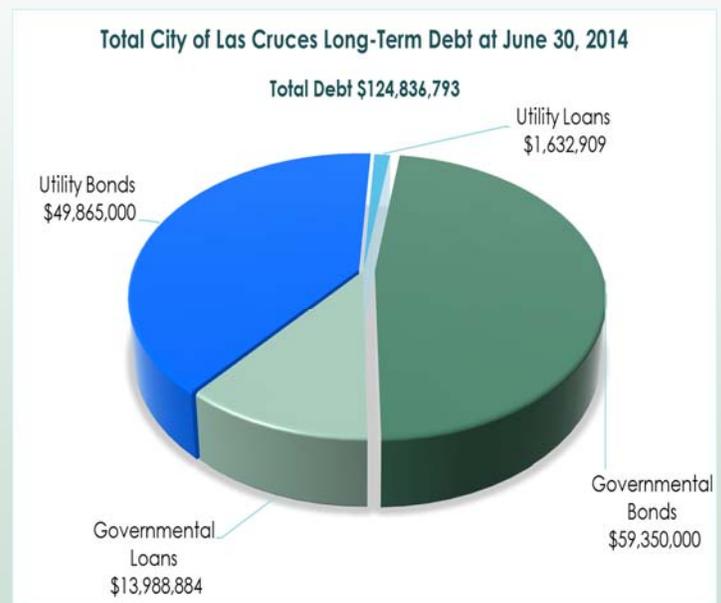
Revenues excluding Utilities in 2014 varied slightly with 2013. Exceptions included investment income which was significantly higher in 2014 and Federal Contributions which were significantly lower due to completion of various Transit and Airport federally funded grant projects.



	2014	2013	2012
Taxes	\$96,147,228	\$97,283,814	\$95,393,242
Charges for services	2,978,651	2,621,870	2,748,831
Fees and fines	3,601,721	4,223,526	3,094,954
Investment Income	5,502,991	181,900	3,561,376
Franchise Fees	2,700,727	2,691,014	2,742,676
Licenses and permits	1,090,909	1,266,098	1,278,941
Federal Contributions	2,534,502	9,334,664	5,436,400
State Contributions	3,643,879	4,013,997	5,220,915
Local Contributions	40,654	10,582	60,071
Other	8,237,485	6,168,354	8,601,347
<b>Total governmental funds revenues</b>	<b>\$129,642,108</b>	<b>\$127,795,819</b>	<b>\$128,138,753</b>



La Llorona Park





# Our Finances

## How the Money is Spent On Operations

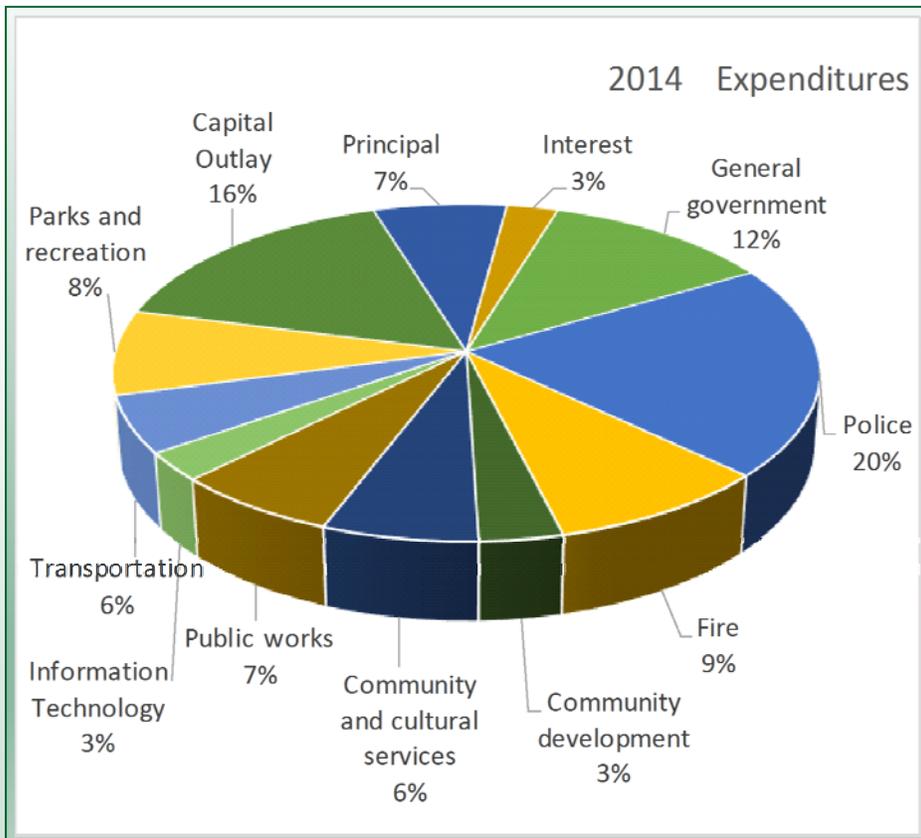


### Expenditures—governmental funds

	2014	2013	2012
General government	15,309,810	15,244,156	\$14,943,693
Police	26,682,809	26,298,016	25,616,229
Fire	11,960,199	11,670,358	11,300,825
Community development	4,590,232	4,384,737	4,724,846
Community and cultural services	8,470,577	8,161,447	8,153,572
Public works	9,516,062	11,027,114	14,620,521
Information Technology	3,261,809	3,575,895	2,913,463
Transportation	7,124,350	7,227,168	3,192,467
Parks and recreation	8,487,589	7,910,542	8,582,487
Capital Outlay	16,053,786	20,881,103	16,511,279
Principal	9,313,208	8,843,242	8,618,688
Interest and costs to issue debt	3,258,958	3,391,926	4,040,062
<b>Total primary government expenditures</b>	<b>124,029,389</b>	<b>\$128,615,704</b>	<b>\$123,218,132</b>



Wind power at MoNaS



Expenditures for 2014 are lower than 2013 mostly due to a reduction in expenditures for capital assets. Several long-term projects were completed including Fire Station No. 7 and the Intermodal Transit Facility, which had significant expenditures in 2013. Expenditures in 2013 were generally higher than in 2012 except for street maintenance expenditures that were previously in Public works are now in Transportation.



Fire Station No. 7



# Our Finances

## How the Money is Spent On Capital Assets



### Capital Asset Highlights — governmental funds

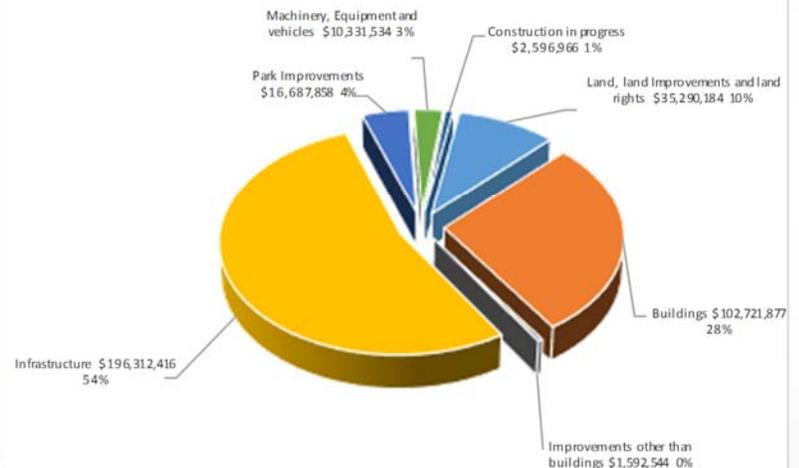
The city's investment in capital assets for its governmental activities as of June 30, 2014 amounts to **\$365,533,379** (net of accumulated depreciation). This represents the value of the city's land, buildings, park and other improvements, construction in progress and machinery and equipment.

#### Governmental Activities

- Construction during the year consisted primarily of ongoing projects including: Airport Fuel Farm, Intermodal Transit Facility, Castaneda Building, Fire Station #7, East Mesa Public Safety Complex, and the Police and Fire Training Facility - total cost of \$3.9 million.
- Completion of Fire Station #7 - \$3.2 million
- Completion of Intermodal Transit Facility - \$73 thousand
- Completion of Police and Fire Training Facility - \$269 thousand
- Improvements and renovations to various city buildings including: Museum of Nature and Science, Munson Senior Center, Sage Café, Branigan Library, Jardin De Los Ninos, Frank O'Brien Papen Community Center and Las Cruces Police Department - \$1.45 million.



Capital Assets, net of depreciation



Intermodal Transit Facility

# Our Future

## Key Initiatives



Downtown Las Cruces—Rio Grande Theatre

### Downtown Civic Plaza

The Tax Increment Development District (TIDD) Board voted to establish a civic plaza in the downtown TIDD area. The application for financing has been approved and design work is commencing in FY15.

### Public Works Projects

We are looking forward to the following projects to be completed in FY15: Streets and Flood Control— El Molino Pond; Facilities—breaking ground on the East Mesa Public Safety Complex; and Parks—making improvements to Sagecrest Park.

### Top 10 City Strategic Goals

1. Increase the City's focus on strategic job creation
2. Promote responsible, stable, and sustainable economic development
3. Develop a funding strategy for capital and operating needs
4. Support neighborhood and downtown revitalization
5. Increase educational, recreational, and cultural opportunities and amenities
6. Foster regional collaboration and partnerships
7. Foster creativity and innovation
8. Define the City's infrastructure policy
9. Provide and maintain reliable infrastructure
10. Support cost-effective energy initiatives



City Hall Parking Structure—Solar Panels



Las Cruces Regional Aquatic Center