



City of Las Cruces[®]

PEOPLE HELPING PEOPLE



POPULAR ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2015

Our City

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.

In addition, protecting and keeping the City of Las Cruces safe is an important factor for the Las Cruces Police and Fire Departments. Both departments have unique diverse workforces to serve more than 77 square miles within the city limits and more than 100,000 residents as well as the many who visit the City of Las Cruces. The Las Cruces Police and Fire Departments believe that working alongside our residents is the best way to help keep our community safe.

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 city 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.

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Mission Statement

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 2015 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 2015 CAFR, which is prepared in accordance with GAAP, is available from the Director of Financial Services, PO Box 20000, Las Cruces, NM 88004.

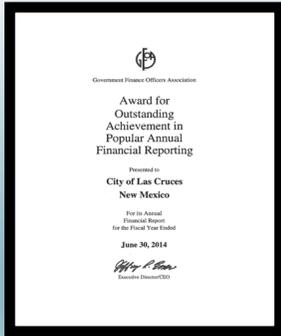
Selected Demographics

	2015	2014	2013
Population	101,408	101,324	100,557
Per Capita Income, estimated	\$ 21,460	\$ 21,179	\$ 20,042
Unemployment Rate	8.2 %	6.6 %	6.9 %
Median Age	31.1	32.4	33.2
School Enrollment	24,191	24,516	24,495

This report and the City's 2015 CAFR can be accessed at the City's website:
<http://www.las-cruces.org/departments/financial-services/accounting/reports>

OUR PROGRESS

ACCOMPLISHMENTS



* The City Museums Department has performed improvement projects including new flooring installed in Branigan Cultural Center (hardwood), Museum of Art (carpet) and a secondary structural support was added to the central section of the Cultural Center.

* Parks and Recreation completed renovations and enhancements to all infield surfaces at Hadley Complex.

* Public Works has completed the following projects in 2015:

Phillips Drive Reconstruction-\$885K

El Molino Phase VII-\$917K

Wyatt Drive Reconstruction -\$800K

Safe Routes to School -\$500K

Sonoma Ranch Blvd South-\$285K

Lantana Sewer Phase II-\$560K

Pavement Replacement-\$1.1M

Overlay Maintenance-\$2.4M

Microsurfacing-\$805K

* The City of Las Cruces Police Department received a Byrne Grant from the Department of Justice for \$39,134 to purchase body wear cameras.



The Las Cruces Police Department Body Cameras

All target measures were met in 2015.	2015 Target	2015 Actual	2014 Actual	2013 Actual
Public Safety - Fire - Performance Measures				
Respond to 90% of all EMS incidents with an AEMT or Paramedic on the first arriving unit	90%	97%	99%	99%
Total calls for fire service	15,000	16,764	15,513	14,370
Average response time - Fire (minutes seconds)	5:00	4:59	4:57	5:21

Public Safety - Police - Number of Incidents (Calendar Year 2015)			
Arrests		Violent/Major Property Investigations Completed	
Adults	5,140	Against Persons	183
Juveniles	817	Against Property	1,483
Traffic Incidents		Non-Violent/Minor Property Investigations Completed	
Crashes	3,983	Against Persons	5,220
Fatality	8	Against Property	1,503
Theft		DWI/Alcohol	397
Shoplifting	1,518	Missing	463
From Auto	853	Narcotics/Vice/Weapons	1,104
All Other	1,025	Other Miscellaneous Offenses	5,220



City Museums

The Museum System, comprised of the Branigan Cultural Center, the Museum of Art, the Museum of Nature and Science, and the Railroad Museum, served over 110,000 visitors this year. Of those visitors, 8,658 were part of a tour. Twenty-nine temporary exhibitions were installed in addition to the permanent exhibits hosted at Museum of Nature and Science and the Railroad Museum. The Museum System accomplished this with the assistance a very dedicated volunteer corps who donated 4,673.25 hours of time.

External financial assistance came to the Museums through various grants. The Museum of Art received funds from New Mexico Arts for exhibit programming to enhance **Fragile Waters**. Through continuous partnership with the Bureau of Land Management, the Museum of Nature and Science installed an outdoor interactive where visitors can excavate a cast of a Dimetrodon from sand.

Parks and Recreation Department

The Parks and Recreation Department implemented the Mobile Teen Unit, purchased a box van and filled it with equipment and supplies to provide teen activities on the go. The Mobile Unit answers one of the significant issues that teens identified through a survey, transportation was the primary reason youth brought forward a challenge to participate in programming.

OUR FINANCES

What are the costs to provide services to our citizens and how are those costs paid?

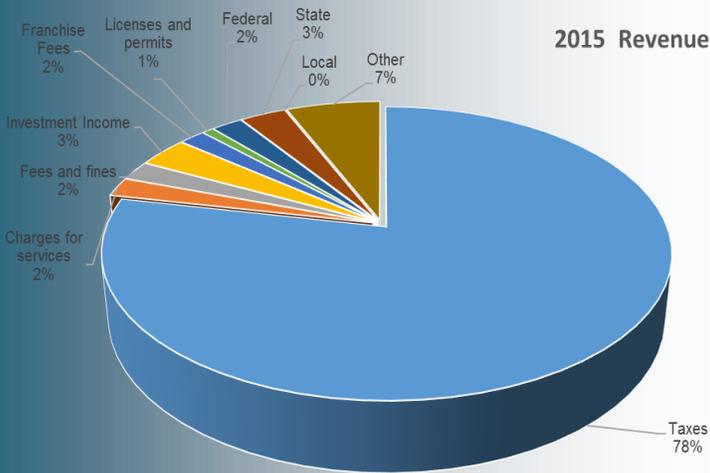


Where the money comes from

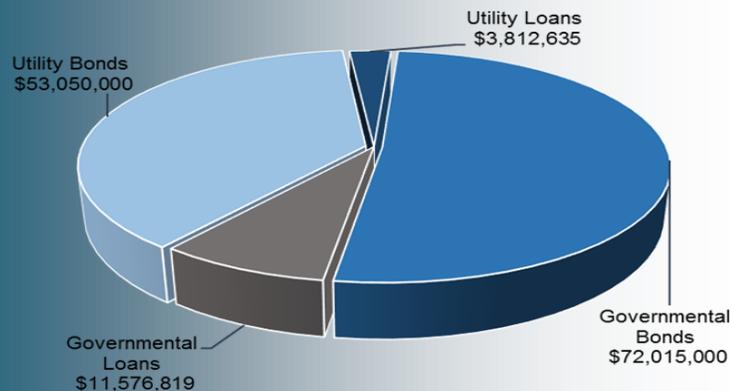
The General Fund, is the primary operating fund of the City, and other special governmental funds exist to account for the resources used to pay for the services traditionally associated with local government. Major services provided are police and fire protection, road construction and maintenance,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

Revenues - Governmental Funds

Revenues excluding Utilities in 2015 increased slightly from 2014. While the majority of revenue sources saw slight decrease from 2014, several notable exceptions would be Taxes, which saw a significant increase from 2014, and State and Federal Contributions, which saw modest increases from 2014, accounting for the overall increase in revenue.



City of Las Cruces Long-Term Debt at June 30, 2015
Total Debt: \$140,454,454



	2015	2014	2013
Taxes	\$108,144,911	\$96,147,228	\$97,283,814
Charges for services	2,871,940	2,978,651	2,621,870
Fees and fines	2,960,103	3,601,721	4,223,526
Investment Income	4,632,666	5,502,991	181,900
Franchise Fees	2,438,470	2,700,727	2,691,014
Licenses and permits	1,072,697	1,090,909	1,266,098
Federal Contributions	2,919,185	2,534,502	9,334,664
State Contributions	4,309,526	3,643,879	4,013,997
Local Contributions	37,093	40,654	10,582
Other	8,798,356	8,237,485	6,168,354
Total governmental funds revenues	\$138,184,947	\$129,642,108	\$127,795,819

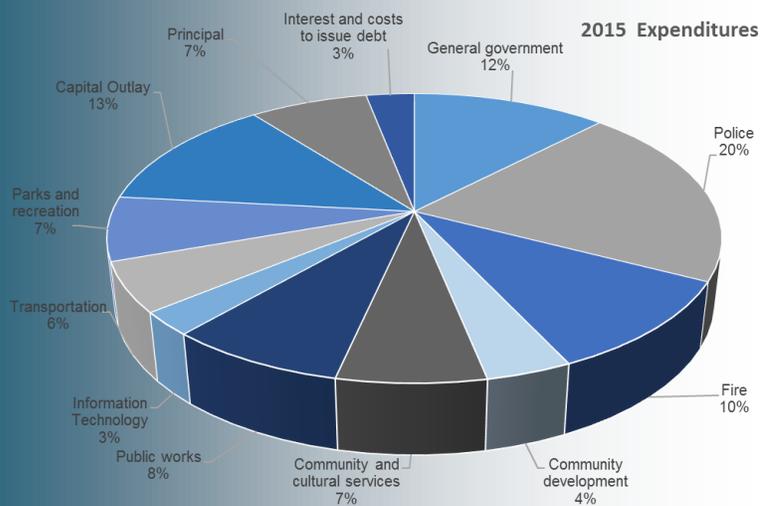
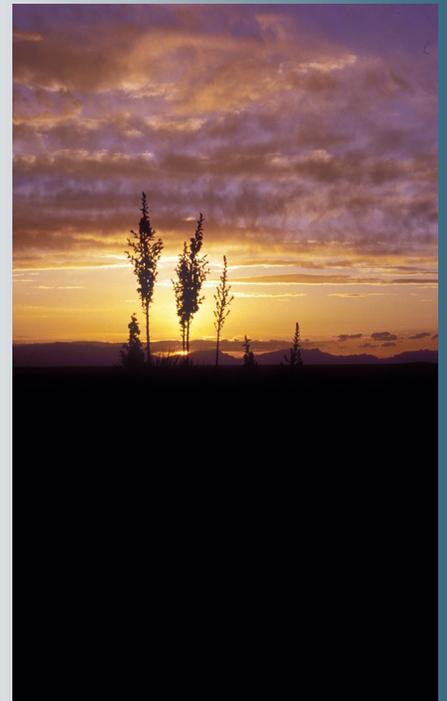
OUR FINANCES

How the Money is Spent on Operations



Expenditures - Governmental Funds

	2015	2014	2013
General government	15,540,303	15,309,810	15,244,156
Police	25,964,438	26,682,809	26,298,016
Fire	13,231,354	11,960,199	11,670,358
Community development	4,855,907	4,590,232	4,384,737
Community and cultural services	8,408,291	8,470,577	8,161,447
Public works	10,113,065	9,516,062	11,027,114
Information Technology	3,307,482	3,261,809	3,575,895
Transportation	7,050,236	7,124,350	7,227,168
Parks and recreation	9,096,141	8,487,589	7,910,542
Capital Outlay	16,407,438	16,053,786	20,881,103
Principal	9,418,765	9,313,208	8,843,242
Interest and costs to issue debt	3,855,821	3,258,958	3,391,926
Total primary government expenditures	\$127,249,241	124,029,389	\$128,615,704



Expenditures for 2015 are slightly higher than 2014. The majority of cost categories saw slight increases in expenditure over those reported in 2014. However, the Police department saw a notable decrease in expenditure from 2014.



FIRE STATION NO. 8

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, 2015 amounts to **\$362,515,371** (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:

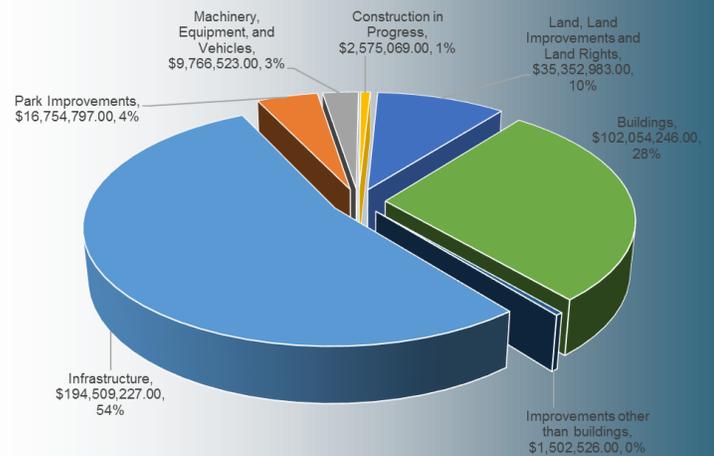
- The East Mesa Public Safety Campus. Projected to house East Side Command for Police Department and Fire Station 8. Completed architectural design and let the construction contract for the project late spring. - \$11.2M
- Improvements and renovations at various City buildings including Parks & Recreation, Branigan Cultural Center, and Munson Center - \$1.8M

Proposed:

- Sixth Street Reconstruction - \$700,000
- Las Cruces Dam trail Improvements project - \$467,000
- Crescent Reconstruction Project - \$600,000



Capital Assets, net of depreciation



OUR FUTURE

Key Initiatives



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

Public Works Projects

- 2015 Legislative Streets Rehabilitation Project: Engineer's estimate - \$5M
- Terrace Hill Mobile Home Gas Rehabilitation Project - \$509K
- Sagecrest Park: Completed installation of new, drop-in-place restroom - \$225K
- Young Park: Completed installation of new, drop-in-place restrooms - \$466K
- RFP underway for solar installations at various City buildings (Aquatic Center, Sage Café, East Mesa Public Safety Campus, Convention Center) - \$2.9M

LCPD Future Projects

- RMS - Procuring a regional Record Management System with the assistance of Dona Ana County
- BWC - Purchasing more Body Worn Cameras to fully outfit all officers on the street
- PSSG - Public Safety Strategies Group - Work with police auditor to enhance and professionalize internal investigations, this will assist LCPD in being more transparent
- Officer Involved Incident Task Force - LCPD cooperates with other law enforcement agencies in investigation Officer Involved Shootings. They currently partner with NMSU PD, Dona Ana Sheriff's Office, NM State Police to investigate Officer Involved Shootings in Dona Ana County.
- COPS 2015 - Hiring Grant - 9 sworn positions - To further enhance efforts in community policing by accepting this grant to create a specialized community policing unit. This grant will increase our allocated staffing level to 200 sworn officers.
- Public Safety Aid - To implement this program to assist sworn officers on the street in taking minor police reports, crash reports and assist on traffic and crime scenes. This program will be a non-sworn unit that will help alleviate some of the day to day activities of officers and place the responsibility of completing these tasks on non-sworn members of the department.

