



# HINKLE + LANDERS

Certified Public Accountants + Business Consultants

STATE OF NEW MEXICO  
CITY OF ALAMOGORDO

INDEPENDENT AUDITORS' REPORT  
AND FINANCIAL STATEMENTS  
For The Year Ended June 30, 2011

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO**

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## **INTRODUCTORY SECTION**

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO**

**OFFICIAL ROSTER  
As of June 30, 2011**

Mr. Ron Griggs ..... Mayor

Mr. Ed Cole ..... Mayor – Pro-tem

City Commissioners

Mr. Marion L. Ledford, Jr. .... Commissioner – District 1

Mr. Aaron Rance ..... Commissioner – District 2

Mr. Robert Rentschler..... Commissioner – District 3

Mr. Josh Rardin..... Commissioner – District 4

Mr. Joe Ferguson..... Commissioner – District 5

Mr. Ed Cole ..... Commissioner – District 6

Mr. Ron Griggs ..... Commissioner – District 7

City Staff

Mr. Mark Roath ..... City Manager

Helen Viscarra-Reno ..... Interim Finance Director

## **FINANCIAL SECTION**



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**INDEPENDENT AUDITORS' REPORT**

Mr. Hector Balderas,  
New Mexico State Auditor and  
The Honorable Mayor Ron Griggs  
and  
City Commission of the City of Alamogordo  
Alamogordo, New Mexico

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, the respective budgetary comparisons, and the aggregate remaining fund information of the City of Alamogordo, New Mexico (the "City"), as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. We also have audited the financial statements and the applicable budgetary comparison schedules of each of the City's nonmajor governmental, enterprise, internal service, and fiduciary funds and the component unit presented as supplementary information in the accompanying combining and individual fund and other financial statements as of and for the year ended June 30, 2011, as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and 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 statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparisons for the general fund and the major special revenue funds, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental, fiduciary fund, and component unit of the City, as of June 30, 2011, and the respective changes in the financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the major capital project and debt service funds, all nonmajor funds, the enterprise funds, and the component unit for the year ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 2, the City implemented Governmental Accounting Standards Board (GASB) No 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2011 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in assessing the results of our audit.

The City of Alamogordo has not presented Management's Discussion and Analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis required by US 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 financial statements. The additional schedules listed as "other supplementary information" in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Hinkle + Landers, P.C.  
November 29, 2011

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
STATEMENT OF NET ASSETS  
As of June 30, 2011**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Regional Landfill (94)
<b>Assets</b>				
Current assets:				
Cash and cash equivalents	\$ 2,575,668	2,120,031	4,695,699	200
Investments	38,944,110	10,351,909	49,296,019	2,620,208
Receivables, net	30,125	792,444	822,569	52,715
Taxes and franchise receivables	4,122,408	53,393	4,175,801	2,855
Grants receivable	309,907	-	309,907	-
Due from other funds	705,180	-	705,180	-
Inventory and prepaid expenses	377,533	1,247,979	1,625,512	-
Bond issue costs, net	193,476	81,929	275,405	-
Other assets	-	-	-	-
Total current assets	<u>47,258,407</u>	<u>14,647,685</u>	<u>61,906,092</u>	<u>2,675,978</u>
Non-current assets:				
Restricted cash	-	643,730	643,730	-
Restricted cash held in investments	-	-	-	584,410
Capital assets not being depreciated	8,492,002	8,423,885	16,915,887	1,526,005
Capital assets being depreciated, net	42,955,780	56,263,376	99,219,156	1,419,440
Total non-current assets	<u>51,447,782</u>	<u>65,330,991</u>	<u>116,778,773</u>	<u>3,529,855</u>
Total assets	<u>\$ 98,706,189</u>	<u>79,978,676</u>	<u>178,684,865</u>	<u>6,205,833</u>
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	\$ 606,528	313,366	919,894	16,673
Due to other funds	541,898	163,283	705,180	-
Accrued payroll liabilities	353,881	109,808	463,689	8,513
Accrued interest payable	91,187	156,969	248,156	-
Bonds, notes and leases payable	1,777,445	1,020,181	2,797,626	-
Deposits	16,757	648,927	665,684	-
Compensated absences	910,529	130,998	1,041,527	20,089
Deferred revenue	11,235	172,584	183,819	-
Total current liabilities	<u>4,309,460</u>	<u>2,716,116</u>	<u>7,025,575</u>	<u>45,275</u>
Long-term liabilities:				
Compensated absences - long-term portion	213,581	32,749	246,330	2,967
Bonds, notes and leases payable	21,002,942	22,493,815	43,496,757	-
Landfill post-closure costs	-	-	-	577,699
Total long-term liabilities	<u>21,216,523</u>	<u>22,526,564</u>	<u>43,743,087</u>	<u>580,666</u>
Total liabilities	<u>25,525,983</u>	<u>25,242,680</u>	<u>50,768,662</u>	<u>625,941</u>
<b>Net assets</b>				
Invested in capital assets, net of related debt	28,667,395	41,173,264	69,840,659	2,945,445
Restricted for:				
Capital projects	26,278,577	-	26,278,577	-
Debt service	573,594	-	573,594	-
Other purposes	5,144,280	1,127,083	6,271,363	584,410
Unrestricted	<u>12,516,360</u>	<u>12,435,649</u>	<u>24,952,009</u>	<u>2,050,037</u>
Total net assets	<u>73,180,206</u>	<u>54,735,996</u>	<u>127,916,202</u>	<u>5,579,892</u>
Total liabilities and net assets	<u>\$ 98,706,189</u>	<u>79,978,676</u>	<u>178,684,865</u>	<u>6,205,833</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
STATEMENT OF ACTIVITIES  
For The Year Ended June 30, 2011**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Assets			Component Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	Regional Landfill (94)
<b>Primary government:</b>								
<b>Governmental activities:</b>								
General government	\$ 9,906,230	979,597	94,940	72,082	(8,759,611)	-	(8,759,611)	-
Public safety	5,060,492	19,452	1,199,536	-	(3,841,504)	-	(3,841,504)	-
Public works	8,288,517	-	38,924	205,822	(8,043,771)	-	(8,043,771)	-
Culture and recreation	1,578,021	194,868	484,635	-	(898,518)	-	(898,518)	-
Health and welfare	217,702	5	187,510	5	(30,182)	-	(30,182)	-
Interest expense	1,304,092	-	-	-	(1,304,092)	-	(1,304,092)	-
Total governmental activities	<u>26,355,054</u>	<u>1,193,922</u>	<u>2,005,545</u>	<u>277,909</u>	<u>(22,877,678)</u>	<u>-</u>	<u>(22,877,678)</u>	<u>-</u>
<b>Business-type activities:</b>								
Water & sewer	7,614,845	9,184,547	16,465	-	-	1,586,167	1,586,167	-
Public housing program	1,217,815	300,225	666,595	-	-	(250,995)	(250,995)	-
Solid waste collections	1,726,647	1,912,952	-	-	-	186,305	186,305	-
Bonito lake	214,934	154,300	-	-	-	(60,634)	(60,634)	-
Desert Lakes golf course	1,311,127	1,137,467	-	-	-	(173,660)	(173,660)	-
White Sands regional airport	323,590	204,983	-	-	-	(118,607)	(118,607)	-
Total business-type activities	<u>12,408,958</u>	<u>12,894,474</u>	<u>683,060</u>	<u>-</u>	<u>-</u>	<u>1,168,576</u>	<u>1,168,576</u>	<u>-</u>
Total primary government	<u>\$ 38,764,012</u>	<u>14,088,396</u>	<u>2,688,605</u>	<u>277,909</u>	<u>(22,877,678)</u>	<u>1,168,576</u>	<u>(21,709,102)</u>	<u>-</u>
<b>Component unit:</b>								
Regional Landfill	\$ 928,328	1,095,634	-	-	-	-	-	<u>167,306</u>
<b>Taxes</b>								
Property taxes levied for general purposes					3,478,935	-	3,478,935	-
Gross receipt taxes and fees					12,094,094	-	12,094,094	-
State shared taxes and fees					8,256,088	-	8,256,088	-
Other taxes					2,207,975	-	2,207,975	-
Miscellaneous					2,473,588	305,050	2,778,638	13,770
Investment earnings					505,402	135,142	640,544	41,246
Transfers					(1,894,682)	1,896,132	1,450	(1,450)
Total general revenues and transfers					<u>27,121,400</u>	<u>2,336,324</u>	<u>29,457,724</u>	<u>53,566</u>
<b>Changes in net assets</b>								
Net assets - beginning					<u>68,936,484</u>	<u>51,312,922</u>	<u>120,249,406</u>	<u>5,359,020</u>
Restatement					-	(81,826)	(81,826)	-
Net assets - beginning, restated					<u>68,936,484</u>	<u>51,231,096</u>	<u>120,167,580</u>	<u>5,359,020</u>
Net assets - ending					<u>\$ 73,180,206</u>	<u>54,735,996</u>	<u>127,916,202</u>	<u>5,579,892</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
As of June 30, 2011**

	Major Funds						Other	Total Governmental Funds
	44		59	109		113		
	General Fund	Special Revenue	Debt Service	Capital Projects		Non-major Governmental Funds		
		Transportation	GRT P&I	2004 GRT Capital Outlay	2009 GO Bond			
<b>Assets</b>								
Cash and cash equivalents	\$ 1,538,052	-	7,696	-	268,329	644,504	2,458,581	
Investments	3,816,012	4,062,401	-	5,001,880	6,900,032	18,066,420	37,846,745	
Receivables, net	21,039	1,000	-	-	-	1,454	23,493	
Taxes and franchise receivable	2,295,112	434,455	-	264,862	-	1,127,979	4,122,408	
Grants receivable	9,767	111,783	-	-	-	188,229	309,779	
Due from other funds	705,180	-	-	-	-	-	705,180	
Prepaid	7,029	-	-	-	-	-	7,029	
Other assets	-	-	-	-	-	-	-	
Total assets	\$ <u>8,392,191</u>	<u>4,609,639</u>	<u>7,696</u>	<u>5,266,742</u>	<u>7,168,361</u>	<u>20,028,586</u>	<u>45,473,215</u>	
<b>Liabilities</b>								
Accounts payable	90,374	61,249	-	23,117	15,054	352,774	542,568	
Due to other funds	-	-	-	-	-	541,898	541,898	
Accrued payroll liabilities	285,375	12,288	-	-	-	30,238	327,901	
Deposits	6,391	-	-	-	-	10,366	16,757	
Deferred revenue	217,442	-	-	-	-	55,425	272,867	
Total liabilities	<u>599,582</u>	<u>73,537</u>	<u>-</u>	<u>23,117</u>	<u>15,054</u>	<u>990,701</u>	<u>1,701,991</u>	
<b>Fund balances</b>							-	
Nonspendable: Prepaid expense	7,029	-	-	-	-	-	7,029	
Restricted	-	-	7,696	5,243,625	7,153,307	19,591,823	31,996,451	
Committed	-	4,536,102	-	-	-	550,486	5,086,588	
Assigned	139,672	-	-	-	-	-	139,672	
Unassigned	7,645,908	-	-	-	-	(1,104,424)	6,541,484	
Total fund balances	<u>7,792,609</u>	<u>4,536,102</u>	<u>7,696</u>	<u>5,243,625</u>	<u>7,153,307</u>	<u>19,037,885</u>	<u>43,771,224</u>	
Total liabilities and fund balances	\$ <u>8,392,191</u>	<u>4,609,639</u>	<u>7,696</u>	<u>5,266,742</u>	<u>7,168,361</u>	<u>20,028,586</u>	<u>45,473,215</u>	

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE  
TO STATEMENT OF NET ASSETS  
As of June 30, 2011**

Fund balances reported in governmental funds balance sheet	\$	43,771,224
Amount 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.		51,447,782
Internal service funds are used by management to charge the cost of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental funds in the Statement of Net Assets.		1,386,579
Some revenue is deferred in the funds but accrued as revenue in the government-wide statements and added to net assets.		261,632
Other assets (bond issue costs) are not available to pay for current period expenditures and therefore are deferred in the funds.		193,476
Long-term liabilities are not due and payable in the current period and, therefore, they are not reported in the governmental funds balance sheet:		
Bonds and notes payable		(22,780,387)
Compensated absences (less Internal Service Funds)		(1,008,913)
Accrued interest payable on long-term debt does not require current financial resources, therefore, interest payable is not reported as a liability in the governmental funds.		<u>(91,187)</u>
Net assets of governmental activities	\$	<u><u>73,180,206</u></u>

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For The Year Ended June 30, 2011**

	Major Funds						Other Governmental Non-major Funds	Total Governmental Funds
	44	59	109	113				
	General Fund	Special Revenue Transportation	Debt Service GRT P&I	Capital Projects 2004 GRT Capital Outlay		2009 GO Bond		
<b>Revenues</b>								
Taxes and fees	\$ 14,248,285	2,560,141	-	1,560,528	-	7,424,077	25,793,031	
Fines and forfeitures	398,048	-	-	-	-	229,205	627,253	
Grants and gifts	30,116	610,476	-	-	-	1,650,248	2,290,840	
Charges for services	947,633	5,815	-	-	-	240,474	1,193,922	
Interest income	34,130	41,648	-	71,936	95,719	246,708	490,141	
Miscellaneous	1,009,501	358,092	-	-	-	119,120	1,486,713	
Total revenues	<u>16,667,713</u>	<u>3,576,172</u>	<u>-</u>	<u>1,632,464</u>	<u>95,719</u>	<u>9,909,832</u>	<u>31,881,900</u>	
<b>Expenditures</b>								
Current:								
General government	6,421,831	-	-	-	-	662,913	7,084,744	
Public safety	3,008,749	-	-	-	-	653,312	3,662,061	
Public works	-	1,566,040	7,000	50,000	25,188	146,967	1,795,195	
Health and welfare	-	-	-	-	-	214,983	214,983	
Culture and recreation	2,886,711	-	-	-	-	1,349,890	4,236,601	
Non-current								
Debt Service								
Principal payments-debt service	-	-	1,684,169	-	-	233,482	1,917,651	
Interest payments-debt service	-	-	957,386	-	-	255,520	1,212,906	
Capital outlay	534,980	980,110	-	2,208,248	290,986	957,043	4,971,367	
Total expenditures	<u>12,852,271</u>	<u>2,546,150</u>	<u>2,648,555</u>	<u>2,258,248</u>	<u>316,174</u>	<u>4,474,110</u>	<u>25,095,508</u>	
Excess (deficiency) or revenues over expenditures	<u>3,815,442</u>	<u>1,030,022</u>	<u>(2,648,555)</u>	<u>(625,784)</u>	<u>(220,455)</u>	<u>5,435,722</u>	<u>6,786,392</u>	
<b>Other financing sources (uses)</b>								
Proceeds of refunding bonds	-	-	-	-	-	4,085,456	4,085,456	
Proceeds of long-term capital-related debt	-	-	-	-	-	40,500	40,500	
Payment to refunded bond escrow agent	-	-	(2,735,456)	-	-	(1,299,426)	(4,034,882)	
Transfers in	353,341	769,499	5,384,011	-	750,111	5,876,825	13,133,787	
Transfers out	(2,378,781)	(257,640)	-	(584,903)	(753,057)	(13,109,752)	(17,084,133)	
Total other financing sources (uses)	<u>(2,025,440)</u>	<u>511,859</u>	<u>2,648,555</u>	<u>(584,903)</u>	<u>(2,946)</u>	<u>(4,406,397)</u>	<u>(3,859,272)</u>	
Net change in fund balances	<u>1,790,002</u>	<u>1,541,881</u>	<u>-</u>	<u>(1,210,687)</u>	<u>(223,401)</u>	<u>1,029,325</u>	<u>2,927,120</u>	
Fund balances-beginning of year	5,897,013	2,994,221	7,696	6,454,312	7,376,708	18,008,560	40,738,510	
Restatement	105,594	-	-	-	-	-	105,594	
Fund balances-beginning, restated	<u>6,002,607</u>	<u>2,994,221</u>	<u>7,696</u>	<u>6,454,312</u>	<u>7,376,708</u>	<u>18,008,560</u>	<u>40,844,104</u>	
Fund balances-end of the year	\$ <u>7,792,609</u>	<u>4,536,102</u>	<u>7,696</u>	<u>5,243,625</u>	<u>7,153,307</u>	<u>19,037,885</u>	<u>43,771,224</u>	

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
For The Year Ended June 30, 2011**

Net change in fund balance - total governmental funds	\$	2,927,120
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation.		629,774
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the funds.		(2,126)
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long term liabilities in the Statement of Net Assets. This is the amount by which repayments exceeded proceeds.		1,783,580
Expenses reported the Statement of Activities that do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		(1,193,029)
Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet management. The net revenue (expense) of the internal service fund is reported with governmental activities.		(1,866,626)
Transfers were made from governmental funds to the Internal Service Fund; those transfers reduced the changes in fund balance of governmental funds but not the change in net assets of governmental activities.		1,965,029
Change in net assets of governmental activities	\$	4,243,722

**STATE OF NEW MEXICO**  
**CITY OF ALAMOGORDO**  
**Statement of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**General Fund - 011**  
**For The Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
<b>Revenues:</b>				
Taxes and fees	\$ 5,210,792	5,337,944	5,643,327	305,383
Fees and permits	979,070	1,071,686	1,033,482	(38,204)
State shared fees	6,945,080	7,265,994	7,618,334	352,340
User fees	393,026	393,322	376,372	(16,950)
Fines	409,600	409,781	369,441	(40,340)
Miscellaneous revenue	647,218	656,765	686,832	30,067
Grants	-	279,100	96,814	(182,286)
Investment Income	32,966	30,996	34,130	3,134
Public Safety Fines	13,500	10,000	7,065	(2,935)
	<u>14,631,252</u>	<u>15,455,588</u>	<u>15,865,796</u>	<u>410,208</u>
<b>Expenditures</b>				
Legislative	87,784	88,055	87,951	104
City Manager	268,369	226,646	191,670	34,976
Legal	183,996	209,535	198,883	10,652
Operations Analyst	-	-	-	-
City Clerk	218,651	217,574	191,190	26,384
Finance/Accounting	629,973	643,882	555,092	88,790
Accounts Receivable	94,867	94,137	90,830	3,307
Nondepartmental	495,725	553,122	172,782	380,340
Public Safety-Bench Warrant	9,800	26,441	11,992	14,449
Code Enforcement/Public Safety	176,277	189,635	173,829	15,806
Planning	129,145	129,137	125,489	3,648
Animal Control	370,605	371,537	358,831	12,706
Public Safety-Dispatch	445,876	486,758	418,648	68,110
Public Safety-Police	5,782,277	5,969,800	5,311,463	658,337
Fire	945,514	1,036,406	941,285	95,121
FEMA	-	-	-	-
A.P.S. Resource Program	370,284	381,323	345,390	35,933
GIS/Land Management	55,361	60,325	49,908	10,417
Land improvements	-	-	-	-
	<u>10,264,504</u>	<u>10,684,313</u>	<u>9,225,232</u>	<u>1,459,081</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 4,366,748</u>	<u>4,771,275</u>	<u>6,640,564</u>	<u>(1,048,872)</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO**  
**CITY OF ALAMOGORDO**  
**Statement of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**General Fund - 011 (continued)**  
**For The Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
<b>Other financing sources (uses):</b>				
Transfers in	\$ -	-	-	-
Transfers out	(5,643,462)	(5,715,052)	(4,764,736)	950,316
Total other financing sources (uses)	(5,643,462)	(5,715,052)	(4,764,736)	950,316
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(1,276,714)	(943,777)	1,875,828	(98,557)
Budgeted cash carryover	3,930,949	3,930,949		
	\$ 2,654,235	2,987,172		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 1,875,828
To adjust applicable revenue accruals and deferrals	280,806
To adjust applicable expenditures and accruals	173,011
Change in net assets for funds consolidated into to the General Fund's fund financial statements per GASB 54, but having separate legally adopted budgets:	
Fund 32 - Community Services	(404,176)
Fund 63 - Community Development	(4,415)
Fund 65 - Building Codes	(131,052)
Change in net assets (GAAP basis)	\$ 1,790,002

**STATE OF NEW MEXICO**  
**CITY OF ALAMOGORDO**  
**Statement of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Transportation - 044**  
**For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ <u>(Unfavorable)</u>
<b>Revenues</b>				
Taxes and fees	\$ 1,773,203	\$ 1,852,573	\$ 1,946,769	94,196
Grants and gifts	-	2,463,751	1,099,589	(1,364,162)
State Shared Fees	627,358	601,449	604,403	2,954
Interest Income	9,375	23,009	41,648	18,639
Miscellaneous	555,013	560,900	358,092	(202,808)
	<u>2,964,949</u>	<u>5,501,682</u>	<u>4,050,501</u>	<u>(1,451,181)</u>
<b>Expenditures</b>				
Current:				
General government	385,959	330,141	307,294	22,847
Public works	1,517,355	2,107,134	1,433,127	674,007
Non-current:				
Capital outlay	<u>3,425,703</u>	<u>6,253,427</u>	<u>1,152,977</u>	<u>5,100,450</u>
	<u>5,329,017</u>	<u>8,690,702</u>	<u>2,893,398</u>	<u>5,797,304</u>
Excess (deficiency) of revenues over expenditures	<u>(2,364,068)</u>	<u>(3,189,020)</u>	<u>1,157,103</u>	<u>4,346,123</u>
<b>Other financing sources (uses)</b>				
Transfers in	2,503,401	2,539,910	769,499	(1,770,411)
Transfers out	<u>(311,661)</u>	<u>(285,330)</u>	<u>(257,640)</u>	<u>27,690</u>
Total other financing sources (uses)	<u>2,191,740</u>	<u>2,254,580</u>	<u>511,859</u>	<u>(1,742,721)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(172,328)</u>	<u>(934,440)</u>	<u>1,668,963</u>	<u>2,603,403</u>
Budgeted cash carryover	<u>2,393,922</u>	<u>2,393,922</u>		
	<u>\$ 2,221,594</u>	<u>1,459,482</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 1,668,963
To adjust applicable revenue accruals and deferrals	(474,329)
To adjust applicable expenditures and accruals	<u>347,248</u>
Change in net assets (GAAP basis)	<u>\$ 1,541,881</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
STATEMENT OF NET ASSETS  
PROPRIETARY AND INTERNAL SERVICE FUNDS  
As of June 30, 2011**

	Business-Type Activities Enterprise Funds						Governmental Activities	
	Major Funds							
	46,81,82, 104,110 Water & Sewer	86 Solid Waste	88 Bonito Lake	90 Golf Course	91 Airport	901, 903, 904 905, 906, 907 Public Housing		Total
<b>Assets</b>								
Current assets:								
Cash and cash equivalents	\$ 1,145,561	141,033	1,200	-	52,564	779,673	2,120,031	117,087
Investments	8,919,327	127,534	227,516	135,282	233,110	709,140	10,351,909	1,097,365
Receivables, net	628,702	112,925	219	-	19,518	31,080	792,444	6,632
Other receivables	53,180	72	-	-	-	141	53,393	128
Due from other funds	-	-	-	-	-	-	-	-
Inventories and prepaid expenses	401,964	-	-	-	-	846,015	1,247,979	370,504
Other assets	81,929	-	-	-	-	-	81,929	-
<b>Total current assets</b>	<b>11,230,663</b>	<b>381,564</b>	<b>228,935</b>	<b>135,282</b>	<b>305,192</b>	<b>2,366,049</b>	<b>14,647,685</b>	<b>1,591,716</b>
Non-current assets:								
Restricted cash and cash equivalents	487,229	-	-	-	8,267	148,234	643,730	-
Restricted cash held in investments	-	-	-	-	-	-	-	-
Capital assets, net	51,254,058	192,689	1,790,560	5,152,811	2,277,531	4,019,612	64,687,261	-
<b>Total non-current assets</b>	<b>51,741,287</b>	<b>192,689</b>	<b>1,790,560</b>	<b>5,152,811</b>	<b>2,285,798</b>	<b>4,167,846</b>	<b>65,330,991</b>	<b>-</b>
<b>Total assets</b>	<b>\$ 62,971,950</b>	<b>574,253</b>	<b>2,019,495</b>	<b>5,288,093</b>	<b>2,590,990</b>	<b>6,533,895</b>	<b>79,978,676</b>	<b>1,591,716</b>
<b>Liabilities</b>								
Current liabilities:								
Accounts payable	\$ 119,072	154,503	351	5,792	3,923	29,725	313,366	63,960
Due to other funds	-	-	163,283	-	-	-	163,283	-
Bonds, notes, and leases payable	1,020,181	-	-	-	-	-	1,020,181	-
Accrued interest payable	156,117	852	-	-	-	-	156,969	-
Accrued payroll liabilities	77,915	2,332	3,393	7,622	3,535	15,011	109,808	25,980
Compensated absences	101,644	-	9,489	23,388	8,683	20,543	163,747	115,197
Deposits	487,229	-	5,197	-	8,267	148,234	648,927	-
Deferred revenues	163,130	-	-	-	-	9,454	172,584	-
<b>Total current liabilities</b>	<b>2,125,288</b>	<b>157,687</b>	<b>181,713</b>	<b>36,802</b>	<b>24,408</b>	<b>222,967</b>	<b>2,748,865</b>	<b>205,137</b>
Long-term liabilities:								
Bonds, notes, and leases payable	22,493,815	-	-	-	-	-	22,493,815	-
<b>Total long-term liabilities</b>	<b>22,493,815</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,493,815</b>	<b>-</b>
<b>Total liabilities</b>	<b>24,619,103</b>	<b>157,687</b>	<b>181,713</b>	<b>36,802</b>	<b>24,408</b>	<b>222,967</b>	<b>25,242,680</b>	<b>205,137</b>
<b>Net assets</b>								
Invested in capital assets, net of related debt	27,740,062	192,689	1,790,560	5,152,811	2,277,531	4,019,612	41,173,265	-
Restricted for:								
Other purposes	816,509	147,557	47,222	-	-	115,795	1,127,083	-
Unrestricted	9,796,276	76,320	-	98,480	289,051	2,175,521	12,435,648	1,386,579
<b>Total net assets</b>	<b>38,352,847</b>	<b>416,566</b>	<b>1,837,782</b>	<b>5,251,291</b>	<b>2,566,582</b>	<b>6,310,928</b>	<b>54,735,996</b>	<b>1,386,579</b>
<b>Total liabilities and net assets</b>	<b>\$ 62,971,950</b>	<b>574,253</b>	<b>2,019,495</b>	<b>5,288,093</b>	<b>2,590,990</b>	<b>6,533,895</b>	<b>79,978,676</b>	<b>1,591,716</b>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS  
PROPRIETARY AND INTERNAL SERVICE FUNDS  
For The Year Ended June 30, 2011**

	Business-Type Activities Enterprise funds						Governmental Activities	
	Major funds							
	46,81,82, 104,110 Water & Sewer	86 Solid Waste	88 Bonito Lake	90 Golf Course	91 Airport	901, 903, 904 905, 906, 907 Public Housing		Total
Operating revenues:								
Charges for services	\$ 9,184,547	1,912,952	154,300	1,137,467	204,983	300,225	12,894,474	-
Grants	16,465	-	-	-	-	666,595	683,060	128
Fees and permits	-	-	-	-	-	-	-	128,229
Miscellaneous income	221,129	6,558	6,493	1,802	21,046	48,022	305,050	222,338
Total operating revenues	<u>9,422,141</u>	<u>1,919,510</u>	<u>160,793</u>	<u>1,139,269</u>	<u>226,029</u>	<u>1,014,842</u>	<u>13,882,584</u>	<u>350,695</u>
Operating expenses:								
Personnel services	1,329,404	136,863	133,607	254,986	108,564	426,216	2,389,640	1,252,901
Repairs and maintenance	322,993	11,622	12,971	36,182	18,851	40,491	443,110	364,332
Supplies	233,271	48,143	18,202	60,745	13,292	54,299	427,952	466,407
Other services and insurance	3,165,772	1,503,123	41,452	785,283	36,633	407,426	5,939,689	608,127
Depreciation	1,713,072	26,896	8,702	167,081	146,250	289,383	2,351,384	-
Total operating expenses	<u>6,764,512</u>	<u>1,726,647</u>	<u>214,934</u>	<u>1,304,277</u>	<u>323,590</u>	<u>1,217,815</u>	<u>11,551,775</u>	<u>2,691,767</u>
Operating income (loss)	<u>2,657,629</u>	<u>192,863</u>	<u>(54,141)</u>	<u>(165,008)</u>	<u>(97,561)</u>	<u>(202,973)</u>	<u>2,330,809</u>	<u>(2,341,072)</u>
Non-operating revenues (expenses):								
Interest and investment revenue	117,733	1,827	3,641	2,850	3,594	5,497	135,142	15,261
Interest payments	(840,579)	-	-	-	-	-	(840,579)	-
Gain/ Loss on sale of assets	(9,754)	-	-	(6,850)	-	-	(16,604)	-
Total nonoperating revenue (expenses)	<u>(732,600)</u>	<u>1,827</u>	<u>3,641</u>	<u>(4,000)</u>	<u>3,594</u>	<u>5,497</u>	<u>(722,041)</u>	<u>15,261</u>
Income (loss) before contributions and transfers	<u>1,925,029</u>	<u>194,690</u>	<u>(50,500)</u>	<u>(169,008)</u>	<u>(93,967)</u>	<u>(197,476)</u>	<u>1,608,768</u>	<u>(2,325,811)</u>
Capital contributions	368,550	-	-	-	-	-	368,550	-
Transfers in	2,079,155	-	-	-	218,707	-	2,297,862	2,424,214
Transfers out	(547,550)	(105,017)	(25,364)	(53,093)	(39,256)	-	(770,280)	-
Change in net assets	<u>3,825,184</u>	<u>89,673</u>	<u>(75,864)</u>	<u>(222,101)</u>	<u>85,484</u>	<u>(197,476)</u>	<u>3,504,900</u>	<u>98,403</u>
Beginning net assets	34,527,663	326,893	1,913,646	5,473,392	2,481,098	6,590,230	51,312,922	1,288,176
Restatement	-	-	-	-	-	(81,826)	(81,826)	-
Beginning net assets-as restated	<u>34,527,663</u>	<u>326,893</u>	<u>1,913,646</u>	<u>5,473,392</u>	<u>2,481,098</u>	<u>6,508,404</u>	<u>51,231,096</u>	<u>1,288,176</u>
Net assets-end of the year	<u>\$ 38,352,847</u>	<u>416,566</u>	<u>1,837,782</u>	<u>5,251,291</u>	<u>2,566,582</u>	<u>6,310,928</u>	<u>54,735,996</u>	<u>1,386,579</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
STATEMENT OF CASH FLOWS  
PROPRIETARY AND INTERNAL SERVICE FUNDS  
For The Year Ended June 30, 2011**

		Business-Type Activities						
		Enterprise funds						
		46,81,82, 104,110	86	88	90	91	901,902, 903,904	12, 96, 107
		Water & Sewer	Solid Waste	Bonito Lake	Golf Course	Airport	Public Housing	Internal Service
		Total						
Cash flows from operating activities:								
Receipts from customers	\$	9,078,116	1,905,405	154,300	1,137,467	198,459	354,757	126,172
Payment to suppliers		(3,799,514)	(1,553,373)	(75,986)	(881,124)	(68,667)	(422,313)	(1,474,084)
Payment to employees		(1,302,826)	(148,919)	(139,462)	(255,789)	(106,749)	(424,148)	(1,250,322)
Other receipts (payments)		237,594	6,558	6,493	1,802	21,046	714,617	222,466
Net cash provided (used) by operating activities		<u>4,213,370</u>	<u>209,671</u>	<u>(54,655)</u>	<u>2,356</u>	<u>44,089</u>	<u>222,913</u>	<u>(2,375,768)</u>
Cash flows from non-capital financing activities:								
Transfers from other funds		2,079,155	-	-	-	218,707	-	2,424,214
Operating subsidies and transfers to other funds		(547,550)	(105,017)	(25,364)	(53,093)	(39,256)	-	-
Total cash provided (used) by non-capital financing activities		<u>1,531,605</u>	<u>(105,017)</u>	<u>(25,364)</u>	<u>(53,093)</u>	<u>179,451</u>	<u>-</u>	<u>2,424,214</u>
Cash flows from capital and related financing activities:								
(Purchase)/disposal of capital assets		(2,481,962)	(1,447)	(18,471)	(103,404)	(253,413)	(92,508)	-
Principal payments		(960,947)	-	-	-	-	-	-
Interest payments		(840,579)	-	-	-	-	-	-
Proceeds from issuance of debt		-	-	-	-	-	-	-
Net cash provided (used) by capital and related financing activities		<u>(4,283,488)</u>	<u>(1,447)</u>	<u>(18,471)</u>	<u>(103,404)</u>	<u>(253,413)</u>	<u>(92,508)</u>	<u>-</u>
Cash flows from investing activities:								
Proceeds from sales and maturities of investments		-	33,371	51,345	14,594	78,920	-	-
Purchase of investments		(754,640)	(2,133)	-	1,850	-	-	(43,326)
Interest and dividends		117,733	1,827	3,641	2,850	3,594	5,497	15,261
Net cash provided (used) by investing activities		<u>(636,907)</u>	<u>33,065</u>	<u>54,986</u>	<u>19,294</u>	<u>82,514</u>	<u>5,497</u>	<u>(28,065)</u>
Net increase (decrease) in cash and cash equivalents		824,580	136,272	(43,504)	(134,847)	52,641	135,902	20,381
Balances-beginning of year		808,209	4,761	44,704	134,847	8,191	792,005	96,706
Balances-end of year	\$	<u><u>1,632,790</u></u>	<u><u>141,033</u></u>	<u><u>1,200</u></u>	<u><u>-</u></u>	<u><u>60,831</u></u>	<u><u>927,907</u></u>	<u><u>117,087</u></u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
STATEMENT OF CASH FLOWS  
PROPRIETARY AND INTERNAL SERVICE FUNDS  
For The Year Ended June 30, 2011**

	Business-Type Activities							12,96,107 Internal Service
	Enterprise funds							
	46,81,82, 104,110 Water & Sewer	86  Solid Waste	88  Bonito Lake	90  Golf Course	91  Airport	901,902, 903,904 Public Housing	Total	
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:								
Operating income (loss)	\$ 2,657,629	192,863	(54,141)	(165,008)	(97,561)	(202,973)	2,330,809	(2,341,072)
Adjustments:								
Depreciation expense	1,713,072	26,896	8,702	167,081	146,250	289,383	2,351,384	-
Bad debt expense	26,808	(4,779)	-	-	-	-	22,029	-
Change in assets and liabilities:								
Receivables, net	(82,557)	(7,523)	-	-	(6,524)	44,532	(52,072)	(1,929)
Other receivables	(19,954)	(29)	-	-	-	9,908	(10,075)	(128)
Due from other funds	-	-	-	-	-	(33,704)	(33,704)	-
Inventories and prepaid expenses	(6,368)	-	-	-	-	59,688	53,320	(48,073)
Other assets	55,023	-	-	-	-	-	55,023	-
Accounts payable	(169,087)	14,294	(3,361)	1,086	(76)	(35,045)	(192,189)	12,855
Accrued expenses	(15,068)	(4,876)	(8,795)	(7,997)	(1,687)	1,053	(37,370)	(34,347)
Compensated absences	41,646	(7,180)	2,940	7,194	3,502	1,015	49,117	36,926
Due to other funds	-	-	-	-	-	33,704	33,704	-
Deposits	16,146	-	-	-	185	55,260	71,591	-
Deferred revenue	(3,920)	5	-	-	-	92	(3,823)	-
Net cash provided (used) by operating activities	\$ <u>4,213,370</u>	<u>209,671</u>	<u>(54,655)</u>	<u>2,356</u>	<u>44,089</u>	<u>222,913</u>	<u>4,637,744</u>	<u>(2,375,768)</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS  
Fiduciary Funds  
As of June 30, 2011**

		Agency Funds <u>17, 39, 92, 115</u>
<b>Assets</b>		
Cash	\$	1,173,445
Receivables		67,487
Allowance for uncollectible accounts		<u>(67,487)</u>
 Total assets	 \$	 <u><u>1,173,445</u></u>
<b>Liabilities</b>		
Accounts payable	\$	7,255
Deposits held in custody for others		<u>1,166,190</u>
 Total liabilities	 \$	 <u><u>1,173,445</u></u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2011**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial statement presentation

As required by generally accepted accounting principles, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the government's operations and so data from these units are combined with data of the primary government. The discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize it is legally separate from the government. Each blended and discretely presented component unit has a June 30th year-end.

Based on these criteria, the accounts of the following organizations are included in the City's financial statements:

Blended component unit

The City of Alamogordo Public Housing Authority (PHA) was created as a separate agency apart from the City proper in accordance with the State Municipal Housing Act (3-45 NMSA 1978) to maintain residential housing for persons with low income. The Mayor of the City, along with the members of the City Commission, serves as the Public Housing Commission. The City maintains title to all real and personal property and is secondarily liable for bonds and other debt of the PHA. The PHA's operations are reported as a blended component unit with the primary government in the accompanying financial statements as business-type activities.

Discretely presented component unit

During the 1993-94 fiscal years, the City of Alamogordo entered into a joint powers agreement for operation of a regional landfill. The following entities represent the signers of this agreement:

<u>Otero County</u>	<u>Lincoln County</u>
City of Alamogordo	County of Lincoln
County of Otero	Town of Carrizozo
Village of Cloudcroft	Village of Capitan
Village of Tularosa	Village of Ruidoso
Village of Corona	Village of Ruidoso Downs

The purpose of the joint venture was to establish, finance and operate the Otero/Lincoln County Regional Landfill. Each of the governmental entities has pledged their respective environmental services gross receipts tax revenues as financial support for the purpose of funding the acquisition of capital assets necessary for the operation of the landfill. The Otero and Lincoln County authorities have also agreed to a 50-50 joint ownership and operation of this enterprise.

It was mutually agreed and covenanted between the entities that:

1. The facility shall be known as the Otero/Lincoln County Regional Landfill;
2. Title to the facility shall be held in undivided-joint tenancy between the Otero and Lincoln Solid Waste Authorities;
3. The entities, through their respective Otero or Lincoln County Authorities, shall be joint owners of a co-equal undivided one-half interest in the assets and also shall be equally responsible for the debt;

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2011**

4. The entities each agree to maintain an irrevocable, first, but not exclusive, pledge of 100% of their environmental gross receipts tax revenues for the life of the bond issue used for permanent financing;
5. The entities agree that tipping fees collected shall be used to pay principal and interest on the bonds and that the fee established shall be adequate to meet operations, maintenance and financing requirements;
6. The entities agree that the City of Alamogordo shall annually prepare a budget that shall be approved by the Otero and Lincoln County Solid Waste Authorities. Thereafter, the City will operate the Landfill in accordance with good business practice;
7. The governmental entities authorize the exercise of the following joint powers by the City of acting as agent on their behalf:
  - a. In accordance with the approved budget, to acquire, cause to be acquired and maintain the necessary property, equipment and personnel for the landfill;
  - b. To approve the issuance of revenue bonds;
  - c. To enter into agreements for the services of managers, attorneys, appraisers, consultants, and employees; and
  - d. To implement adopted policies regarding fees, rates, and charges.
8. The landfill shall be a joint venture of the entities acting in a proprietary capacity.
9. Annually, the City of Alamogordo will provide a complete financial report on the operation to each participating entity.
10. The terms of this agreement are perpetual.
11. The beginning and ending dates for the agreement are July 1, 2004 to June 30, 2011.

According to Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, certain determinations must be made in order to decide whether this joint venture should be considered a component unit of the City of Alamogordo and, if it is, how it should be shown in the City's financial statements. Based on those guidelines, this Regional Landfill is being included in the City's statements as a discrete component unit.

**B. Government-wide and fund financial statements**

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The City's police and fire protection, road maintenance, culture and recreation, and administration are classified as governmental activities. The City's utilities (water and sewer, and solid waste), Bonito Lake Recreation Area, Golf Course, White Sands Regional Airport and Public Housing Authority are classified as business activities. The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the primary government and its component units.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regard to interfund activities, payables and receivables. All internal balances in the Statement of Net Assets have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2011**

*Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with specific function or segment. Program revenues derive directly from the program itself or from parties outside the reporting governments taxpayers or citizenry as a whole and include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment such as water use, trash collection, sales of business permits, etc., and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment such as construction of new roads or flood control systems. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The fund focus is on current available resources and budget compliance.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types."

*Governmental funds* are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked money (special revenue funds), the acquisition of construction of general capital assets (capital projects fund). The general fund is used to account for all activities of the general government not accounted for in some other funds.

*Proprietary funds* are used to account for business activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government as the utility fund, which account for the providing of water, wastewater, and sewer services to the residents of the City.

*Fiduciary funds* (trust and agency funds) are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. Trust and agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Separate financial statements are provided for governmental funds, the proprietary fund, and fiduciary funds. In accordance with the provisions of GASB Statement No. 34, the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and the enterprise fund are reported as separate columns in the fund financial statements.

**STATE OF NEW MEXICO**  
**CITY OF ALAMOGORDO**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2011**

The City reports the following major governmental funds:

*The General Fund: (F11, 98, 32, 63 & 65)* – the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.

*Transportation (F44)* – to account for the one-cent gasoline tax revenues used for local street and bridges capital items. NMSA 7-1-6.9.

*Gross Receipts Tax Principal and Interest Fund (F59)* – This fund accounts for accumulating monies for payment of gross receipts for revenue bonds.

*2004 Gross Receipts Tax Capital Outlay (F109)* – to account for ¼ of 1% gross receipts tax dedication adopted in 2004 to be used for construction, reconstruction or improvement of municipal streets, alleys, roads or bridges, including acquisition of rights of way.

*2009 General Obligation Bond (F113)* – The 2009 Sewer Improvement Bond Acquisition was issued to provide funds for the purpose of financing the construction and improvement of a Sewer Plant.

The City reports the following major proprietary or business funds:

*Water and Sewer Operating (F46, 81, 82, 104 & 110)* – to account for the provision of water and sewer services to the residents of the City and some residents of the County.

*Solid Waste Collection System (F86)* – to account for solid waste services to the residents of the City and some residents of the County.

*Bonito Lake (F88)* – to account for the operation of Bonito Lake Watershed, Recreational Area and part of the Bonito Pipeline.

*Desert Lakes Golf Course Operating (F90)* – to account for the operations of the golf course and facilities.

*White Sands Regional Airport (F91)* – to account for the operations of the City's airport system.

*Public Housing Authority (F901, 902, 903, 904, 905, 906 & 907)* – Provides financial assistance to low income families for housing within the community as well as low rent housing in city owned facilities.

The City reports internal service funds (*F12, F96, F107*) established to provide financing for activities of services provided in-house by the using department. The City currently provides central services for personnel, safety, fleet, management information systems, and facilities maintenance. In addition, the primary insurance for liability and auto and other insurance protection provided for all functions is recorded within the internal service funds. The services are rendered to other departments of the city on a cost-reimbursement basis. In addition, the government reports non-major governmental funds and agency funds listed as supplementary information in of this audit report.

**STATE OF NEW MEXICO  
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For the Year Ended June 30, 2011**

C. Capital assets

Property, plant and equipment purchased or acquired is carried at historical cost or estimated historical cost. Contributed capital assets are recorded at estimated fair market value at the time received. Public domain (infrastructure) capital assets consisting of roads, bridges, curbs and gutters; streets and sidewalks, drainage systems and lighting systems have been recorded at estimated historical cost. The State's capitalization policy, i.e., the dollar value above which asset acquisitions including software are added to the capital accounts, was changed to \$5,000 as of July 1, 2005 from \$1,000. Assets with historical cost under \$5,000 and over \$1,000 that capitalized prior to July 1, 2005 remain on the City's capital assets schedule. However, all capital outlay purchases may not necessarily be capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Net revenue bond interest cost incurred during construction periods is capitalized when material.

Capital outlay expenditures are recorded as expenditures of the General, Special Revenue, and Capital Projects Funds and as assets in the government-wide financial statements to the extent the City's capitalization threshold is met. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Betterments and major improvements, which significantly increase values, change capacities or extend useful lives, are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

<b><u>Class of Asset</u></b>	<b><u>Estimated Useful Life</u></b>
Dam	100 years
Buildings	25-50 years
Improvements other than buildings	20-50 years
Machinery and equipment	3-10 years
Software	3 years

Software is depreciated over 36 months. The City is in the process of implementing a policy for the capitalization of library books pursuant to the School library material act Section 22-15C but does not currently include library books or the associated depreciation in capital assets. In addition, the Public Housing Authority records depreciation on its capital assets in accordance with generally accepted accounting principles.

D. Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or proprietary fund type statement of net assets. Debt principal payments of both government and business-type activities are reported as decreases in the balance of the liability on the Statement of Net Assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method.

**STATE OF NEW MEXICO**  
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Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, however, debt principal payments of governmental funds are recognized as expenditures when paid. Governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

E. Capitalized interest

Interest costs are capitalized when incurred by proprietary funds and similar component units on debt where proceeds were used to finance the construction of assets.

F. Basis of accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year they are billed. Property tax receivables are recognized in the government-wide statements net of estimated refunds and uncollectible amount in the period the taxes are levied, even if not available. The governmental fund financial statements exclude the portion of property taxes which are not available. Taxes, and similar items are not recognized as revenue because they are not both available and measurable (reasonably estimable) as per GASB Statement 33 requires. The revenue is recognized as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund level financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the obligation has matured and is due and payable shortly after year end as required by GASB Interpretation No. 6. Agency Funds are accounted for under the accrual basis of accounting.

For its government-wide activities and enterprise funds, the City has elected under GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, to apply all applicable GASB pronouncements as well as any applicable pronouncements of the Financial Accounting Standards Board, the Accounting Principles or any Accounting Research Bulletins issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
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All proprietary funds and non-expendable trust funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred. 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.

The City also reports deferred revenues on its combined balance sheet. Deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received prior to the occurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for deferred revenues is removed from the combined balance sheet and revenue is recognized.

Fiduciary Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds. The reporting focus is upon net assets and changes in net assets and employs accounting principles similar to proprietary funds. Fiduciary funds are not included in the government-wide financial statements since they are not assets of the City available to support City programs.

In accordance with the provisions of Statement No. 33 of the Governmental Accounting Standards Board, the City recognizes revenues in the period when the underlying exchange transaction has occurred and the resources are available.

**G. Budgets and budgetary accounting**

The City uses the following procedures in establishing the budgetary data reflected in the accompanying financial statements:

1. Prior to June 1, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Prior to July 20, the budget is legally enacted through passage of a resolution.
3. The State of New Mexico Department of Finance and Administration must approve the budget, and any revisions to the budget.
4. The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, the City Commission and the Department of Finance and Administration must approve any revisions that alter the total expenditures of any fund.

Formal budgetary integration is employed as a management control device during the year for all funds. Budgets are adopted for all funds by the City Commission, are prepared on a cash basis and include an amount for cash and investments remaining from the previous year available for expenditure in the current year. Budgets for all funds are "appropriated" budgets.

Budgetary information is presented as amended, the amendments being adopted in a legally prescribed manner. The level of control at which expenditures may not legally exceed budgeted revenues, cash and investments is at the total fund level for each legally adopted budget.

Encumbrance accounting is used for all fund types. Encumbrances are recorded when purchase orders are issued, but are not considered expenditures until liabilities for payments are incurred.

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
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For the Year Ended June 30, 2011**

Encumbrances do not lapse at the close of the fiscal year, but are carried forward until liquidated. Encumbrances are included in fund balance classification on the balance sheet according to the level of the constraint of the resources that will be used for the encumbrance.

H. Investments

Cash resources of the individual funds are combined to form a pool of cash and investments, which is managed by the Chief Financial Officer. Each fund's equity in the pooled cash and investments account is reported in the combined financial statements as cash and investments. Earnings on investments are allocated to the individual funds by a formula based on each fund's month-end equity in the pooled investments account. All earnings on investments are shown in the financial statements as interest income. Investments are generally stated at fair value in accordance with GASB 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

I. Cash and cash equivalents

For purposes of the statements of cash flows, all highly liquid assets with maturity of three months or less when purchased are considered to be cash equivalents. All cash and investments of the proprietary fund types are pooled with the City's pooled cash and investments.

J. Inventories

Inventories consisting primarily of materials and supplies held for consumption on a first-in, first-out basis. They are reported at cost, which is recorded as an expenditure at the time individual inventory items are used. Proprietary fund and similar component unit inventories are recorded at cost on a first-in, first-out basis.

K. Ad Valorem Taxes

Ad valorem taxes are levied each November 1st, on the assessed valuation of non-exempt real property located in the City as of the preceding January 1st, the lien date. Ad valorem taxes are due on November 10th following the levy date, although they may be paid in two equal installments. The first half is due by November 10th, the second installment is due April 10th, and tax installments become delinquent thirty days after the due date. Ad valorem taxes are collected by the Treasurer of Otero County, New Mexico, and are remitted to the City.

L. Compensated absences

City personnel policies allow for the accrual of vacation and sick leave. After a probationary period, City employees are allowed to use the time they have accrued.

The maximum number of accrued annual vacation hours, which may be carried forward to any new calendar year, varies from 18 hours to 240 hours, depending on the job classification and shift length of each employee. The maximum sick leave carry forward is unlimited.

M. Accounting applications

The City's major financial recording cycles are computer generated.

**STATE OF NEW MEXICO  
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For the Year Ended June 30, 2011**

N. Interfund transactions

During the course of normal operations, the City has numerous transactions between funds, including expenditures and transfers of resources to provide services, construct assets, and service debt. The accompanying combined financial statements reflect such transactions as operating transfers.

O. Net assets/fund equity classifications

*Government-wide Statements*

Net assets on the Statement of Net Assets include the following:

1. Invested in capital assets- net of related debt—the component of net assets that reports the difference between capital assets and both the accumulated depreciation and the outstanding balance of debt, excluding unspent proceeds, that is directly attributable to the acquisition, construction or improvement of these capital assets.
2. Restricted net assets—consist of net assets with constraints placed on the use by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation or federal law.
3. Unrestricted net assets—all other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

*Fund Statements*

In the governmental fund financial statements, fund balances are classified as nonspendable, restricted, or unrestricted (committed, assigned, or unassigned). Restricted represents those portions of fund balance where constraints placed on the resources are either externally imposed or imposed by law through constitutional provisions or enabling legislation. Committed fund balance represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of City Commissioners. Assigned fund balance is constrained by the City’s intent to be used for specific purposes.

Proprietary fund equity is classified the same as in the government-wide statements.

P. Spending Policy

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the City’s policy to use restricted resources first. When expenditures/expenses are incurred for purposes for which unrestricted (committed, assigned and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the City’s policy to spend committed resources first.

Q. Indirect expenses

The City allocated indirect expenses primarily comprised of central governmental services to operating functions and programs benefiting from those services. Central services include overall City management, centralized budgetary formulation and oversight, accounting, financial reporting, payroll, procurement contracting and oversight, investing and cash management, personnel services, and other

**STATE OF NEW MEXICO  
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For the Year Ended June 30, 2011**

administrative services. Allocations are charged to programs based on use of the services determined by various allocation methodologies.

R. Accounting 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 effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 – CASH AND INVESTMENTS

*Cash*

Cash includes cash in banks with various financial institutions. As of June 30, 2011, the amount of cash reported on the financial statements differs from the amount on deposit with the various institutions because of transactions in transit and outstanding checks. The locations and amounts deposited at each of the financial institutions are as follows:

	<b>1st National Bank</b>	<b>Wells Fargo Bank</b>	<b>1st National Ruidoso</b>	<b>NMFA</b>
Total amount of deposits in bank	\$ 6,513,705	10,256,368	2,001	2,872
Less: FDIC coverage	<u>(500,000)</u>	<u>(8,000,000)</u>	<u>(2,001)</u>	<u>N/A</u>
Total uninsured public funds	6,013,705	2,256,368	-	-
State Collateral Requirement - 50%	3,006,852	1,128,184	-	-
Pledged security	<u>3,468,410</u>	<u>1,166,602</u>	<u>-</u>	<u>-</u>
Over/(under) collateralized	<u>\$ 461,558</u>	<u>38,418</u>	<u>-</u>	<u>-</u>

	<b>New York Mellon Trust</b>	<b>Pioneer Bank</b>	<b>Bank'34</b>
Total amount of deposits in bank	\$ 514,804	500,720	525,378
Less: FDIC coverage	<u>N/A</u>	<u>(250,000)</u>	<u>(250,000)</u>
Total uninsured public funds	514,804	250,720	275,378
State Collateral Requirement - 50%	-	125,360	137,689
Pledged security	<u>-</u>	<u>423,539</u>	<u>200,000</u>
Over/(under) collateralized	<u>\$ -</u>	<u>298,179</u>	<u>62,311</u>

<u>Cash by fund type</u>	<u>Book Balance Amount</u>
Governmental funds	\$ 2,458,582
Business-type funds	2,763,761
Fiduciary funds	1,173,445
Internal service funds	117,087
Component unit	200
Cash per financial statements	<u>\$ 6,513,075</u>

For details see the Schedule of Pledged Collateral per the table of contents.

**STATE OF NEW MEXICO  
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*Investments*

Investments consisted of the following as of June 30, 2011:

<b>Investment Type</b>	<b>Fair Value</b>
State Treasurer's Investment Pool	\$ 15,369,485
CDs and other	15,775,774
Federal Home Loan Notes	21,355,378
Total	\$ 52,500,637

In compliance with Governmental Accounting Standards Board Statement No. 31, the City's investments are stated at fair value, except for highly liquid market investments with maturities of one year or less at the time of purchase, which are stated at amortized cost. Market value is used for those securities for which market quotations are readily available. For securities that lack readily available market quotations, reasonable estimates of fair value are used based on the market value of similar investments. The City generally holds all investments until maturity or until market values equal or exceed cost. Therefore, the fair value of securities in the investment pool does not necessarily reflect realized gains or losses but rather the fair value of those investments as of June 30, 2011.

New Mexico State Statutes authorize the creation of the short-term investment fund in the New Mexico State Treasury. The Statutes authorize the State Treasurer to pool monies received from local public bodies for investment purposes with public monies under control. The purpose of the local short-term fund is to provide a voluntary investment alternative for local political subdivisions to realize the maximum return consistent with safe and prudent management. The City invested \$15,369,485 as of June 30, 2011 within the short-term investment fund pool. The yield at June 30, 2011 was .276%. The local short-term investment fund, along with other public monies in the State Treasurer's investment account, is invested in repurchase agreements secured at 102% by U.S. Government Securities. The State Treasurer has the responsibility to pledge collaterals at 102% of investment balances for the City. All investing is performed in accordance with State Statutes and the City Charter. For more information, refer to separately issued financial statements for the State Treasurer, which disclose the collateral pledged to secure the State Treasurer's cash and investments.

The investments are valued at fair value based on quoted market prices as of the valuation date. The State Treasurer Local Government Investment Pool is not SEC registered. Section 67-10-10 I, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investment fund in securities that are issued by the United States government, or by its departments or agencies and are either direct obligations of the United States, or are backed by the full faith and credit of the United States government, or are agencies sponsored by the United States government. The Local Government Investment Pool investments are monitored by the same investment committee and the same policies and procedures that apply to all other state investments. The pool does not have unit shares. Per Section 6-10-10.1F, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the fund amounts were invested. Participation in the local government investment pool is voluntary.

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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 LGIP's portfolio's weighted average maturity (WAM) is a key determinant of the tolerance of a fund's investment to rising interest rates. In general, the longer the WAM, the more susceptible the fund is to rising interest rates. The LGIP portfolio's weighted average maturity (WAM) was New MexiGROW LGIP 36-day WAM 7 day yield .276%.

State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The City has no investment policy that would further limit its investment choices. As of June 30, 2011, the City's investment in the New MexiGROW Local Government Investment Pool (LGIP) was rated AAAM by Standard & Poor's.

The City places no limit on the amount it may invest in any one issuer. More than 5 percent of the City's investments are in the State LGIP, Federal Home Loan notes, and commercial certificates of deposit. These investments are 26%, 36%, and 14%, respectively, of the City's total investments.

The Federal Home Loan notes are all backed by the full faith and credit of the U.S. government and are therefore insured against loss.

FDIC advisory opinion 94-24 states that public funds are entitled to \$100,000 insurance for time or savings deposits (including bank money market accounts) and \$100,000 for demand deposits deposited within the state in compliance with 12 CFR Subsection 330.15. Congress has temporarily increased FDIC deposit insurance from \$100,000 to \$250,000 per depositor through December 31, 2013; public funds held in time and savings accounts are entitled to \$250,000 coverage, and separately, all non-interest bearing demand deposits owned by a public unit have unlimited coverage. Changes have also been made to other account types. For more information, visit [www.fdic.gov](http://www.fdic.gov).

**NOTE 3 – COLLATERALIZATION OF CITY DEPOSITS**

In accordance with the City of Alamogordo Investment Policy Section 30-02-030, any financial institution designated as a City depository shall deliver securities of the type specified in Section 6-10-16 NMSA, 1978, or a joint safekeeping receipt therefore to the investment officer in an aggregate value equal to one-half the amount of the City money to be received, in accordance with subsection B of Section 6-10-16 NMSA, 1978 (Ord. No. 722, 10-23-87).

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's deposit policy is to collateralize one half of the uninsured public money in each account. As of June 30, 2011, the City's bank and investment balances of \$59,013,712, which includes the component units, were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$	4,225,242
Uninsured and collateral held by pledging bank's trust department, not in the City's name		5,085,732
	Total \$	<u><u>9,310,974</u></u>

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NOTE 4 – INTERFUND BALANCES AND TRANSFERS

Interfund receivables and payables are amounts due from and to other funds within the City. The interfund payables are due to interfund borrowing between funds for operating purposes. Interfund balances as of June 30, 2011, are as follows:

<u>Fund Description</u>	<u>Fund Number</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General - Major Fund	011	\$ 163,283	-
Bonito Lake - Major Fund	088	-	163,283
General - Major Fund	011	541,897	-
Special revenue funds - Non-major governmental funds to General Fund	various	-	541,897
		<u>\$ 705,180</u>	<u>705,180</u>

The interfund receivables due to Fund 11 from the Bonito Lake Fund and various non-major governmental funds are expected to be paid in the current year. Transfers and payments within the reporting entity are substantially for the purpose of subsidizing operating functions and funding capital projects, namely street projects. All transfers made during the year were considered routine and were consistent with the general characteristics of the City's transfer.

The details of interfund transfers during fiscal year 2011 are provided on the following page.

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	<b>Transfers In</b>								<b>Total</b>
	<b>General Fund</b>	<b>44 Trans- portation</b>	<b>59 GRT P&amp;I</b>	<b>113 2009 GO Bond</b>	<b>46,81,82, 104,110 Water &amp; Sewer</b>	<b>91 Airport</b>	<b>Non Major Govern- mental</b>	<b>12,96,107 Internal Service</b>	
General	-	-	-	-	-	-	839,260	1,539,521	2,378,781
Transportation	-	-	-	-	-	-	-	257,640	257,640
2004 GRT	-	-	584,903	-	-	-	-	-	584,903
2009 GO	-	-	-	-	753,057	-	-	-	753,057
Water & Sewer	30,752	-	-	97,445	-	176	98,338	320,839	547,550
Solid Waste	-	-	-	-	85,834	-	-	19,183	105,017
Bonito Lake	-	-	-	-	-	-	-	25,364	25,364
Golf Course	-	-	-	-	-	-	-	53,093	53,093
Airport	-	-	-	-	-	-	-	39,256	39,256
Non-Major Governmental	322,589	769,499	4,799,108	652,666	1,240,264	218,531	4,939,226	167,868	13,109,751
Component Unit	-	-	-	-	-	-	-	1,450	1,450
<b>Total</b>	<b>353,341</b>	<b>769,499</b>	<b>5,384,011</b>	<b>750,111</b>	<b>2,079,155</b>	<b>218,707</b>	<b>5,876,824</b>	<b>2,424,214</b>	<b>17,855,862</b>
	For acquis- ition of services for City services.	For payment of improve- ments to City's street system.	For payment of debt service	For payment of improve- ments to the City's water and sewer system.	For payment of improve- ments to the City's water and sewer system.	To pay for general improve- ments to the City's airport.	Pay other governmental funds to supplement other fund sources.	To pay for internal services for the City's various departments.	

The schedule above details the interfund transfers made by the City during the year ended June 30, 2011.

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NOTE 5 – RECEIVABLES

The accounts receivable of the Special Revenue, Debt Service, and Capital Projects Funds are composed primarily of earned taxes and federal and state revenues or reimbursements. An allowance for doubtful accounts is maintained for those receivables deemed to be uncollectible.

<b>Governmental Funds</b>						
Type	<b>General</b>	<b>(044) Trans</b>	<b>(109) 2004 GRT Capital Outlay</b>	<b>Other Gov Funds</b>	<b>Total Govern- mental</b>	
Taxes	\$ 2,295,112	434,455	264,862	1,127,979	4,122,408	
Grants	9,767	111,783	-	188,230	309,779	
Accounts	884,303	1,670	-	135,749	1,021,722	
Allowance for doubtful accts	(863,264)	(670)	-	(134,295)	(998,229)	
Total	<u>\$ 2,325,917</u>	<u>547,238</u>	<u>264,862</u>	<u>1,317,663</u>	<u>4,455,680</u>	

  

<b>Enterprise Funds</b>						
Type	<b>(046,081) (082, 104,110) Water and Sewer</b>	<b>Public Housing Authority</b>	<b>(086) Solid Waste</b>	<b>(088) Bonito Lake</b>	<b>(091) Airport</b>	<b>Total Enterprise</b>
Other	\$ 53,180	141	72	-	-	53,393
Accounts	760,235	68,309	119,174	219	19,518	967,453
Allowance for doubtful accts	(131,532)	(37,227)	(6,249)	-	-	(175,009)
Total	<u>\$ 681,883</u>	<u>31,223</u>	<u>112,997</u>	<u>219</u>	<u>19,518</u>	<u>845,837</u>

  

Type	<b>(055, 094) Comp Unit Landfill</b>	<b>(012,96,107) Internal Service</b>	<b>Fiduciary</b>
Taxes	\$ 2,855	-	-
Grants	-	128	-
Accounts	52,715	6,642	67,487
Allowance for doubtful accts	-	(10)	(67,487)
Total	<u>\$ 55,570</u>	<u>6,760</u>	<u>-</u>

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NOTE 6 – CAPITAL ASSETS

Capital asset activities for the year ended June 30, 2011:

GOVERNMENTAL ACTIVITIES					
Asset Description	2010	Additions	Deletions	Reclassifi- cations	2011
<b>Capital assets not being depreciated:</b>					
Land	\$ 7,248,377	414,155	-	-	7,662,532
Construction in progress	19,000,292	3,044,763	(928,890)	(20,286,694)	829,471
Total capital assets not being depreciated	<u>26,248,670</u>	<u>3,458,918</u>	<u>(928,890)</u>	<u>(20,286,694)</u>	<u>8,492,003</u>
<b>Capital assets being depreciated:</b>					
Buildings and improvements	21,135,896	-	-	243,227	21,379,123
Mechanized equipment	8,741,171	419,303	(270,074)	-	8,890,400
Unscheduled property	3,522,703	192,797	(36,160)	-	3,679,340
Infrastructure	151,253,518	-	-	20,043,467	171,296,985
Total capital assets being depreciated	<u>184,653,288</u>	<u>612,100</u>	<u>(306,234)</u>	<u>20,286,694</u>	<u>205,245,848</u>
Less accumulated depreciation for:					
Buildings and improvements	(11,862,108)	(628,647)	-	-	(12,490,755)
Mechanized equipment	(6,382,749)	(373,017)	270,074	-	(6,485,692)
Unscheduled property	(2,985,318)	(197,423)	36,160	-	(3,146,581)
Infrastructure	(137,924,886)	(2,242,157)	-	-	(140,167,043)
Total accumulated depreciation	<u>(159,155,061)</u>	<u>(3,441,244)</u>	<u>306,234</u>	<u>-</u>	<u>(162,290,071)</u>
Governmental activities Capital assets, net	<u>\$ 51,746,900</u>	<u>629,774</u>	<u>(928,890)</u>	<u>-</u>	<u>51,447,780</u>

BUSINESS -TYPE ACTIVITIES					
Asset Description	2010	Additions	Deletions	Reclassifi- cations	2011
<b>Capital assets not being depreciated:</b>					
Land	\$ 6,930,211	22,865	-	-	6,953,076
Construction in progress	19,656,305	2,652,770	(12,187)	(20,826,078)	1,470,809
Total capital assets not being depreciated	<u>26,586,516</u>	<u>2,675,635</u>	<u>(12,187)</u>	<u>(20,826,078)</u>	<u>8,423,885</u>
<b>Capital assets being depreciated:</b>					
Buildings and improvements	20,113,005	1,256	-	2,534,839	22,649,100
Mechanized equipment	6,797,649	571,260	(121,024)	-	7,247,885
Unscheduled property	771,120	7,633	(14,104)	-	764,649
Infrastructure	43,700,322	10,578	-	18,291,239	62,002,139
Total capital assets being depreciated	<u>71,382,097</u>	<u>590,727</u>	<u>(135,128)</u>	<u>20,826,078</u>	<u>92,663,774</u>
Less accumulated depreciation for:					
Buildings and improvements	(13,238,996)	(679,947)	-	-	(13,918,943)
Mechanized equipment	(6,057,278)	(201,195)	118,002	-	(6,140,471)
Unscheduled property	(293,965)	(54,537)	12,709	-	(335,793)
Infrastructure	(14,585,345)	(1,419,845)	-	-	(16,005,190)
Total accumulated depreciation	<u>(34,175,584)</u>	<u>(2,355,524)</u>	<u>130,711</u>	<u>-</u>	<u>(36,400,397)</u>
Business-type activities capital assets, net	<u>\$ 63,793,029</u>	<u>910,838</u>	<u>(16,604)</u>	<u>-</u>	<u>64,687,262</u>

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NOTE 6 – CAPITAL ASSETS-Continued

Asset Description	COMPONENT UNIT				2011
	2010	Additions	Deletions	Reclassifi- cations	
Capital assets not being depreciated:					
Land	\$ 1,526,005	-	-	-	1,526,005
Construction in progress	228,255	6,631	-	(234,886)	-
Total capital assets not being depreciated	1,754,259	6,631	-	(234,886)	1,526,005
Capital assets being depreciated:					
Buildings and improvements	158,737	-	-	-	158,737
Mechanized equipment	1,401,461	599,000	-	-	2,000,461
Unscheduled property	93,145	-	-	-	93,145
Infrastructure	1,023,132	-	-	234,886	1,258,018
Total capital assets being depreciated	2,676,475	599,000	-	234,886	3,510,361
Less: accumulated depreciation for:					
Buildings and improvements	(158,738)	-	-	-	(158,738)
Mechanized equipment	(1,164,873)	(191,928)	-	-	(1,356,801)
Unscheduled property	(81,659)	(5,704)	-	-	(87,363)
Infrastructure	(448,652)	(39,366)	-	-	(488,018)
Total accumulated depreciation	(1,853,922)	(236,998)	-	-	(2,090,920)
Component unit capital assets, net	\$ 2,576,811	368,633	-	-	2,945,445

Depreciation expense is reported in the following functions in the Statement of Activities.

Governmental activities		Business-type activities	
General government	\$ 285,354	Water/sewer	\$ 1,713,072
Public safety	771,513	Solid waste	26,896
Public works	2,197,060	Bonito Lake	8,702
Culture and recreation	186,104	Golf course	167,081
Health and welfare	1,212	Airport	146,250
Total	\$ 3,441,244	Public housing authority	289,383
		Total	\$ 2,351,384
<b>Component unit</b>			
Landfill	\$ 236,997		

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NOTE 7 – LONG-TERM DEBT

The following is a summary of all bond and note payable transactions of the City for the year ended June 30.

	2010	Increases	Decreases	2011	Amount due within one year
<b>Governmental funds debt</b>					
General obligation bonds	\$ 2,295,000	1,350,000	(1,401,658)	<b>2,243,342</b>	147,757
Revenue bonds	11,155,000	-	(3,795,000)	<b>7,360,000</b>	840,000
NMFA	11,113,967	2,775,956	(712,878)	<b>13,177,045</b>	789,688
Compensated absences	1,132,491	811,598	(819,979)	<b>1,124,110</b>	910,529
<b>Total</b>	<b>\$ 25,696,458</b>	<b>4,937,554</b>	<b>(6,729,515)</b>	<b>23,904,497</b>	<b>2,687,974</b>
<b>Business-type funds debt</b>					
General obligation bonds	\$ 6,500,000	-	(188,342)	<b>6,311,658</b>	210,243
Revenue bonds	7,740,000	-	(565,000)	<b>7,175,000</b>	590,000
NMFA	10,234,943	-	(207,605)	<b>10,027,338</b>	219,938
Compensated absences	114,629	210,679	(161,561)	<b>163,747</b>	130,998
	<b>\$ 24,589,572</b>	<b>210,679</b>	<b>(1,122,508)</b>	<b>23,677,743</b>	<b>1,151,179</b>
<b>Component unit debt</b>					
Compensated absences	\$ 12,786	25,111	(14,841)	<b>23,056</b>	20,089
	<b>\$ 12,786</b>	<b>25,111</b>	<b>(14,841)</b>	<b>23,056</b>	<b>20,089</b>

Prior year compensated absences have been liquidated by the general fund.

The annual principal and interest requirements on long-term debt outstanding as of June 30, 2011 includes:

Year Ended June 30	Governmental Activities						Total P & I
	General Obligation Bonds		Revenue Bonds		New Mexico Finance Authority		
	Principal	Interest	Principal	Interest	Principal	Interest	
2012	\$ 147,757	57,516	840,000	288,700	789,688	564,520	2,688,181
2013	177,137	60,843	870,000	258,490	812,544	544,760	2,723,774
2014	180,337	58,337	900,000	226,615	722,828	522,823	2,610,940
2015	184,057	55,212	935,000	192,732	742,674	499,315	2,608,990
2016	141,399	51,560	970,000	156,895	774,029	471,638	2,565,521
2017-2021	783,410	197,993	2,845,000	236,955	3,949,782	1,882,629	9,895,769
2022-2026	299,434	113,236	-	-	3,755,000	952,331	5,120,001
2027-2031	329,811	45,385	-	-	1,630,500	122,404	2,128,100
<b>Total</b>	<b>\$ 2,243,342</b>	<b>640,082</b>	<b>7,360,000</b>	<b>1,360,387</b>	<b>13,177,045</b>	<b>5,560,420</b>	<b>30,341,276</b>

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Business Type Activities							
Year Ended June 30	General Obligation Bonds				New Mexico Finance Authority		Total P & I
	Revenue Bonds		Interest		Principal	Interest	
	Principal	Interest	Principal	Interest			
2012 \$	210,243	263,352	590,000	315,710	219,938	368,184	1,967,427
2013	227,763	254,882	620,000	289,980	496,147	354,111	2,242,883
2014	249,663	245,575	645,000	262,743	512,783	339,912	2,255,676
2015	275,943	235,429	675,000	233,433	529,608	322,822	2,272,235
2016	109,501	224,605	705,000	202,743	546,614	306,056	2,094,519
2017-2021	792,790	1,030,955	2,465,000	577,473	3,038,112	961,890	8,866,220
2022-2026	2,115,566	800,040	1,475,000	162,930	3,258,377	619,935	8,431,848
2027-2031	2,330,189	320,651	-	-	1,425,761	107,978	4,184,579
Total \$	<u>6,311,658</u>	<u>3,375,489</u>	<u>7,175,000</u>	<u>2,045,012</u>	<u>10,027,338</u>	<u>3,380,888</u>	<u>32,315,387</u>

General obligation bonds issued for governmental activity purposes are liquidated by the debt service funds. Revenue bonds issued for governmental activities are liquidated by the debt service funds. Promissory notes issued for governmental activities are repaid from special revenue funds related to the promissory notes' purpose. General obligation, revenue bonds and promissory notes issued for business-type activities or by component units are repaid from those activities or component units.

Advance Refundings

**GO Bond 2000** — On April 15, 2011, the City issued \$1,350,000 of General Obligation Bonds, Series 2011, with an average interest rate of 2.49%. The bonds consist of serial bonds bearing various fixed rates ranging from 0.50% to 3.35% with annual maturities from August 2011 through August 2020. The net proceeds of \$1,299,426 (after issuance costs of \$30,324 and processing fees of \$20,250) were used to advance refund bonds with a total principal amount of \$1,285,000 and an average interest rate of 5.53%. The purchaser of the bonds, the New Mexico Finance Authority transferred \$1,329,750 to the Bank of New York Mellon Trust Company, N.A. for the City of Alamogordo. The Bank transferred the net proceeds to the City of Alamogordo to pay off the refunded bonds. As a result, the refundable bonds are considered to be defeased, and the related liability for the banks has been removed from the City's liabilities.

The advance refunding was done in order to reduce debt payments. The refunding decreased the City's debt payments by approximately \$162,962. The transaction resulted in an economic gain (difference between the present value of the debt service on the old and the new bonds) of approximately \$139,418.

**GRT Bond 2000** — On April 15, 2011, the City entered into a loan agreement with the New Mexico Finance Authority in the amount of \$2,735,456 at an average interest rate of 2.71%. Payments on the note will have various fixed rates ranging from 0.50% to 3.64% with annual payments from June 2011 through June 2021. The net proceeds of \$2,694,425 (after processing fees of \$41,031) were used to advance refund bonds with a total principal amount of \$2,985,000 with an average rate of 5.20%. The issuer of the loan transferred \$2,694,425 to the Bank of New York Mellon Trust Company, N.A. for the City of Alamogordo. The Bank transferred the net proceeds along with \$371,358 of debt service reserve held by the City and \$19,294 of interest for a total \$3,045,078 to the City to pay off the refunded bonds. As a result, the refunded bonds are considered to be defeased, and the related liability for the banks has been removed from the City's liabilities.

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The advance refunding was done in order to reduce debt payments. The refunding decreases the City's debt payments by approximately \$882,896. The transaction resulted in an economic gain (difference between the present value of the debt service and on the old and the new ones) of approximately \$356,890.

General Obligation Bonds

General obligation bonds have been approved by the voters and issued by the City for various municipal improvements. These bonds are to be fully paid within 15 to 20 years from the date of issue and are backed by the full faith and credit of the City. General obligation bonds issued by the City and reported as liabilities of the City's governmental activities are:

Series	Issue Amount	Maturity Date	Average Coupon Rate	Year-end Balance
2000	\$ 2,000,000	2020	5.86%	\$ 1,350,000 *
2010	920,000	2029	4.05%	893,342
Total				<u>\$ 2,243,342</u>
Amount due within one year				\$ <u>147,757</u>

\* GO Bond 2000 Refunding in 2011

General obligation bonds issued by the City and reported as liabilities of the City's business -type activities are:

Series	Issue Amount	Maturity Date	Average Coupon Rate	Year-end Balance
2010	\$ 6,500,000	2029	4.05%	\$ <u>6,311,658</u>
Amount due within one year				\$ <u>210,243</u>

Revenue Bonds

The City also has issued revenue bonds in the past, where the City pledges income derived from certain assets or programs to pay debt service. Revenue bonds outstanding consist of debt issued by the City, its authorities, and its trusts. Revenue bonds issued in prior years and reported as liabilities of the City's governmental activities are:

Purpose	Series	Issue Amount	Maturity Date	Average Coupon Rate	Year-end Balances
Public works improvements	2002	7,990,000	2017	3.21%	3,700,000
Public works improvements	2004	5,405,000	2019	3.51%	3,660,000
Total					<u>\$ 7,360,000</u>
Amount due within one year					\$ <u>840,000</u>

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Revenue bonds issued in prior years and reported as liabilities of the City's business-type activities are:

Purpose	Series	Issue Amount	Maturity Date	Average Coupon Rate	Year-end Balances
Improve water/sewer system	1998	\$ 6,390,000	2018	4.32%	\$ 2,880,000
Improve water/sewer system	2005	5,530,000	2025	4.00%	4,295,000
		Total			\$ 7,175,000
			Amount due within one year		\$ 590,000

Promissory Notes

The City has outstanding loans with the New Mexico Finance Authority (NMFA) that are secured by a security interest in the City's distributions from the State of New Mexico fire protection fund and generally requires semi-annual principal and interest payments.

Promissory notes reported as liabilities of the City's governmental activities are:

Purpose	Date of Issuance	Amount	Maturity Date	Average Coupon Rate	Year-end Balances
Construction of fire station	2000	\$ 572,223	2020	5.49%	\$ 335,690
Purchase of ladder truck	2004	455,000	2016	3.21%	207,743
Purchase of fire pumper	2009	196,910	2017	3.34%	152,281
Infrastructure - flood control	2009	3,620,000	2028	3.74%	3,330,000
Infrastructure - street projects	2009	7,350,000	2028	4.50%	6,635,000
Infrastructure - regional water	2010	40,500	n/a**	0.00%	40,500
Infrastructure - RO project	2011	2,735,456	2021	2.71%	2,475,831
		Total			\$ 13,177,045
			Amount due within one year		\$ 789,688

\*\* Dependent upon timing of project completion

The City has outstanding loans with the NMFA that are secured by a security interest in the City's receipts from the Municipal 0.250% Gross Receipts Tax enacted in 1987 and generally requires semi-annual principal and interest payments. Promissory notes issued by the City and reported as liabilities of the City's business-type activities are:

Purpose	Date of Issuance	Amount	Maturity Date	Average Coupon Rate	Year-end Balances
Infrastructure improvements	2006	\$ 730,453	2026	4.24%	\$ 604,780
Infrastructure improvements	2007	6,565,000	2029	2.00%	4,437,558
		Total			\$ 10,027,338
			Amount due within one year		\$ 219,938

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2011**

The total principal and interest payments for each fund type is as follows:

Fund Type	Principal	Interest	Total
Governmental funds	\$ 22,780,387	7,560,889	30,341,276
Business-type funds	23,513,996	8,801,389	32,315,385
	<u>\$ 46,294,383</u>	<u>16,362,278</u>	<u>62,656,661</u>

The legal debt margin as defined by state statutes limits the total general bonded debt of the City (excluding general obligation water bonds) to 4% of the assessed property value of the City. The City is not in violation of the legal debt margin.

Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources has been and will continue to be reported as an expenditure and a fund liability of the governmental or enterprise fund that will pay it. Amounts of vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the Government-Wide statements as "compensated absences".

**NOTE 8 – RESTRICTED ASSETS – CASH AND INVESTMENTS**

Water & Sewer Fund

The 2005 Water and Sewer Bond issue requires a reserve of \$412,853. This amount has been restricted in Fund 82 to meet the bond covenant. In addition, the 2009 NMFA Water and Waste Water Loan requires a reserve of \$403,656. This amount is restricted in Fund 82.

Public Housing Authority

The Housing Authority requires a reserve for tenant deposit and escrow accounts. The Housing Authority is in compliance with this restriction. Deposits for customer utilities of \$148,234 are restricted.

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**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2011**

NOTE 9 – FUND BALANCE

The City’s fund balances represent: 1) Restricted Purposes, which include balances that are legally restricted for specific purposes due to constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; 2) Committed Purposes, which include balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the City Commission; 3) Assigned Purposes, which includes balances that are constrained by the government’s intent to be used for specific purposes, but are neither restricted or committed. A summary of the nature and purpose of these reserves by fund type at June 30, 2011, follows:

	<u>Restricted Purposes</u>	<u>Committed Purposes</u>	<u>Assigned Purposes</u>
<b>General Fund (011,098):</b>			
Law enforcement	-	-	22,085
Community services	-	-	89,164
Building codes	-	-	3,624
Community development	-	-	17,690
Other	-	-	7,109
	<u>-</u>	<u>-</u>	<u>139,672</u>
<b>Transportation Fund (044):</b>			
Street maintenance	-	2,721,661	-
Infrastructure improvements	-	1,814,441	-
	<u>-</u>	<u>4,536,102</u>	<u>-</u>
<b>Debt Service GRT P&amp;I (059):</b>			
Debt service	7,696	-	-
	<u>7,696</u>	<u>-</u>	<u>-</u>
<b>2004 GRT Capital Outlay (109)</b>			
Public works	5,243,625	-	-
	<u>5,243,625</u>	<u>-</u>	<u>-</u>
<b>2009 General Obligation Bond (113)</b>			
Public works	7,153,307	-	-
	<u>7,153,307</u>	<u>-</u>	<u>-</u>
<b>Other Funds</b>			
Infrastructure - capital projects	13,881,645	413,792	-
Public works - street maintenance	1,754,732	-	-
Debt - reserves	1,576,698	-	-
Public works - convenience center	805,517	-	-
Cemetery	694,869	-	-
Fire protection	277,826	-	-
Tourism	133,036	-	-
Culture and recreation	130,206	80,839	-
Law enforcement	105,107	-	-
Public works - highways	65,055	-	-
Court administration	62,847	-	-
Public safety - traffic	62,692	-	-
Other	34,070	-	-
Corrections	7,523	-	-
Capital improvements	-	55,855	-
	<u>19,591,823</u>	<u>550,486</u>	<u>-</u>
	<u>\$ 19,591,823</u>	<u>550,486</u>	<u>-</u>

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2011**

NOTE 10 – DEFICIT FUND BALANCE

The following funds had deficit fund balances at June 30, 2011:

<u>Fund Type</u>	<u>Fund No.</u>	<u>Amount</u>
Special revenue	15	\$ (7,523)
Special revenue	27	(4,088)
Special revenue	28	(24,447)
Capital project	48	(10,190)
Capital project	116	(505,964)

Management anticipates future resources, in excess of anticipated expenditures, to eliminate negative balances.

NOTE 11 – SURETY BONDS

The City maintains surety bonds for the following employees in the amounts of coverage listed below:

<b>Employee Position</b>	<b>Coverage</b>
Comptroller/Treasurer	\$ 100,000
Honesty/Blanket Bond	\$ 100,000

NOTE 12 – POST EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN

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

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

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

*Funding Policy* – The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service based subsidy rate

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2011**

schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at [www.nmrhca.state.nm.us](http://www.nmrhca.state.nm.us).

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. During the fiscal year ended June 30, 2011, the statute required each participating employer to contribute 1.666% of each participating employee's annual salary; each participating employee is required to contribute .8333% of their salary. In the fiscal years ending June 30, 2012 and June 30, 2013 the contribution rates for employees and employers will rise as follows:

For employees who are not members of an enhanced retirement plan the contribution rates will be:

<b>Fiscal Year</b>	<b>Employer Contribution Rate</b>	<b>Employee Contribution Rate</b>
FY12	1.834%	0.917%
FY13	2.000%	1.000%

For employees who are members of an enhanced retirement plan (state police and adult correctional officer coverage plan 1; municipal police member coverage plans 3, 4 and 5; municipal fire member coverage plan 3, 4 and 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act [10-12B-1 NMSA 1978]), during the fiscal year ended June 30, 2011, the statute required each participating employer to contribute 2.084% of each participating employee's annual salary, and each participating employee was required to contribute 1.042% of their salary. In the fiscal years ending June 30, 2012 and June 30, 2013 the contributions rates for both employees and employers will rise as follows:

<b>Fiscal Year</b>	<b>Employer Contribution Rate</b>	<b>Employee Contribution Rate</b>
FY12	2.292%	1.146%
FY13	2.500%	1.250%

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

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

The City of Alamogordo's contributions to the RHCA for the years ended June 30, 2011, 2010 and 2009 were \$186,391, \$140,878, and \$141,366, respectively, which equal the required contributions for each year.

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2011**

NOTE 13 – PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

**Plan Description.** Substantially all of the City’s full-time employees participate in a public employee retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). The Public Employees Retirement Association (PERA) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members and beneficiaries. PERA issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to PERA, P.O. Box 2123, Santa Fe, NM 87504-2123. The report is also available on PERA’s website at [www.pera.state.nm.us](http://www.pera.state.nm.us).

**Funding Policy.** Plan members are required to contribute from 4.0% to 16.65% of their gross salary depending upon the plan - i.e., state general, state hazardous duty, state police and adult correctional officers, municipal general, municipal police, municipal fire, municipal detention officer. The City of Alamogordo is required to contribute 9.51% to 23.45% of the gross covered salary depending upon the plan. The contribution requirements of plan members and the City are established in State statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The City’s contributions to PERA for the fiscal years ending June 30, 2011 , 2010 and 2009 were \$2,360,914, \$2,360,750 and \$2,087,873, respectively, which equal the amount of the required contributions for each fiscal year.

NOTE 14 – OTERO/LINCOLN COUNTY REGIONAL LANDFILL

State and Federal laws and regulations require the Regional Landfill to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste, the Regional Landfill is required to report a portion of these closure and post closure costs as an operating expenses in each period based on landfill capacity used as of each balance sheet date.

The accrued landfill closure and post closure costs, as of June 30, 2011 are \$577,699 and the estimated total current cost of closure and post closure remaining to be recognized is \$183,477 (for a total of \$761,176).

The landfill currently holds a 92-acre permit. The permit is defined as land that may be disturbed. To date 39% of the landfill capacity has been used: 30 acres have been disturbed for solid waste disposal and 15 acres for landfill facilities. The landfill is averaging six years of use for every ten acres of land. The remaining acres should give approximately 28 more years of life before re-permitting is requested.

The landfill is required to set aside a predetermined amount of funds to cover any closure and post closure care. The City sets aside approximately \$26,000 to 36,000 annually in investments. To date, the City has restricted \$584,410 in investments for this purpose.

The estimated closure and post closure care costs were originally determined in 1998 when the landfill applied for the operating permit. The closure and post closure costs are re-calculated annually to include inflation, actual landfill usage percentage, and any new regulatory requirements.

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2011**

The Environmental Protection Agency (EPA) required the landfill to obtain a permit under 20 NMAC 2.70 Title V. This permit requires the landfill to monitor and report emissions and particulates that are disbursed into the atmosphere. As the landfill continues to grow and monitoring requirements change, additional costs for closure and post closure care will need to be estimated in order for the City to accumulate the proper reserves and restrict sufficient funds to pay for the costs. As specified by 20.9.10.9.B NMAC the owner of each solid waste facility shall establish a financial assurance mechanism for closure of the facility in compliance with 20.9.10.13 – 20.9.10.23 NMAC. The owner shall provide continuous coverage for closure until released from financial assurance requirements by written verification issued by the secretary. The owner of a solid waste facility shall develop a detailed written estimate, in current dollars, of the cost of hiring a third party to close the largest area of the facility requiring closure under 20.9.6 NMAC.

**NOTE 15 – RISK MANAGEMENT**

The City's risk management activities are recorded in the Fleet Collision Self-Insurance Fund. The purpose of this fund is to administer general liability, auto liability, workers' compensation, civil rights (errors and omissions/personal injury), emergency medical liability, law enforcement liability, foreign jurisdiction, underground storage tanks, and volunteers. The City covers its insurance needs through the New Mexico Self Insurer's Fund. The premiums paid for June 30, 2011, 2010, and 2009 are \$689,984, \$751,592, and \$698,539 respectively. The risk of loss transfers to the Self Insurer's Fund under this plan.

The City began providing self-insurance for the City-owned vehicles for property damage during the fiscal year ended June 30, 1996. The City accounts for this plan through its Fleet Collision Insurance Fund. The City paid "premiums" into the fund of \$59,455 from July 1, 2010 to June 30, 2011.

All other insurance is provided by commercial insurance carriers in which risk of loss is transferred to the Insurance Company. Special assessment bonds and related interest costs are payable solely from assessments and interest collected from the property owners who benefit from respective improvements.

**NOTE 16 – LEASE COMMITMENTS**

The reporting entity has entered into a number of operating leases, which contain cancellation provisions and are subject to annual appropriations. The rent expenditures for these leases were primarily from the General Fund. Future minimum lease payments are:

For the Year Ended June 30	Machinery & Equipment
2012	\$ 135,128
2013	38,227
2014	24,694
2015	24,694
2016	8,967
Thereafter	-
Total	\$ 231,709

Lease expense for the year ended June 30, 2011 was \$278,555.

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2011**

NOTE 17 – FEDERAL GRANTS

In the normal course of operations, the City receives grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting funds. Any liability for reimbursement, which may arise as the result of these audits is not believed to be material.

NOTE 18 – LITIGATION

The City is party to various legal proceedings which normally occur in governmental operations. As of June 30, 2011 the City is involved in several lawsuits over water rights issues and contract compliance. Legal counsel has advised the City that an adverse ruling is probable; however, the loss is not estimable and therefore, no accrual has been recorded in these financial statements.

NOTE 19 – RESTATEMENT

Proprietary Funds

The following proprietary fund restatement was made for the fiscal year ended June 30, 2011.

<u>Fund</u>	<u>Reason</u>	<u>Enterprise</u>
Public Housing Authority	To remove inventory asset	\$ <u><u>(81,826)</u></u>

Fund Balance Classification Amounts

GASB Statement No. 54 clarifies the existing governmental fund type definitions and provides clearer fund balance categories and classifications. The new hierarchical fund balance classifications are based primarily upon the extent to which a government is bound to follow constraints on resources in governmental funds and includes the terms: nonspendable, restricted, committed, assigned, and unassigned. GASB Statement No. 54 was implemented in the current fiscal year. Details of the City's fund balance classifications and policies are reflected in Note 2.

The governmental fund types used by the City were evaluated based on the provisions of GASB Statement No. 54. The Community Services Fund (032), the Community Development Fund (063) and the Building Codes Fund (065) were determined to not meet the new fund type classification for special revenue funds. As a result, these funds were consolidated with the City's General Fund; therefore, a reclassification of \$105,594 was made to eliminate the beginning fund balance of these funds and to increase the beginning fund balance of the General Fund.

<u>Fund</u>	<u>Change Due to Implementation of GASB 54</u>	<u>Governmental Funds</u>
General Fund	Fund 32 - Community Services	\$ 145,922
	Fund 63 - Community Development	(13,275)
	Fund 65- Building Codes	<u>(27,053)</u>
		\$ <u><u>105,594</u></u>

This change had no impact on governmental activities as reported on the prior year Statement of Activities, nor does this restatement impact the government-wide financial statements.

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2011**

NOTE 20 – COMMITMENTS

Debt

At June 30, 2010, the City had an agreement to borrow \$1,127,000 from the New Mexico Finance Authority for the development of a regional water supply project consisting of approximately fifteen (15) miles of pipeline for potable water transmission system. As of June 30, 2011, the balance on this loan was \$40,500.

Capital Projects

Commitments for engineering and construction projects relating to construction or major repairs in progress as of June 30, 2011 include:

<u>Project Name</u>	<u>Budget</u>	<u>Amount Expended</u>	<u>Percent Complete</u>
Flood Control - Phase 5 McKinley Diversion Channel	\$ 1,305,954	2,046	>1%
Well Transmission Line Station 10-139	852,141	540,611	63%
Pecan Drive Improvements	529,604	296,383	56%
Waste Water Treatment Plant Improvements	6,415,838	1,044,156	16%
Hamilton Road Improvements 2008 GRT	4,481,458	1,271,252	28%
La Luz Wellfield - Wells 2 & 4	1,360,000	52,820	4%
La Luz Filter Plant Enclosure	60,001	6,731	11%
	<u>\$ 15,004,996</u>	<u>3,213,999</u>	

These projects will be paid in future periods as work is performed. Payment will be made with proceeds remaining from past bond issues, operating revenues, and future grants to be received.

NOTE 21 – SUBSEQUENT EVENTS

In fiscal year 2012, the City refunded a 1998 series revenue bond. The refunding resulted in a new debt issuance of \$9,812,674, and debt defeasance of \$2,944,535. The proceeds will be used for water/sewer improvements.

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## **COMBINING STATEMENTS**

**SUPPLEMENTARY INFORMATION**

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
As of June 30, 2011**

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total
<b>Assets</b>				
Cash and cash equivalents	\$ 209,186	427,741	7,577	644,504
Investments	4,431,401	13,091,099	543,920	18,066,420
Accounts receivable	928	526	-	1,454
Taxes receivable	595,940	463,509	68,530	1,127,979
Grants receivable	188,229	-	-	188,229
Other assets	-	-	-	-
Total assets	<u>5,425,684</u>	<u>13,982,875</u>	<u>620,027</u>	<u>20,028,586</u>
<b>Liabilities</b>				
Accounts payable	159,548	193,226	-	352,774
Due to other funds	25,744	516,154	-	541,898
Accrued liabilities	30,238	-	-	30,238
Deposits	-	10,366	-	10,366
Deferred revenue	1,296	-	54,129	55,425
Total liabilities	<u>216,826</u>	<u>719,746</u>	<u>54,129</u>	<u>990,701</u>
<b>Fund balances</b>				
Nonspendable	-	-	-	-
Restricted	5,144,280	13,881,645	565,898	19,591,823
Committed	136,694	413,792	-	550,486
Assigned	-	-	-	-
Unassigned	(72,116)	(1,032,308)	-	(1,104,424)
Total fund balances	<u>5,208,858</u>	<u>13,263,129</u>	<u>565,898</u>	<u>19,037,885</u>
Total liabilities and fund balances	<u>\$ 5,425,684</u>	<u>13,982,875</u>	<u>620,027</u>	<u>20,028,586</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS  
For The Year Ended June 30, 2011**

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total
<b>Revenues</b>				
Taxes and fees	\$ 4,003,695	2,730,924	689,458	7,424,077
Fines and forfeitures	229,205	-	-	229,205
Grants and gifts	1,437,035	213,213	-	1,650,248
Charges for services	227,252	13,222	-	240,474
Interest income	71,027	172,871	2,810	246,708
Miscellaneous	88,294	30,826	-	119,120
Total revenues	<u>6,056,508</u>	<u>3,161,056</u>	<u>692,268</u>	<u>9,909,832</u>
<b>Expenditures</b>				
Current:				
General government	627,409	35,504	-	662,913
Public Safety	653,312	-	-	653,312
Public works	39,252	107,715	-	146,967
Health and welfare	214,983	-	-	214,983
Culture and recreation	1,241,441	108,449	-	1,349,890
Non-current				
Principal payments	88,253	-	145,229	233,482
Interest payments	33,714	-	221,806	255,520
Capital outlay	498,737	458,306	-	957,043
Total expenditures	<u>3,397,101</u>	<u>709,974</u>	<u>367,035</u>	<u>4,474,110</u>
Excess (deficiency) or revenues over expenditures	<u>2,659,407</u>	<u>2,451,082</u>	<u>325,233</u>	<u>5,435,722</u>
<b>Other financing sources (uses)</b>				
Proceeds of refunding bonds	-	2,735,456	1,350,000	4,085,456
Proceeds of long-term capital-related debt	-	40,500	-	40,500
Payment to refunded bond escrow agent	-	-	(1,299,426)	(1,299,426)
Transfers in	4,075,373	502,026	1,299,426	5,876,825
Transfers out	(6,426,735)	(5,029,482)	(1,653,535)	(13,109,752)
Total other financing sources (uses)	<u>(2,351,362)</u>	<u>(1,751,500)</u>	<u>(303,535)</u>	<u>(4,406,397)</u>
Net change in net assets	<u>308,045</u>	<u>699,582</u>	<u>21,698</u>	<u>1,029,325</u>
Fund balances-beginning of year	4,900,812	12,563,547	544,201	18,008,560
Restatement	-	-	-	-
Fund balances-beginning of year, restated	<u>4,900,812</u>	<u>12,563,547</u>	<u>544,201</u>	<u>18,008,560</u>
Fund balances-end of the year	<u>\$ 5,208,858</u>	<u>13,263,129</u>	<u>565,898</u>	<u>19,037,885</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
COMBINING BALANCE SHEET  
NON-MAJOR SPECIAL REVENUE FUNDS  
As of June 30, 2011**

	15	16	19	20	21	22
	Corrections	Tourism & Promotions	Court Automation	Lodgers' Tax City Share	D.A.R.E. Donations	Designated Gifts
<b>Assets</b>						
Cash and cash equivalents	\$ 23,177	33,062	8,747	-	15,963	13,570
Investments	-	106,576	44,154	137,324	14,925	21,002
Receivables	-	-	-	441	-	-
Taxes receivable	-	-	-	-	-	-
Grants receivable	-	-	5,927	-	-	-
Other assets	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 23,177</b>	<b>139,638</b>	<b>58,828</b>	<b>137,765</b>	<b>30,888</b>	<b>34,572</b>
<b>Liabilities</b>						
Accounts payable	\$ 30,700	6,453	69	4,027	-	502
Due to other funds	-	-	-	-	-	-
Accrued liabilities	-	149	-	3,532	-	-
Accrued compensated absences	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-
<b>Total liabilities</b>	<b>30,700</b>	<b>6,602</b>	<b>69</b>	<b>7,559</b>	<b>-</b>	<b>502</b>
<b>Fund balances</b>						
Nonspendable	-	-	-	-	-	-
Restricted	7,523	133,036	58,759	130,206	30,888	34,070
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	(15,046)	-	-	-	-	-
<b>Total fund balances</b>	<b>(7,523)</b>	<b>133,036</b>	<b>58,759</b>	<b>130,206</b>	<b>30,888</b>	<b>34,070</b>
<b>Total liabilities and fund balances</b>	<b>\$ 23,177</b>	<b>139,638</b>	<b>58,828</b>	<b>137,765</b>	<b>30,888</b>	<b>34,572</b>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
COMBINING BALANCE SHEET  
NON-MAJOR SPECIAL REVENUE FUNDS  
As of June 30, 2011**

	24	27	28	31	33	36 Law Enforcement Protection
	Grant Capital	Municipal Court	Police Contingency	Cemetery Perpetual	Fire Protection	
<b>Assets</b>						
Cash and cash equivalents	\$ -	5,520	11,198	-	-	-
Investments	-	-	37,624	694,869	292,573	16,424
Receivables	-	-	-	-	-	-
Taxes receivable	-	-	-	-	-	-
Grants receivable	60,969	-	-	-	-	35,734
Other assets	-	-	-	-	-	-
Total assets	<u>\$ 60,969</u>	<u>5,520</u>	<u>48,822</u>	<u>694,869</u>	<u>292,573</u>	<u>52,158</u>
<b>Liabilities</b>						
Accounts payable	\$ 834	422	73,269	-	14,747	494
Due to other funds	4,280	-	-	-	-	-
Accrued liabilities	-	7,890	-	-	-	1,892
Accrued compensated absences	-	-	-	-	-	-
Deferred revenue	-	1,296	-	-	-	-
Total liabilities	<u>5,114</u>	<u>9,608</u>	<u>73,269</u>	<u>-</u>	<u>14,747</u>	<u>2,386</u>
<b>Fund balances</b>						
Nonspendable	-	-	-	-	-	-
Restricted	-	4,088	24,447	694,869	277,826	49,772
Committed	55,855	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	(8,176)	(48,894)	-	-	-
Total fund balances	<u>55,855</u>	<u>(4,088)</u>	<u>(24,447)</u>	<u>694,869</u>	<u>277,826</u>	<u>49,772</u>
Total liabilities and fund balances	<u>\$ 60,969</u>	<u>5,520</u>	<u>48,822</u>	<u>694,869</u>	<u>292,573</u>	<u>52,158</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
COMBINING BALANCE SHEET  
NON-MAJOR SPECIAL REVENUE FUNDS  
As of June 30, 2011**

	37 State Highway Cleanup	38 Traffic Safety	42 1984 Gross receipts Tax	69 1994 Gross Receipts Tax	71 Senior Center III	74 Senior Center Gift Fund
<b>Assets</b>						
Cash and cash equivalents	\$ 2,383	25,734	40,167	-	23,842	5,723
Investments	38,435	36,958	1,449,703	745,938	-	55,595
Receivables	-	-	-	-	487	-
Taxes receivable	-	-	264,862	264,862	-	-
Grants receivable	27,533	-	-	-	25,093	-
Other assets	-	-	-	-	-	-
Total assets	<u>68,351</u>	<u>62,692</u>	<u>1,754,732</u>	<u>1,010,800</u>	<u>49,422</u>	<u>61,318</u>
<b>Liabilities</b>						
Accounts payable	\$ 2,667	-	-	-	24,349	-
Due to other funds	-	-	-	-	-	-
Accrued liabilities	629	-	-	-	13,705	-
Accrued compensated absences	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-
Total liabilities	<u>3,296</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,054</u>	<u>-</u>
<b>Fund balances</b>						
Nonspendable	-	-	-	-	-	-
Restricted	65,055	62,692	1,754,732	1,010,800	-	-
Committed	-	-	-	-	11,368	61,318
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	<u>65,055</u>	<u>62,692</u>	<u>1,754,732</u>	<u>1,010,800</u>	<u>11,368</u>	<u>61,318</u>
Total liabilities and fund balances	<u>\$ 68,351</u>	<u>62,692</u>	<u>1,754,732</u>	<u>1,010,800</u>	<u>49,422</u>	<u>61,318</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
COMBINING BALANCE SHEET  
NON-MAJOR SPECIAL REVENUE FUNDS  
As of June 30, 2011**

	75 Senior Center RSVP	89 ESGRT .0625% Convenience Center	Total Special Revenue Funds
<b>Assets</b>			
Cash and cash equivalents	\$ 100	-	209,186
Investments	-	739,301	4,431,401
Receivables	-	-	928
Taxes receivable	-	66,216	595,940
Grants receivable	32,973	-	188,229
Other assets	-	-	-
Total assets	<u>\$ 33,073</u>	<u>805,517</u>	<u>5,425,684</u>
<b>Liabilities</b>			
Accounts payable	\$ 1,015	-	159,548
Due to other funds	21,464	-	25,744
Accrued liabilities	2,441	-	30,238
Accrued compensated absences	-	-	-
Deferred revenue	-	-	1,296
Total liabilities	<u>24,920</u>	<u>-</u>	<u>216,826</u>
<b>Fund balances</b>			
Nonspendable	-	-	-
Restricted	-	805,517	5,144,280
Committed	8,153	-	136,694
Assigned	-	-	-
Unassigned	-	-	(72,116)
Total fund balances	<u>8,153</u>	<u>805,517</u>	<u>5,208,858</u>
Total liabilities and fund balances	<u>\$ 33,073</u>	<u>805,517</u>	<u>5,425,684</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
COMBINING BALANCE SHEET  
NON-MAJOR DEBT SERVICE FUNDS  
As of June 30, 2011**

	53	103	Total
	General Obligation	Fire Services Bond	Debt Service Funds
<b>Assets</b>			
Cash and cash equivalents	\$ -	7,577	7,577
Investments	543,920	-	543,920
Receivables	-	-	-
Taxes receivable	68,530	-	68,530
Grants receivable	-	-	-
Interest receivable	-	-	-
Due from other governments	-	-	-
Prepaid	-	-	-
Other assets	-	-	-
Total assets	<u>\$ 612,450</u>	<u>7,577</u>	<u>620,027</u>
<b>Liabilities</b>			
Due to other funds	\$ -	-	-
Accounts payable	-	-	-
Accrued liabilities	-	-	-
Accrued compensated absences	-	-	-
Deposits	-	-	-
Deferred revenue	54,129	-	54,129
Total liabilities	<u>54,129</u>	<u>-</u>	<u>54,129</u>
<b>Fund balances</b>			
Nonspendable	-	-	-
Restricted	558,321	7,577	565,898
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total fund balances	<u>558,321</u>	<u>7,577</u>	<u>565,898</u>
Total liabilities and fund balances	<u>\$ 612,450</u>	<u>7,577</u>	<u>620,027</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
COMBINING BALANCE SHEET  
NON-MAJOR CAPITAL PROJECTS FUNDS  
As of June 30, 2011**

	40	48	49	50	54	56	61
	Airport Improvements	Community Development Block Grant	1986 Gross Receipts	Property Acquisition	Reverse Osmosis	1999 GRT Flood Control	1991 GRT Infrastructure
<b>Assets</b>							
Cash and cash equivalents	\$ 28,445	-	-	-	16,080	369,951	1,516
Investments	18,319	-	6,036,903	429,817	400,111	2,434,952	791,895
Receivables	-	-	-	526	-	-	-
Taxes receivable	-	-	264,862	-	-	-	66,216
Grants receivable	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-
Total assets	<u>\$ 46,764</u>	<u>-</u>	<u>6,301,765</u>	<u>430,343</u>	<u>416,190</u>	<u>2,804,903</u>	<u>859,627</u>
<b>Liabilities</b>							
Accounts payable	\$ -	-	187,040	6,185	-	-	-
Due to other funds	-	10,190	-	-	-	-	-
Deposits	-	-	-	10,366	-	-	-
Deferred revenue	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>10,190</u>	<u>187,040</u>	<u>16,551</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances</b>							
Nonspendable	-	-	-	-	-	-	-
Restricted	46,764	10,190	6,114,725	-	416,190	2,804,903	859,627
Committed	-	-	-	413,792	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	(20,380)	-	-	-	-	-
Total fund balances	<u>46,764</u>	<u>(10,190)</u>	<u>6,114,725</u>	<u>413,792</u>	<u>416,190</u>	<u>2,804,903</u>	<u>859,627</u>
Total liabilities and fund balances \$	<u>46,764</u>	<u>-</u>	<u>6,301,765</u>	<u>430,343</u>	<u>416,190</u>	<u>2,804,903</u>	<u>859,627</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
COMBINING BALANCE SHEET  
NON-MAJOR CAPITAL PROJECTS FUNDS  
As of June 30, 2011**

	105	106	108	111	114	116	Total
	Economic Development	Flood Control PRJ RSV	2002 GRT Bond Acquisition	GRT Bond Acquisition	Sidewalk Revolving Loan Fund	Regional Water Supply Transmission	Capital Projects
<b>Assets</b>							
Cash and cash equivalents	\$ -	-	11,749	-	-	-	427,741
Investments	2,925,354	-	-	-	53,748	-	13,091,099
Receivables	-	-	-	-	-	-	526
Taxes receivable	132,431	-	-	-	-	-	463,509
Grants receivable	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-
Total assets	<u>\$ 3,057,785</u>	<u>-</u>	<u>11,749</u>	<u>-</u>	<u>53,748</u>	<u>-</u>	<u>13,982,875</u>
<b>Liabilities</b>							
Accounts payable	\$ -	-	-	-	-	-	193,226
Due to other funds	-	-	-	-	-	505,964	516,154
Deposits	-	-	-	-	-	-	10,366
Deferred revenue	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>505,964</u>	<u>719,746</u>
<b>Fund balances</b>							
Nonspendable	-	-	-	-	-	-	-
Restricted	3,057,785	-	11,749	-	53,748	505,964	13,881,645
Committed	-	-	-	-	-	-	413,792
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(1,011,928)	(1,032,308)
Total fund balances	<u>3,057,785</u>	<u>-</u>	<u>11,749</u>	<u>-</u>	<u>53,748</u>	<u>(505,964)</u>	<u>13,263,129</u>
Total liabilities and fund balances	<u>\$ 3,057,785</u>	<u>-</u>	<u>11,749</u>	<u>-</u>	<u>53,748</u>	<u>-</u>	<u>13,982,875</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR SPECIAL REVENUE FUNDS  
For The Year Ended June 30, 2011**

	15	16	19	20	21	22
	Corrections	Tourism & Promotions	Court Automation	Lodgers' Tax City Share	D.A.R.E. Donations	Designated Gifts
<b>Revenues</b>						
Taxes and fees	4,100	188,334	-	282,502	-	-
Fines and forfeitures	141,215	-	44,914	-	-	-
Grants and gifts	-	28,349	36,475	9,350	-	-
Charges for services	-	-	-	26,210	13,637	18,742
Interest income	-	1,526	780	2,738	203	337
Miscellaneous	-	-	-	32,508	-	-
Total revenues	<u>145,315</u>	<u>218,209</u>	<u>82,169</u>	<u>353,308</u>	<u>13,840</u>	<u>19,079</u>
<b>Expenditures</b>						
Current:						
General government	-	204,834	39,405	-	-	4,125
Public safety	163,207	-	-	-	7,556	-
Public works	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	316,979	-	-
Non-current:						
Principal payments-debt service	-	-	-	-	-	-
Interest payments-debt service	-	-	-	-	-	-
Capital outlay	-	-	50,594	66,373	-	7,560
Total expenditures	<u>163,207</u>	<u>204,834</u>	<u>89,999</u>	<u>383,352</u>	<u>7,556</u>	<u>11,685</u>
Excess (deficiency) of revenues over expenditures	<u>(17,892)</u>	<u>13,375</u>	<u>(7,830)</u>	<u>(30,044)</u>	<u>6,284</u>	<u>7,394</u>
<b>Other financing sources (uses)</b>						
Transfers in	-	-	-	-	-	-
Transfers out	(4,819)	(4,464)	(19,733)	(26,110)	-	(10,420)
Total other financing source (uses)	<u>(4,819)</u>	<u>(4,464)</u>	<u>(19,733)</u>	<u>(26,110)</u>	<u>-</u>	<u>(10,420)</u>
Net change in fund balance	<u>(22,711)</u>	<u>8,911</u>	<u>(27,563)</u>	<u>(56,154)</u>	<u>6,284</u>	<u>(3,026)</u>
Fund balances-beginning of year	<u>15,188</u>	<u>124,125</u>	<u>86,322</u>	<u>186,360</u>	<u>24,604</u>	<u>37,096</u>
Fund balances-end of year	<u>\$ (7,523)</u>	<u>133,036</u>	<u>58,759</u>	<u>130,206</u>	<u>30,888</u>	<u>34,070</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR SPECIAL REVENUE FUNDS  
For The Year Ended June 30, 2011**

	24	27	28	31	33	36
	Grant Capital	Municipal Court	Police Contingency	Cemetery Operations	Fire Protection	Law Enforcement Protection
<b>Revenues</b>						
Taxes and fees	\$ -	-	-	-	-	-
Fines and forfeitures	-	7,370	-	-	-	-
Grants and gifts	72,082	-	-	-	409,261	179,799
Charges for services	-	-	-	-	-	-
Interest income	62	-	518	9,151	7,296	847
Miscellaneous	10,713	327	9,346	12,599	50	-
Total revenues	<u>82,857</u>	<u>7,697</u>	<u>9,864</u>	<u>21,750</u>	<u>416,607</u>	<u>180,646</u>
<b>Expenditures</b>						
Current:						
General government	9,828	369,217	-	-	-	-
Public safety	-	-	11,584	-	334,935	125,181
Public works	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Non-current:						
Principal payments-debt service	-	-	-	-	88,253	-
Interest payments-debt service	-	-	-	-	33,714	-
Capital outlay	217,268	-	8,353	-	1,066	16,601
Total expenditures	<u>227,096</u>	<u>369,217</u>	<u>19,937</u>	<u>-</u>	<u>457,968</u>	<u>141,782</u>
Excess (deficiency) of revenues over expenditures	<u>(144,239)</u>	<u>(361,520)</u>	<u>(10,073)</u>	<u>21,750</u>	<u>(41,361)</u>	<u>38,864</u>
<b>Other financing sources (uses)</b>						
Transfers in	184,786	380,000	-	-	-	-
Transfers out	-	(4,595)	-	-	-	-
Total other financing source (uses)	<u>184,786</u>	<u>375,405</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>40,547</u>	<u>13,885</u>	<u>(10,073)</u>	<u>21,750</u>	<u>(41,361)</u>	<u>38,864</u>
Fund balances-beginning of year	<u>15,308</u>	<u>(17,973)</u>	<u>(14,374)</u>	<u>673,119</u>	<u>319,186</u>	<u>10,908</u>
Fund balances-end of year	<u>\$ 55,855</u>	<u>(4,088)</u>	<u>(24,447)</u>	<u>694,869</u>	<u>277,826</u>	<u>49,772</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR SPECIAL REVENUE FUNDS  
For The Year Ended June 30, 2011**

	37 State Highway Clean-up	38 Traffic Safety	42 1984 Gross Receipts Tax	69 1994 Gross Receipts Tax	71 Senior Center III	74 Senior Center Gift Fund
<b>Revenues</b>						
Taxes and fees	\$ 17,575	-	1,560,525	1,560,527	-	-
Fines and forfeitures	-	35,706	-	-	-	-
Grants and gifts	38,924	-	-	-	475,285	-
Charges for services	-	-	-	-	144,472	24,186
Interest income	455	526	19,679	11,466	-	721
Miscellaneous	-	681	-	-	11,580	-
Total revenues	<u>56,954</u>	<u>36,913</u>	<u>1,580,204</u>	<u>1,571,993</u>	<u>631,337</u>	<u>24,907</u>
<b>Expenditures</b>						
Current:						
General government	-	-	-	-	-	-
Public safety	-	10,849	-	-	-	-
Public works	39,252	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	903,198	21,264
Non-current:						
Principal payments-debt service	-	-	-	-	-	-
Interest payments-debt service	-	-	-	-	-	-
Capital outlay	-	28,790	-	-	98,133	2,029
Total expenditures	<u>39,252</u>	<u>39,639</u>	<u>-</u>	<u>-</u>	<u>1,001,331</u>	<u>23,293</u>
Excess (deficiency) of revenues over expenditures	<u>17,702</u>	<u>(2,726)</u>	<u>1,580,204</u>	<u>1,571,993</u>	<u>(369,994)</u>	<u>1,614</u>
<b>Other financing sources (uses)</b>						
Transfers in	-	-	3,045,078	-	420,000	6,250
Transfers out	(1,744)	-	(4,316,861)	(1,273,429)	(93,683)	(1,025)
Total other financing source (uses)	<u>(1,744)</u>	<u>-</u>	<u>(1,271,783)</u>	<u>(1,273,429)</u>	<u>326,317</u>	<u>5,225</u>
Net change in fund balance	<u>15,958</u>	<u>(2,726)</u>	<u>308,421</u>	<u>298,564</u>	<u>(43,677)</u>	<u>6,839</u>
Fund balances-beginning of year	<u>49,097</u>	<u>65,418</u>	<u>1,446,311</u>	<u>712,236</u>	<u>55,045</u>	<u>54,479</u>
Fund balances-end of year	<u>\$ 65,055</u>	<u>62,692</u>	<u>1,754,732</u>	<u>1,010,800</u>	<u>11,368</u>	<u>61,318</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR SPECIAL REVENUE FUNDS  
For The Year Ended June 30, 2011**

	75 Senior Center RSVP	89 ESGRT .0625% Convenience Center	Total Special Revenue Funds
<b>Revenues</b>			
Taxes and fees	\$ -	390,132	4,003,695
Fines and forfeitures	-	-	229,205
Grants and gifts	187,510	-	1,437,035
Charges for services	5	-	227,252
Interest income	-	14,722	71,027
Miscellaneous	5,000	5,490	88,294
Total revenues	<u>192,515</u>	<u>410,344</u>	<u>6,056,508</u>
<b>Expenditures</b>			
Current:			
General government	-	-	627,409
Public safety	-	-	653,312
Public works	-	-	39,252
Health and welfare	214,983	-	214,983
Culture and recreation	-	-	1,241,441
Non-current:			
Principal payments-debt service	-	-	88,253
Interest payments-debt service	-	-	33,714
Capital outlay	1,970	-	498,737
Total expenditures	<u>216,953</u>	<u>-</u>	<u>3,397,101</u>
Excess (deficiency) of revenues over expenditures	<u>(24,438)</u>	<u>410,344</u>	<u>2,659,407</u>
<b>Other financing sources (uses)</b>			
Transfers in	39,259	-	4,075,373
Transfers out	(11,695)	(658,157)	(6,426,735)
Total other financing source (uses)	<u>27,564</u>	<u>(658,157)</u>	<u>(2,351,362)</u>
Net change in fund balance	<u>3,126</u>	<u>(247,813)</u>	<u>308,045</u>
Fund balances-beginning of year	<u>5,027</u>	<u>1,053,330</u>	<u>4,900,812</u>
Fund balances-end of year	<u>\$ 8,153</u>	<u>805,517</u>	<u>5,208,858</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR DEBT SERVICE FUNDS  
For The Year Ended June 30, 2011**

	53	103	Total
	General Obligation	Fire Services Bond	Debt Service Funds
<b>Revenues</b>			
Taxes and fees	\$ 689,458	-	689,458
Fines and forfeitures	-	-	-
Grants and gifts	-	-	-
Charges for services	-	-	-
Interest income	2,810	-	2,810
Miscellaneous	-	-	-
Total revenues	<u>692,268</u>	<u>-</u>	<u>692,268</u>
<b>Expenditures</b>			
Current:			
General government	-	-	-
Non-current:			
Principal payments	102,232	42,997	145,229
Interest payments	221,806	-	221,806
Capital outlay	-	-	-
Total expenditures	<u>324,038</u>	<u>42,997</u>	<u>367,035</u>
Excess (deficiency) of revenues over expenditures	<u>368,230</u>	<u>(42,997)</u>	<u>325,233</u>
<b>Other financing sources (uses)</b>			
Proceeds of refunding bonds	-	1,350,000	1,350,000
Payment to refunded bond escrow agent	(1,299,426)	-	(1,299,426)
Transfers in	1,299,426	-	1,299,426
Transfers out	(354,109)	(1,299,426)	(1,653,535)
Total other financing source (uses)	<u>(354,109)</u>	<u>50,574</u>	<u>(303,535)</u>
Net change in fund balance	14,121	7,577	21,698
Fund balances-beginning of year	544,200	-	544,200
Fund balances-end of year	<u>\$ 558,321</u>	<u>7,577</u>	<u>565,898</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR CAPITAL PROJECTS FUNDS  
For The Year Ended June 30, 2011**

	40	48	49	50	54	56	61
	Airport Improvements	Community Development Block Grant	1986 Gross Receipts	Property Acquisition	Reverse Osmosis	1999 GRT Flood Control	1991 GRT Infrastructure
<b>Revenues</b>							
Taxes and fees	\$ -	-	1,560,528	-	-	-	390,132
Fines and forfeitures	-	-	-	-	-	-	-
Grants and gifts	213,213	-	-	-	-	-	-
Charges for services	-	-	-	13,222	-	-	-
Interest income	358	-	71,458	5,245	5,425	39,501	11,368
Miscellaneous	-	-	-	30,366	-	-	-
Total revenues	<u>213,571</u>	<u>-</u>	<u>1,631,986</u>	<u>48,833</u>	<u>5,425</u>	<u>39,501</u>	<u>401,500</u>
<b>Expenditures</b>							
Current:							
General government	-	-	33,569	1,935	-	-	-
Public safety	-	-	-	-	-	-	-
Public works	-	27,331	-	-	-	70,877	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Non-current:							
Principal payments	-	-	-	-	-	-	-
Interest payments	-	-	-	-	-	-	-
Capital outlay	-	15,612	206,212	10,361	45,661	152,906	-
Total expenditures	<u>-</u>	<u>42,943</u>	<u>239,781</u>	<u>12,296</u>	<u>45,661</u>	<u>223,783</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>213,571</u>	<u>(42,943)</u>	<u>1,392,205</u>	<u>36,537</u>	<u>(40,236)</u>	<u>(184,282)</u>	<u>401,500</u>
<b>Other financing sources (uses)</b>							
Proceeds of refunding bonds	-	-	-	-	-	2,735,456	-
Proceeds of long-term capital-related debt	-	-	-	-	-	-	-
Transfers in	-	-	-	-	27,005	383,018	-
Transfers out	(218,531)	-	(320,196)	-	(27)	(3,045,078)	(426,482)
Total other financing source (uses)	<u>(218,531)</u>	<u>-</u>	<u>(320,196)</u>	<u>-</u>	<u>26,978</u>	<u>73,396</u>	<u>(426,482)</u>
Net change in fund balance	<u>(4,960)</u>	<u>(42,943)</u>	<u>1,072,009</u>	<u>36,537</u>	<u>(13,258)</u>	<u>(110,886)</u>	<u>(24,982)</u>
Fund balances-beginning of year	51,724	32,753	5,042,716	377,255	429,448	2,915,789	884,609
Restatement	-	-	-	-	-	-	-
Fund balances-beginning of year, restated	<u>51,724</u>	<u>32,753</u>	<u>5,042,716</u>	<u>377,255</u>	<u>429,448</u>	<u>2,915,789</u>	<u>884,609</u>
Fund balances-end of year	<u>\$ 46,764</u>	<u>(10,190)</u>	<u>6,114,725</u>	<u>413,792</u>	<u>416,190</u>	<u>2,804,903</u>	<u>859,627</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR CAPITAL PROJECTS FUNDS  
For The Year Ended June 30, 2011**

	105	106	108	111	114	116	Total
	Economic Development	Flood Control PRJ RSV	2002 GRT Bond Acquisition	GRT Bond Acquisition	Sidewalk Revolving Loan Fund	Regional Water Supply Transmission	Capital Projects Funds
<b>Revenues</b>							
Taxes and fees	\$ 780,264	-	-	-	-	-	2,730,924
Fines and forfeitures	-	-	-	-	-	-	-
Grants and gifts	-	-	-	-	-	-	213,213
Charges for services	-	-	-	-	-	-	13,222
Interest income	33,799	4,522	-	480	715	-	172,871
Miscellaneous	-	-	460	-	-	-	30,826
Total revenues	<u>814,063</u>	<u>4,522</u>	<u>460</u>	<u>480</u>	<u>715</u>	<u>-</u>	<u>3,161,056</u>
<b>Expenditures</b>							
Current:							
General government	-	-	-	-	-	-	35,504
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	9,507	107,715
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	108,449	-	-	-	-	-	108,449
Non-current:							
Principal payments	-	-	-	-	-	-	-
Interest payments	-	-	-	-	-	-	-
Capital outlay	-	-	27,554	-	-	-	458,306
Total expenditures	<u>108,449</u>	<u>-</u>	<u>27,554</u>	<u>-</u>	<u>-</u>	<u>9,507</u>	<u>709,974</u>
Excess (deficiency) of revenues over expenditures	<u>705,614</u>	<u>4,522</u>	<u>(27,094)</u>	<u>480</u>	<u>715</u>	<u>(9,507)</u>	<u>2,451,082</u>
<b>Other financing sources (uses)</b>							
Proceeds of refunding bonds	-	-	-	-	-	-	2,735,456
Proceeds of long-term capital-related debt	-	-	-	-	-	40,500	40,500
Transfers in	-	-	-	-	-	92,003	502,026
Transfers out	-	(383,018)	-	(55,039)	-	(581,111)	(5,029,482)
Total other financing source (uses)	<u>-</u>	<u>(383,018)</u>	<u>-</u>	<u>(55,039)</u>	<u>-</u>	<u>(448,608)</u>	<u>(1,751,500)</u>
Net change in fund balance	<u>705,614</u>	<u>(378,496)</u>	<u>(27,094)</u>	<u>(54,559)</u>	<u>715</u>	<u>(458,115)</u>	<u>699,582</u>
Fund balances-beginning of year	2,352,171	378,496	38,843	54,559	53,033	(47,849)	12,563,547
Restatement	-	-	-	-	-	-	-
Fund balances-beginning of year, restated	<u>2,352,171</u>	<u>378,496</u>	<u>38,843</u>	<u>54,559</u>	<u>53,033</u>	<u>(47,849)</u>	<u>12,563,547</u>
Fund balances-end of year	<u>\$ 3,057,785</u>	<u>-</u>	<u>11,749</u>	<u>-</u>	<u>53,748</u>	<u>(505,964)</u>	<u>13,263,129</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FIDUCIARY FUNDS  
For The Year Ended June 30, 2011**

	<b>Fund</b>	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011
<b>Police Court Bonds</b>					
	<b>17</b>				
<b>Assets</b>					
Cash	\$	338	-	-	338
Total assets		<u>338</u>	<u>-</u>	<u>-</u>	<u>338</u>
<b>Liabilities</b>					
Deposits held in custody for others		338			338
Total liabilities	\$	<u>338</u>	<u>-</u>	<u>-</u>	<u>338</u>
<b>State Judicial</b>					
	<b>39</b>				
<b>Assets</b>					
Cash	\$	5,550	74,787	(73,230)	7,107
Accounts receivable		61,250	76,344	(70,106)	67,487
Allowance for uncollectible accounts		(61,250)	(76,344)	70,106	(67,487)
Total assets		<u>5,550</u>	<u>74,787</u>	<u>(73,230)</u>	<u>7,107</u>
<b>Liabilities</b>					
Accounts payable		5,655	76,386	(74,786)	7,255
Deposits held in custody for others		(105)	(43)	-	(148)
Total liabilities	\$	<u>5,550</u>	<u>(43)</u>	<u>-</u>	<u>7,107</u>
<b>Public Housing Authority</b>					
	<b>92</b>				
<b>Assets</b>					
Cash	\$	-	25,752	(25,752)	-
Accounts receivable		-	-	-	-
Total assets		<u>-</u>	<u>25,752</u>	<u>(25,752)</u>	<u>-</u>
<b>Liabilities</b>					
Accounts payable		18,392	7,360	(25,752)	-
Deposits held in custody for others		(18,392)	(7,360)	25,752	-
Total liabilities	\$	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>US Army Corps of Engineers</b>					
	<b>115</b>				
<b>Assets</b>					
Cash	\$	1,050,159	115,841	-	1,166,000
Total assets		<u>1,050,159</u>	<u>115,841</u>	<u>-</u>	<u>1,166,000</u>
<b>Liabilities</b>					
Deposits held in custody for others		1,050,159	115,841	-	1,166,000
Total liabilities	\$	<u>1,050,159</u>	<u>115,841</u>	<u>-</u>	<u>1,166,000</u>
<b>TOTAL</b>					
<b>Assets</b>					
Cash	\$	1,056,047	216,381	(98,983)	1,173,445
Accounts receivable		61,250	76,344	(70,106)	67,487
Allowance for uncollectible accounts		(61,250)	(76,344)	70,106	(67,487)
Total assets		<u>1,056,047</u>	<u>216,381</u>	<u>(98,983)</u>	<u>1,173,445</u>
<b>Liabilities</b>					
Accounts payable		24,047	83,746	(100,538)	7,255
Deposits held in custody for others		1,032,000	108,438	25,752	1,166,190
Total liabilities	\$	<u>1,056,047</u>	<u>192,184</u>	<u>(74,786)</u>	<u>1,173,445</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
BALANCE SHEET  
COMPONENT UNIT - LANDFILL  
As of June 30, 2011**

	94 Component Unit Landfill
<b>Assets</b>	
Cash and cash equivalents	\$ 200
Investments	2,620,208
Receivables, net	52,715
Taxes receivable	2,855
Total current assets	2,675,978
Non-current assets	
Restricted cash	-
Restricted cash held in investments	584,410
Capital assets, net	2,945,445
Total assets	\$ 6,205,833
<b>Liabilities</b>	
Current liabilities	
Accounts payable	\$ 16,673
Accrued liabilities	8,513
Accrued interest payable	-
Compensated absences	23,056
Deferred revenue	-
Bonds, notes and leases payable	-
Total current liabilities	48,242
Long-term liabilities	
Landfill post-closure	577,699
Total long-term liabilities	577,699
Total liabilities	625,941
<b>Net Assets</b>	
Investment in capital assets, net of related debt	2,945,445
Restricted for:	
Other purposes	584,410
Unreserved	2,050,037
Total net assets	5,579,892
Total liabilities and net assets	\$ 6,205,833

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS  
COMPONENT UNIT - LANDFILL  
For The Year Ended June 30, 2011**

	94 Component Unit Landfill
Operating revenues	
Charges for services	\$ 1,095,634
Miscellaneous	13,770
Total revenues	1,109,404
Operating expenses:	
Personnel services	296,227
Repairs and maintenance	83,590
Supplies	125,659
Other services and insurance	185,855
Depreciation	236,997
Total operating expenses	928,328
Excess (deficiency) of revenues over expenditures	181,076
Non-operating revenues (expenses):	
Interest and investment revenue	41,246
Interest payments	-
Gain/ Loss on sale of assets	-
Capital contributions	-
Transfers in	-
Transfers out	(1,450)
Total non-operating revenues (expenses)	39,796
Change in net assets	220,872
Net assets-beginning of year	5,359,020
Net assets-end of the year	\$ 5,579,892

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
FUND DESCRIPTIONS  
FOR THE YEAR ENDED JUNE 30, 2011**

**SPECIAL REVENUE FUNDS**

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

Funds included are:

*Corrections (F15)* – This fund accounts for fees imposed on individuals convicted of any offense relating to the operation of a motor vehicle. Funds must be used as specified by State law. This is also the fund where the City pays the County for prisoners at the Detention Center.

*Tourism and Promotions (F16)* – to account for various promotional and tourism attraction programs. NMSA 3-38-15.

*Court Automation (F19)* – to account for the collections and disbursement of penalty assessments to develop a statewide computer system for all Municipal Courts.

*Lodgers Tax – City Share (F20)* – to account for revenues generated through the use of the Civic Center. NMSA 3-38-25.

*D.A.R.E. Donations (F21)* – to account for revenues and expenditures designated for the educational programs provided by D.A.R.E. officers.

*Designated Gift Fund (F22)* – to account for receipts and disbursements of funds donated for designated purposes.

*Capital Grant Improvement Fund (F24)* – to account for receipts and disbursements of grant funds for capital projects.

*Municipal Court (F27)* – to account for collections and disbursements associated with traffic violations. NMSA 33-3-25.

*Police Contingency (F28)* – to account for revenues and costs associated with confiscated items and investigations programs. NMSA 7-12-15.

*Perpetual Care/Cemetery (F31)* – This fund is established to account for the accumulation of funds for the future maintenance of the cemetery.

*Fire protection (F33)* – to account for revenues accumulated by the State from taxes for the operation, betterment, and maintenance of local fire departments. NMSA 59A-53-1.

*Law Enforcement Protection (F36)* – to account for revenues received from the State for the equitable distribution to Municipal and County Police and Sheriff's Department for maintenance and improvements. NMSA 29-13-3.

*State Highway Cleanup (F37)* – to account for a grant from the New Mexico State Highway and Transportation Department for the keep Alamogordo Beautiful program. NMSA 67-15-1.

*Traffic Safety Grant (F38)* – This fund is created to account for fees attached to each penalty assessment and traffic conviction under the State Motor Vehicle Code. The monies are used for public outreach programs, educational activities and programs to promote traffic safety in our area.

*1984 Gross Receipts Tax (F42)* - to account for a one-quarter of one percent gross receipts tax used for the cost of maintenance and repairs of the City street. NMSA 1978 7-1-6.9.

*Gross Receipts Tax (F69)* – This fund serves as an income fund for ¼ of 1% Gross Receipts Tax Revenues which is pledged for repayment of the 1996 and 2002 Gross Receipts Tax Revenue Bonds.

*Senior Center (F71)* – to account for grants and user fees to provide services for persons 60 and over. (State Grant and City Ordinance).

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
FUND DESCRIPTIONS  
FOR THE YEAR ENDED JUNE 30, 2011**

**SPECIAL REVENUE FUNDS — (continued)**

*Senior Center Gift Fund (F74)* – This fund is created to account for donations and proceeds from fund raising events. Expenditures are restricted to building improvements or special events.

*Retired and Senior Volunteer Program (F75)* – to account for grants used to recruit, train and place Senior Volunteers throughout Otero County. Domestic Volunteer Service Act of 1973; PL 93-113.

*ESGRT .0625%/Convenience Center (F89)* – to account for the Environmental Gross Receipts Tax that is used for the activities of the Convenience Center. NMSA 7019D-10.

**DEBT SERVICE FUNDS**

*General Obligation (Property Tax) (F53)* – The purpose of this fund is to account for servicing of principal and interest requirements on the 1990 General Obligation Sanitary Sewer Bonds and the 1996 General Obligation Sanitary Sewer Refunding Water Improvement Bonds. Property tax revenues secure these bonds.

*2000 Fire Services Bond (Property Tax) (F103)* – The purpose of this fund is to account for servicing of principal and interest requirements on the refunding of the Series 2000 GO.

**CAPITAL PROJECTS FUNDS**

The Capital Projects Fund accounts for all resources used for maintaining, improving, acquiring and/or constructing of City facilities, except those financed by Enterprise Funds.

Funds included are:

*Airport Improvements (F40)* – to account for the state and federal funding for the Airport Pavement Rehabilitation.

*Community Development Block Grant (CDBG) (F48)* – to account for funds used for community housing rehabilitation and infrastructure projects for low to moderate-income families.

*1986 Gross Receipts Tax (F49)* – to account for one-quarter of one percent gross receipts increments dedicated for the cost of maintenance, repairs and activities related to the treatment of water facilities.

*Property Acquisition (F50)* – to account for funds used to acquire needed right-of-way and easements, as well as provide for expenditures involved in the disposition of City property and maintenance of City rental property.

*Reverse Osmosis Project Reserve (F54)* – This fund is established to receive the monies that are being “paid back” to the GO Bond Fund which were borrowed to fund the covers and linings on the reservoirs at La Luz.

*Alamogordo Flood Control (F56)* – to account for bond proceeds for the purpose of paying for flood control.

*Municipal Infrastructure (F61)* – to account for the one-sixteenth of one-percent gross receipts tax dedicated for the payment of special obligation bonds used for repairs, maintenance and acquisition of infrastructure improvements.

*Economic Development (F105)* – to account for projects that are not funded from specific revenue dedications.

*RPS RSV Flood Control (F106)* – This fund is created to account for the bond proceeds for the purpose of providing flood protection to the city.

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
FUND DESCRIPTIONS  
FOR THE YEAR ENDED JUNE 30, 2011**

**CAPITAL PROJECTS FUNDS — (continued)**

*1999 Gross Receipts Tax Flood Control (F56)* – to account for bond proceeds for the purpose of paying for flood control.

*2002 GRT (F108)* – The purpose of this fund is to account for the refunding and discharging the outstanding 1994 Gross Receipts Tax Revenue Bonds and the City's flood control system, public buildings, land for open space, public parks, public recreational buildings or other recreational facilities and equipment for street maintenance.

*2004 Gross Receipts Bond Acquisition Fund (F111)* – The purpose of this fund is to account for the funding and discharging of the outstanding 1996 GRT revenue bonds and the City's flood control system, public buildings and public recreational buildings.

*Sidewalk Revolving Loan Fund (F114)* – This fund provides the City with an accounting of loans financed through the City for qualified property owners for the replacement or repair of sidewalks, curb cuts and driveway ramps.

*Regional Water Supply Transmission Fund (F116)* – This fund accounts for the Water Trust Board Grant (#80), and a related NMFA loan, which finance the cost of approximately 15 miles of pipeline.

**FIDUCIARY FUNDS**

*Police Court Bond Fund (F17)* – This fund is established to account for collection, holding and reimbursement of jail bonds.

*State Judicial Fund (F39)* – This fund is established to account for collection, holding and reimbursement of judicial revenues and expenditures.

*Public Housing Authority-Clearing Account (F92)* – This account is created to account for disbursements processed for the Public Housing Authority by the City of Alamogordo.

*US Army Corps of Engineers (F115)* – This account is created to account for the escrow funds of the US Army Corps of Engineers. The interest earned on this account is transferred to the General Operating account and receipted into Fund 56 (1999 GRT Flood Control).

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Corrections-City Expense - 015  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Taxes & Fees	\$ 5,800	5,800	4,100	(1,700)
Fines and forfeitures	171,321	139,084	141,215	2,131
Interest income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>177,121</u>	<u>144,884</u>	<u>145,315</u>	<u>431</u>
<b>Expenditures</b>				
Current:				
Public Safety	215,500	215,500	152,470	63,030
Non-current:				
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>215,500</u>	<u>215,500</u>	<u>152,470</u>	<u>63,030</u>
Excess (deficiency) of revenues over expenditures	<u>(38,379)</u>	<u>(70,616)</u>	<u>(7,155)</u>	<u>63,461</u>
<b>Other financing sources (uses)</b>				
Transfers in	20,000	50,000	-	(50,000)
Transfers out	<u>(4,786)</u>	<u>(5,997)</u>	<u>(4,819)</u>	<u>1,178</u>
Total other financing sources (uses)	<u>15,214</u>	<u>44,003</u>	<u>(4,819)</u>	<u>(48,822)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(23,165)</u>	<u>(26,613)</u>	<u>(11,974)</u>	<u>14,639</u>
Budgeted cash carryover	<u>35,151</u>	<u>35,151</u>		
	<u>\$ 11,986</u>	<u>8,538</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (11,974)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	<u>(10,737)</u>
Change in net assets (GAAP basis)	<u>\$ (22,711)</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO**  
**CITY OF ALAMOGORDO**  
**Statement of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Tourism and Promotions - 016**  
**For The Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
<b>Revenues</b>				
Taxes & Fees	\$ 185,000	191,410	188,334	(3,076)
Grants and gifts	25,000	28,349	28,349	0
Miscellaneous	(70)	(70)	(536)	(466)
Interest income	927	1,554	1,526	(28)
 Total revenues	 210,857	 221,243	 217,674	 (3,569)
 <b>Expenditures</b>				
Current:				
General government	209,024	229,068	203,309	25,759
Non-current:				
Capital outlay	-	-	-	-
 Total expenditures	 209,024	 229,068	 203,309	 25,759
 Excess (deficiency) of revenues over expenditures	 1,833	 (7,825)	 14,364	 22,189
 <b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	(4,516)	(5,589)	(4,464)	1,125
Total other financing sources (uses)	(4,516)	(5,589)	(4,464)	1,125
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 (2,683)	 (13,414)	 9,900	 23,314
 Budgeted cash carryover	 129,738	 129,738		
	 \$ 127,055	 116,324		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 9,900
To adjust applicable revenue accruals and deferrals	536
To adjust applicable expenditures and accruals and payments	(1,525)
Change in net assets (GAAP basis)	\$ 8,911

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Court Automation - 019  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Fines and forfeitures	\$ 56,000	41,130	44,914	3,784
Grants and gifts	45,000	35,226	34,124	(1,102)
Interest income	<u>556</u>	<u>771</u>	<u>780</u>	<u>9</u>
 Total revenues	 <u>101,556</u>	 <u>77,127</u>	 <u>79,819</u>	 <u>2,692</u>
<b>Expenditures</b>				
Current:				
General government	65,948	50,014	40,400	9,614
Non-current:				
Capital outlay	<u>14,510</u>	<u>59,157</u>	<u>50,596</u>	<u>8,561</u>
 Total expenditures	 <u>80,458</u>	 <u>109,171</u>	 <u>90,997</u>	 <u>18,174</u>
 Excess (deficiency) of revenues over expenditures	 <u>21,098</u>	 <u>(32,044)</u>	 <u>(11,178)</u>	 <u>20,866</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	<u>(21,355)</u>	<u>(21,700)</u>	<u>(19,733)</u>	<u>1,967</u>
Total other financing sources (uses)	<u>(21,355)</u>	<u>(21,700)</u>	<u>(19,733)</u>	<u>1,967</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>(257)</u>	 <u>(53,744)</u>	 <u>(30,911)</u>	 <u>22,833</u>
 Budgeted cash carryover	 <u>83,812</u>	 <u>83,812</u>		
	<u>\$ 83,555</u>	<u>30,068</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (30,911)
To adjust applicable revenue accruals and deferrals	2,350
To adjust applicable expenditures and accruals and payments	<u>998</u>
Change in net assets (GAAP basis)	<u>\$ (27,563)</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Lodger's Tax City Share - 20  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Taxes and fees	\$ 255,966	287,117	282,502	(4,615)
Fines and forfeitures	700	700	-	(700)
Grants	-	30,550	9,350	(21,200)
Charges for services	26,500	27,900	26,210	(1,690)
Interest income	3,039	2,574	2,738	164
Miscellaneous	<u>3,990</u>	<u>20,049</u>	<u>32,508</u>	<u>12,459</u>
 Total revenues	 <u>290,195</u>	 <u>368,890</u>	 <u>353,308</u>	 <u>(15,582)</u>
<b>Expenditures</b>				
Current:				
Culture and recreation	322,949	348,034	320,169	27,865
Non-current:				
Capital outlay	<u>5,000</u>	<u>101,351</u>	<u>65,996</u>	<u>35,355</u>
 Total expenditures	 <u>327,949</u>	 <u>449,385</u>	 <u>386,165</u>	 <u>63,220</u>
 Excess (deficiency) of revenues over expenditures	 <u>(37,754)</u>	 <u>(80,495)</u>	 <u>(32,857)</u>	 <u>47,638</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	<u>(28,429)</u>	<u>(28,589)</u>	<u>(26,110)</u>	<u>2,479</u>
Total other financing sources (uses)	<u>(28,429)</u>	<u>(28,589)</u>	<u>(26,110)</u>	<u>2,479</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>(66,183)</u>	 <u>(109,084)</u>	 <u>(58,966)</u>	 <u>50,118</u>
 Budgeted cash carryover	 <u>195,767</u>	 <u>195,767</u>		
	<u>\$ 129,584</u>	<u>86,683</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (58,966)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	<u>2,812</u>
Change in net assets (GAAP basis)	<u>\$ (56,154)</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO**  
**CITY OF ALAMOGORDO**  
**Statement of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**D.A.R.E Donation - 021**  
**For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Grants and gifts	\$ -	-	-	-
Charges for services	5,000	5,000	13,638	
Interest income	<u>220</u>	<u>207</u>	<u>203</u>	<u>(4)</u>
 Total revenues	 <u>5,220</u>	 <u>5,207</u>	 <u>13,842</u>	 <u>(4)</u>
<b>Expenditures</b>				
Current:				
Public safety	9,273	11,699	7,719	3,980
Non-current:				
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total expenditures	 <u>9,273</u>	 <u>11,699</u>	 <u>7,719</u>	 <u>3,980</u>
 Excess (deficiency) of revenues over expenditures	 <u>(4,053)</u>	 <u>(6,492)</u>	 <u>6,123</u>	 <u>3,976</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total other financing sources (uses)	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>(4,053)</u>	 <u>(6,492)</u>	 <u>6,123</u>	 <u>3,976</u>
 Budgeted cash carryover	 <u>24,765</u>	 <u>24,765</u>		
	<u>\$ 20,712</u>	<u>18,273</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 6,123
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	<u>163</u>
Change in net assets (GAAP basis)	<u>\$ 6,284</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Designated Gift - 022  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Grants and gifts	\$ -	-	-	-
User Fees	250	18,888	18,742	(146)
Interest income	<u>294</u>	<u>456</u>	<u>337</u>	<u>(119)</u>
 Total revenues	 <u>544</u>	 <u>19,344</u>	 <u>19,079</u>	 <u>(265)</u>
<b>Expenditures</b>				
Current:				
General government	250	27,174	11,340	15,834
Non-current:				
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total expenditures	 <u>250</u>	 <u>27,174</u>	 <u>11,340</u>	 <u>15,834</u>
 Excess (deficiency) of revenues over expenditures	 <u>294</u>	 <u>(7,830)</u>	 <u>7,739</u>	 <u>15,569</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>(10,420)</u>	<u>(10,420)</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>(10,420)</u>	<u>(10,420)</u>	<u>-</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>294</u>	 <u>(18,250)</u>	 <u>(2,681)</u>	 <u>15,569</u>
 Budgeted cash carryover	 <u>37,253</u>	 <u>37,253</u>		
	<u>\$ 37,547</u>	<u>19,003</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (2,681)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	<u>(345)</u>
Change in net assets (GAAP basis)	<u>\$ (3,026)</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO**  
**CITY OF ALAMOGORDO**  
**Statement of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Grant Capital Improvement - 024**  
**For The Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Grants and gifts	\$ -	292,596	51,426	(241,170)
Miscellaneous	-	22,250	10,713	(11,537)
Interest income	-	-	62	62
<b>Total revenues</b>	<b>-</b>	<b>314,846</b>	<b>62,201</b>	<b>(252,646)</b>
<b>Expenditures</b>				
Current:	-	29,874	8,992	20,882
Non-current:				
Capital outlay	-	397,366	217,259	509,545
<b>Total expenditures</b>	<b>-</b>	<b>427,240</b>	<b>226,251</b>	<b>530,427</b>
Excess (deficiency) of revenues over expenditures	-	(112,394)	(164,050)	277,782
<b>Other financing sources (uses)</b>				
Transfers in	-	197,490	184,786	(12,704)
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>197,490</b>	<b>184,786</b>	<b>(12,704)</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	85,096	20,736	265,078

**RECONCILIATION FROM BUDGET/ACTUAL To GAAP**

Change in net assets (Budget Basis)	\$ 20,736
To adjust applicable revenue accruals and deferrals	20,655
To adjust applicable expenditures and accruals and payments	<u>(844)</u>
Change in net assets (GAAP basis)	<u>\$ 40,547</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Municipal Court - 027  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>			Variance Favorable/ (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines and forfeitures	\$ 13,000	7,000	7,370	370
Miscellaneous	<u>3,000</u>	<u>1,300</u>	<u>327</u>	<u>(973)</u>
Total revenues	<u>16,000</u>	<u>8,300</u>	<u>7,697</u>	<u>(603)</u>
<b>Expenditures</b>				
Current:				
General government	401,921	405,981	377,411	28,570
Non-current:				
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>401,921</u>	<u>405,981</u>	<u>377,411</u>	<u>28,570</u>
Excess (deficiency) of revenues over expenditures	<u>(385,921)</u>	<u>(397,681)</u>	<u>(369,714)</u>	<u>27,967</u>
<b>Other financing sources (uses)</b>				
Transfers in	386,500	415,925	380,000	(35,925)
Transfers out	<u>(6,585)</u>	<u>(6,757)</u>	<u>(4,595)</u>	<u>2,162</u>
Total other financing sources (uses)	<u>379,915</u>	<u>409,168</u>	<u>375,405</u>	<u>(33,763)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(6,006)</u>	<u>11,487</u>	<u>5,691</u>	<u>(5,796)</u>
Budgeted cash carryover	<u>-</u>	<u>-</u>		
	<u>\$ (6,006)</u>	<u>11,487</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 5,691
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	<u>8,194</u>
Change in net assets (GAAP basis)	<u>\$ 13,885</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Police Contingency - 028  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Interest income	\$ 300	543	518	(25)
Miscellaneous	<u>12,500</u>	<u>12,500</u>	<u>12,766</u>	<u>266</u>
 Total revenues	 <u>12,800</u>	 <u>13,043</u>	 <u>13,284</u>	 <u>241</u>
<b>Expenditures</b>				
Current:				
Public safety	23,600	18,600	15,706	2,894
Non-current:				
Capital outlay	<u>8,355</u>	<u>8,355</u>	<u>8,353</u>	<u>2</u>
 Total expenditures	 <u>31,955</u>	 <u>26,955</u>	 <u>24,059</u>	 <u>2,896</u>
 Excess (deficiency) of revenues over expenditures	 <u>(19,155)</u>	 <u>(13,912)</u>	 <u>(10,775)</u>	 <u>3,137</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>(19,155)</u>	 <u>(13,912)</u>	 <u>(10,775)</u>	 <u>3,137</u>
 Budgeted cash carryover	 <u>53,909</u>	 <u>53,909</u>		
	<u>\$ 34,754</u>	<u>39,997</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (10,775)
To adjust applicable revenue accruals and deferrals	(3,420)
To adjust applicable expenditures and accruals and payments	<u>4,122</u>
Change in net assets (GAAP basis)	<u>\$ (10,073)</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Cemetery - Perpetual Care - 031  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Interest income	\$ 6,748	8,754	9,150	396
Miscellaneous - Land Sales	<u>14,068</u>	<u>14,068</u>	<u>12,600</u>	<u>(1,468)</u>
 Total revenues	 <u>20,816</u>	 <u>22,822</u>	 <u>21,750</u>	 <u>(1,072)</u>
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Non-current:				
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total expenditures	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Excess (deficiency) of revenues over expenditures	 <u>20,816</u>	 <u>22,822</u>	 <u>21,750</u>	 <u>(1,072)</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>20,816</u>	 <u>22,822</u>	 <u>21,750</u>	 <u>(1,072)</u>
 Budgeted cash carryover	 <u>673,119</u>	 <u>673,119</u>		
	<u>\$ 693,935</u>	<u>695,941</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 21,750
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	<u>-</u>
Change in net assets (GAAP basis)	<u>\$ 21,750</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO**  
**Statement of Revenues and Expenditures - Budget and Actual (Non-GAAP Budgetary Basis)**  
**Community Services - 032**  
**For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Taxes and state shared fees	\$ -	4,912	4,916	4
Grants and gifts	6,000	330,961	93,027	(237,934)
Charges for services	454,717	454,158	445,534	(8,624)
Interest Income	-	-	-	-
Fines	23,500	23,500	21,542	(1,958)
Miscellaneous	<u>62,525</u>	<u>71,735</u>	<u>70,498</u>	<u>(1,237)</u>
 Total revenues	 <u>546,742</u>	 <u>885,266</u>	 <u>635,517</u>	 <u>(249,749)</u>
<b>Expenditures</b>				
Current:				
General government	858,117	918,313	788,978	129,335
Culture and recreation	2,231,961	2,238,979	2,163,849	75,130
Non-current:				
Capital outlay	<u>149,250</u>	<u>606,914</u>	<u>176,333</u>	<u>430,581</u>
 Total expenditures	 <u>3,239,328</u>	 <u>3,764,206</u>	 <u>3,129,160</u>	 <u>635,046</u>
 Excess (deficiency) of revenues over expenditures	 <u>(2,692,586)</u>	 <u>(2,878,940)</u>	 <u>(2,493,642)</u>	 <u>385,298</u>
<b>Other financing sources (uses)</b>				
Transfers in	3,098,190	3,192,350	2,698,855	(493,495)
Transfers out	<u>(488,346)</u>	<u>(472,300)</u>	<u>(423,030)</u>	<u>49,270</u>
Total other financing sources (uses)	<u>2,609,844</u>	<u>2,720,050</u>	<u>2,275,824</u>	<u>(444,226)</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>(82,742)</u>	 <u>(158,890)</u>	 <u>(217,818)</u>	 <u>(58,928)</u>
 Budgeted cash carryover	 <u>220,655</u>	 <u>220,655</u>		
	<u>\$ 137,913</u>	<u>61,765</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (217,818)
To adjust applicable revenue accruals and deferrals	(245,615)
To adjust applicable expenditures and accruals	<u>59,258</u>
Change in net assets (GAAP basis)	<u>\$ (404,176)</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO**  
**CITY OF ALAMOGORDO**  
**Statement of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Fire Protection - 033**  
**For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>			Variance
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Favorable/ (Unfavorable)
<b>Revenues</b>				
Grants and gifts	\$ 419,867	409,261	409,261	-
Loan and Bond Proceeds	-	-	-	-
Miscellaneous	-	50	50	-
Interest income	<u>5,409</u>	<u>7,455</u>	<u>7,296</u>	<u>(159)</u>
 Total revenues	 <u>425,276</u>	 <u>416,766</u>	 <u>416,607</u>	 <u>(159)</u>
<b>Expenditures</b>				
Current:				
Public safety	389,637	525,791	450,137	75,654
Non-current:				
Capital outlay	<u>13,000</u>	<u>103,783</u>	<u>1,066</u>	<u>102,717</u>
 Total expenditures	 <u>402,637</u>	 <u>629,574</u>	 <u>451,203</u>	 <u>178,371</u>
 Excess (deficiency) of revenues over expenditures	 <u>22,639</u>	 <u>(212,808)</u>	 <u>(34,596)</u>	 <u>178,212</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>22,639</u>	 <u>(212,808)</u>	 <u>(34,596)</u>	 <u>178,212</u>
 Budgeted cash carryover	 <u>327,218</u>	 <u>327,218</u>		
	<u>\$ 349,857</u>	<u>114,410</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (34,596)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	<u>(6,765)</u>
Change in net assets (GAAP basis)	<u>\$ (41,361)</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Law Enforcement Protection - 036  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Grants and gifts	\$ 131,400	211,194	164,467	(46,727)
Interest income	<u>196</u>	<u>837</u>	<u>847</u>	<u>10</u>
Total revenues	<u>131,596</u>	<u>212,031</u>	<u>165,314</u>	<u>(46,717)</u>
<b>Expenditures</b>				
Current:				
Public safety	109,189	188,706	126,888	61,818
Non-current:				
Capital outlay	<u>21,600</u>	<u>16,602</u>	<u>16,601</u>	<u>1</u>
Total expenditures	<u>130,789</u>	<u>205,308</u>	<u>143,489</u>	<u>61,819</u>
Excess (deficiency) of revenues over expenditures	<u>807</u>	<u>6,723</u>	<u>21,825</u>	<u>15,102</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>807</u>	<u>6,723</u>	<u>21,825</u>	<u>15,102</u>

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 21,825
To adjust applicable revenue accruals and deferrals	15,333
To adjust applicable expenditures and accruals and payments	<u>1,707</u>
Change in net assets (GAAP basis)	<u>\$ 38,864</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
State Highway Cleanup - 037  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Taxes and fees	\$ 21,348	21,348	17,575	(3,773)
Grants and gifts	43,000	48,032	20,499	(27,533)
Charges for services	1,000	1,000	-	(1,000)
Investment Income	<u>185</u>	<u>306</u>	<u>455</u>	<u>149</u>
 Total revenues	 <u>65,533</u>	 <u>70,686</u>	 <u>38,529</u>	 <u>(32,157)</u>
<b>Expenditures</b>				
Current:				
Public works	70,395	52,497	35,954	16,543
Non-current:				
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total expenditures	 <u>70,395</u>	 <u>52,497</u>	 <u>35,954</u>	 <u>16,543</u>
 Excess (deficiency) of revenues over expenditures	 <u>(4,862)</u>	 <u>18,189</u>	 <u>2,575</u>	 <u>(15,614)</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	<u>(2,393)</u>	<u>(2,466)</u>	<u>(1,744)</u>	<u>722</u>
Total other financing sources (uses)	<u>(2,393)</u>	<u>(2,466)</u>	<u>(1,744)</u>	<u>722</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>(7,255)</u>	 <u>15,723</u>	 <u>831</u>	 <u>(14,892)</u>
 Budgeted cash carryover	 <u>39,987</u>	 <u>39,987</u>		
	<u>\$ 32,732</u>	<u>55,710</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 831
To adjust applicable revenue accruals and deferrals	18,425
To adjust applicable expenditures and accruals and payments	<u>(3,298)</u>
Change in net assets (GAAP basis)	<u>\$ 15,958</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Traffic Safety - 038  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Fines and forfeitures	\$ 50,000	45,000	35,706	(9,294)
Miscellaneous	-	-	681	681
Interest income	<u>536</u>	<u>597</u>	<u>526</u>	<u>(71)</u>
 Total revenues	 <u>50,536</u>	 <u>45,597</u>	 <u>36,913</u>	 <u>(8,684)</u>
<b>Expenditures</b>				
Current:				
Public safety	11,750	15,800	14,635	1,165
Non-current:				
Capital outlay	<u>35,003</u>	<u>30,703</u>	<u>25,004</u>	<u>5,699</u>
 Total expenditures	 <u>46,753</u>	 <u>46,503</u>	 <u>39,639</u>	 <u>6,864</u>
 Excess (deficiency) of revenues over expenditures	 <u>3,783</u>	 <u>(906)</u>	 <u>(2,726)</u>	 <u>(1,820)</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>3,783</u>	 <u>(906)</u>	 <u>(2,726)</u>	 <u>(1,820)</u>
 Budgeted cash carryover	 <u>65,418</u>	 <u>65,418</u>		
	<u>\$ 69,201</u>	<u>64,512</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (2,726)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	<u>-</u>
Change in net assets (GAAP basis)	<u>\$ (2,726)</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
1984 Gross Receipts Tax - 042  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Taxes and fees	\$ 1,417,362	1,480,859	1,552,763	71,904
Interest income	<u>14,552</u>	<u>16,587</u>	<u>19,679</u>	<u>3,092</u>
 Total revenues	 <u>1,431,914</u>	 <u>1,497,446</u>	 <u>1,572,442</u>	 <u>74,996</u>
<b>Expenditures</b>				
Current:	-	-	-	-
Non-current:				
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total expenditures	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Excess (deficiency) of revenues over expenditures	 <u>1,431,914</u>	 <u>1,497,446</u>	 <u>1,572,442</u>	 <u>74,996</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	3,045,078	3,045,078	-
Transfers out	<u>(2,021,476)</u>	<u>(4,919,179)</u>	<u>(4,316,861)</u>	<u>602,318</u>
Total other financing sources (uses)	<u>(2,021,476)</u>	<u>(1,874,101)</u>	<u>(1,271,783)</u>	<u>602,318</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>(589,562)</u>	 <u>(376,655)</u>	 <u>300,659</u>	 <u>677,314</u>
 Budgeted cash carryover	 <u>1,189,212</u>	 <u>1,189,212</u>		
	<u>\$ 599,650</u>	<u>812,557</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 300,659
To adjust applicable revenue accruals and deferrals	7,762
To adjust applicable expenditures and accruals and payments	<u>-</u>
Change in net assets (GAAP basis)	<u>\$ 308,421</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Community Development - 063  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Fees and Permits	\$ 7,700	7,750	17,738	9,988
Charges for services	50	200	535	335
Miscellaneous	<u>305,000</u>	<u>275,000</u>	<u>229,536</u>	<u>(45,464)</u>
 Total revenues	 <u>312,750</u>	 <u>282,950</u>	 <u>247,809</u>	 <u>(45,129)</u>
<b>Expenditures</b>				
Current:				
General government	431,875	432,512	413,467	19,045
Non-current:				
Capital outlay	<u>107,500</u>	<u>136,531</u>	<u>106,878</u>	<u>29,653</u>
 Total expenditures	 <u>539,375</u>	 <u>569,043</u>	 <u>520,345</u>	 <u>48,698</u>
 Excess (deficiency) of revenues over expenditures	 <u>(226,625)</u>	 <u>(286,093)</u>	 <u>(272,536)</u>	 <u>3,569</u>
<b>Other financing sources (uses)</b>				
Transfers in	265,016	329,868	298,349	(31,519)
Transfers out	<u>(38,286)</u>	<u>(37,943)</u>	<u>(33,514)</u>	<u>4,429</u>
Total other financing sources (uses)	<u>226,730</u>	<u>291,925</u>	<u>264,835</u>	<u>(27,090)</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>105</u>	 <u>5,832</u>	 <u>(7,701)</u>	 <u>(23,521)</u>
 Budgeted cash carryover	 <u>7,701</u>	 <u>7,701</u>		
	<u>\$ 7,806</u>	<u>13,533</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (7,701)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	<u>3,286</u>
Change in net assets (GAAP basis)	<u>\$ (4,415)</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO**  
**CITY OF ALAMOGORDO**  
**Statement of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Building Codes - 065**  
**For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Fees and Permits	\$ 26,000	4,666	10,872	6,206
Charges for services	-	-	-	-
Miscellaneous	<u>60,000</u>	<u>45,000</u>	<u>27,007</u>	<u>(17,993)</u>
 Total revenues	 <u>86,000</u>	 <u>49,666</u>	 <u>37,879</u>	 <u>(17,993)</u>
<b>Expenditures</b>				
Current:				
General government	162,172	161,353	170,486	(9,133)
Non-current:				
Capital outlay	<u>60,000</u>	<u>70,000</u>	<u>45,461</u>	<u>24,539</u>
 Total expenditures	 <u>222,172</u>	 <u>231,353</u>	 <u>215,947</u>	 <u>15,406</u>
 Excess (deficiency) of revenues over expenditures	 <u>(136,172)</u>	 <u>(181,687)</u>	 <u>(178,068)</u>	 <u>(2,587)</u>
<b>Other financing sources (uses)</b>				
Transfers in	159,481	229,776	221,481	(8,295)
Transfers out	<u>(27,977)</u>	<u>(25,687)</u>	<u>(22,843)</u>	<u>2,844</u>
Total other financing sources (uses)	<u>131,504</u>	<u>204,089</u>	<u>198,638</u>	<u>(5,451)</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>(4,668)</u>	 <u>22,402</u>	 <u>20,570</u>	 <u>(8,038)</u>
 Budgeted cash carryover	 <u>(19,400)</u>	 <u>(19,400)</u>		
	<u>\$ (24,068)</u>	<u>3,002</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 20,570
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	<u>(151,622)</u>
Change in net assets (GAAP basis)	<u>\$ (131,052)</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
1994 Gross Receipts Tax - 069  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Taxes and fees	\$ 1,417,362	1,480,859	1,552,763	71,904
Interest income	<u>5,022</u>	<u>6,876</u>	<u>11,466</u>	<u>4,590</u>
 Total revenues	 <u>1,422,384</u>	 <u>1,487,735</u>	 <u>1,564,229</u>	 <u>76,494</u>
<b>Expenditures</b>				
Current:				
Public works	-	-	-	-
Non-current:				
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total expenditures	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Excess (deficiency) of revenues over expenditures	 <u>1,422,384</u>	 <u>1,487,735</u>	 <u>1,564,229</u>	 <u>76,494</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	<u>(1,130,563)</u>	<u>(1,324,245)</u>	<u>(1,273,429)</u>	<u>50,816</u>
Total other financing sources (uses)	<u>(1,130,563)</u>	<u>(1,324,245)</u>	<u>(1,273,429)</u>	<u>50,816</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>291,821</u>	 <u>163,490</u>	 <u>290,800</u>	 <u>127,310</u>
 Budgeted cash carryover	 <u>455,138</u>	 <u>455,138</u>		
	<u>\$ 746,959</u>	<u>618,628</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 290,800
To adjust applicable revenue accruals and deferrals	7,764
To adjust applicable expenditures and accruals and payments	<u>-</u>
Change in net assets (GAAP basis)	<u>\$ 298,564</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Senior Center III - 071  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Grants and gifts	\$ 410,602	574,454	498,286	(76,168)
Charges for services	139,550	135,150	144,472	9,322
Miscellaneous	<u>15,000</u>	<u>23,422</u>	<u>11,580</u>	<u>(11,842)</u>
 Total revenues	 <u>565,152</u>	 <u>733,026</u>	 <u>654,338</u>	 <u>(78,688)</u>
<b>Expenditures</b>				
Current:				
Health and welfare	944,612	973,734	914,290	59,444
Non-current:				
Capital outlay	<u>10,415</u>	<u>185,077</u>	<u>85,133</u>	<u>99,944</u>
 Total expenditures	 <u>955,027</u>	 <u>1,158,811</u>	 <u>999,423</u>	 <u>159,388</u>
 Excess (deficiency) of revenues over expenditures	 <u>(389,875)</u>	 <u>(425,785)</u>	 <u>(345,085)</u>	 <u>80,700</u>
<b>Other financing sources (uses)</b>				
Transfers in	470,743	493,308	420,000	(73,308)
Transfers out	<u>(105,688)</u>	<u>(107,210)</u>	<u>(93,683)</u>	<u>13,527</u>
Total other financing sources (uses)	<u>365,055</u>	<u>386,098</u>	<u>326,317</u>	<u>(59,781)</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>(24,820)</u>	 <u>(39,687)</u>	 <u>(18,768)</u>	 <u>20,919</u>
 Budgeted cash carryover	 <u>43,008</u>	 <u>43,008</u>		
	<u>\$ 18,188</u>	<u>3,321</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (18,768)
To adjust applicable revenue accruals and deferrals	(23,000)
To adjust applicable expenditures and accruals and payments	<u>(1,909)</u>
Change in net assets (GAAP basis)	<u>\$ (43,677)</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Senior Center Gift - 074  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Charges for services	\$ 15,050	15,440	24,286	8,846
Grants and gifts	-	-	-	-
Interest income	<u>363</u>	<u>651</u>	<u>721</u>	<u>70</u>
 Total revenues	 <u>15,413</u>	 <u>16,091</u>	 <u>25,007</u>	 <u>70</u>
<b>Expenditures</b>				
Current:				
General government	18,856	64,127	21,264	42,863
Non-current:				
Capital outlay	<u>-</u>	<u>2,030</u>	<u>2,029</u>	<u>1</u>
 Total expenditures	 <u>18,856</u>	 <u>66,157</u>	 <u>23,293</u>	 <u>42,864</u>
 Excess (deficiency) of revenues over expenditures	 <u>(3,443)</u>	 <u>(50,066)</u>	 <u>1,714</u>	 <u>42,935</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	6,250	6,250	-
Transfers out	<u>(1,018)</u>	<u>(1,275)</u>	<u>(1,025)</u>	<u>250</u>
Total other financing sources (uses)	<u>(1,018)</u>	<u>4,975</u>	<u>5,225</u>	<u>250</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>(4,461)</u>	 <u>(45,091)</u>	 <u>6,939</u>	 <u>43,185</u>
 Budgeted cash carryover	 <u>54,478</u>	 <u>54,478</u>		
	<u>\$ 50,017</u>	<u>9,387</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 6,939
To adjust applicable revenue accruals and deferrals	(100)
To adjust applicable expenditures and accruals and payments	<u>-</u>
Change in net assets (GAAP basis)	<u>\$ 6,839</u>

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Retired & Senior Volunteer Program - 075  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ <u>(Unfavorable)</u>
<b>Revenues</b>				
Grants and gifts	\$ 192,190	228,979	192,047	(36,932)
Miscellaneous	2,835	5,000	5,000	-
Charges for services	<u>200</u>	<u>200</u>	<u>5</u>	<u>(195)</u>
 Total revenues	 <u>195,225</u>	 <u>234,179</u>	 <u>197,052</u>	 <u>(37,127)</u>
<b>Expenditures</b>				
Current:				
Health and welfare	227,018	225,928	218,366	7,562
Non-current:				
Capital outlay	<u>-</u>	<u>1,970</u>	<u>1,970</u>	<u>-</u>
 Total expenditures	 <u>227,018</u>	 <u>227,898</u>	 <u>220,336</u>	 <u>7,562</u>
 Excess (deficiency) of revenues over expenditures	 <u>(31,793)</u>	 <u>6,281</u>	 <u>(23,284)</u>	 <u>(29,565)</u>
<b>Other financing sources (uses)</b>				
Transfers in	39,259	39,259	39,259	-
Transfers out	<u>(12,769)</u>	<u>(13,958)</u>	<u>(11,695)</u>	<u>2,263</u>
 Total other financing sources (uses)	 <u>26,490</u>	 <u>25,301</u>	 <u>27,564</u>	 <u>2,263</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>(5,303)</u>	 <u>31,582</u>	 <u>4,280</u>	 <u>(27,302)</u>
 Budgeted cash carryover	 <u>(25,655)</u>	 <u>(25,655)</u>		
	<u>\$ (30,958)</u>	<u>5,927</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 4,280
To adjust applicable revenue accruals and deferrals	(4,537)
To adjust applicable expenditures and accruals and payments	<u>3,383</u>
Change in net assets (GAAP basis)	<u>\$ 3,126</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
ESGRT .0625% - Convenience Center - 089  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>			Variance Favorable/ <u>(Unfavorable)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Taxes and fees	\$ 354,341	370,214	388,191	17,977
Grants and gifts	-	15,921	-	(15,921)
Interest income	<u>5,130</u>	<u>13,236</u>	<u>14,722</u>	<u>1,486</u>
 Total revenues	 <u>359,471</u>	 <u>399,371</u>	 <u>402,913</u>	 <u>3,542</u>
<b>Expenditures</b>				
Current:				
General government	-	6,801	-	6,801
Non-current:				
Capital outlay	<u>-</u>	<u>6,526</u>	<u>-</u>	<u>6,526</u>
 Total expenditures	 <u>-</u>	 <u>13,327</u>	 <u>-</u>	 <u>13,327</u>
 Excess (deficiency) of revenues over expenditures	 <u>359,471</u>	 <u>386,044</u>	 <u>402,913</u>	 <u>16,869</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>(752,350)</u>	<u>(652,666)</u>	<u>99,684</u>
Total other financing sources (uses)	<u>-</u>	<u>(752,350)</u>	<u>(652,666)</u>	<u>99,684</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>359,471</u>	 <u>(366,306)</u>	 <u>(249,753)</u>	 <u>116,553</u>
 Budgeted cash carryover	 <u>989,055</u>	 <u>989,055</u>		
	<u>\$ 1,348,526</u>	<u>622,749</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (249,753)
To adjust applicable revenue accruals and deferrals	7,432
To adjust applicable expenditures and accruals and payments	<u>(5,492)</u>
Change in net assets (GAAP basis)	<u>\$ (247,813)</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO**  
**CITY OF ALAMOGORDO**  
**Statement of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**General Obligation - 053**  
**For The Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
<b>Revenues</b>				
Taxes and fees	\$ 714,637	714,637	691,852	(22,785)
Interest income	<u>2,932</u>	<u>2,340</u>	<u>2,809</u>	<u>469</u>
 Total revenues	 <u>717,569</u>	 <u>716,977</u>	 <u>694,661</u>	 <u>(22,316)</u>
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Non-current:				
Principal payments	305,000	1,590,000	1,590,000	-
Interest payments	<u>373,147</u>	<u>387,573</u>	<u>387,572</u>	<u>1</u>
 Total expenditures	 <u>678,147</u>	 <u>1,977,573</u>	 <u>1,977,572</u>	 <u>1</u>
 Excess (deficiency) of revenues over expenditures	 <u>39,422</u>	 <u>(1,260,596)</u>	 <u>(1,282,911)</u>	 <u>(22,315)</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	1,299,426	1,299,426	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>1,299,426</u>	<u>1,299,426</u>	<u>-</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>39,422</u>	 <u>38,830</u>	 <u>16,515</u>	 <u>(22,315)</u>
 Budgeted cash carryover	 <u>527,404</u>	 <u>527,404</u>		
	<u>\$ 566,826</u>	<u>566,234</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 16,515
To adjust applicable revenue accruals and deferrals	(2,394)
To adjust applicable expenditures and accruals and payments	<u>-</u>
Change in net assets (GAAP basis)	<u>\$ 14,121</u>

**STATE OF NEW MEXICO**  
**CITY OF ALAMOGORDO**  
**Statement of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Gross Receipts Tax Principal & Interest - 059**  
**For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Interest income	\$ -	-	-	-
 Total revenues	 -	 -	 -	 -
<b>Expenditures</b>				
Current:				
General government	7,500	8,500	7,000	1,500
Non-current:				
Principal payments	1,380,000	4,419,425	4,419,625	(200)
Interest payments	971,041	957,388	957,386	2
 Total expenditures	 <u>2,358,541</u>	 <u>5,385,313</u>	 <u>5,384,011</u>	 <u>1,302</u>
 Excess (deficiency) of revenues over expenditures	 <u>(2,358,541)</u>	 <u>(5,385,313)</u>	 <u>(5,384,011)</u>	 <u>1,302</u>
<b>Other financing sources (uses)</b>				
Transfers in	2,358,541	5,384,513	5,384,011	(502)
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>2,358,541</u>	<u>5,384,513</u>	<u>5,384,011</u>	<u>(502)</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>-</u>	 <u>(800)</u>	 <u>-</u>	 <u>800</u>
 Budgeted cash carryover	 <u>7,696</u>	 <u>7,696</u>		
	<u>\$ 7,696</u>	<u>6,896</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ -
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	-
Change in net assets (GAAP basis)	<u>\$ -</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO**  
**CITY OF ALAMOGORDO**  
**Statement of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Fire Protection Bond - 103**  
**For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Loan and bond proceeds	\$ -	1,350,000	1,350,000	-
Interest income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>-</u>	<u>1,350,000</u>	<u>1,350,000</u>	<u>-</u>
<b>Expenditures</b>				
Current:				
	-	24,000	22,747	1,253
Non-current:				
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>24,000</u>	<u>22,747</u>	<u>1,253</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>1,326,000</u>	<u>1,327,253</u>	<u>1,253</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>(1,299,426)</u>	<u>(1,299,426)</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>(1,299,426)</u>	<u>(1,299,426)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>-</u>	<u>26,574</u>	<u>27,827</u>	<u>1,253</u>
Budgeted cash carryover	<u>-</u>	<u>-</u>		
	<u>\$ -</u>	<u>26,574</u>		

**RECONCILIATION FROM BUDGET/ACTUAL To GAAP**

Change in net assets (Budget Basis)	\$ 27,827
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	<u>(20,250)</u>
Change in net assets (GAAP basis)	<u>\$ 7,577</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Airport Improvements - 040  
For The Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
<b>Revenues</b>				
Grants and gifts	\$ -	769,324	213,137	(556,187)
Interest income	180	570	358	(212)
Total revenues	180	769,894	213,495	(556,399)
<b>Expenditures</b>				
Current:	-	-	-	-
Non-current:				
Capital outlay	-	788,875	218,618	509,545
Total expenditures	-	788,875	218,618	509,545
Excess (deficiency) of revenues over expenditures	180	(18,981)	(5,123)	(46,854)
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	180	(18,981)	(5,123)	(46,854)
Budgeted cash carryover	51,887	51,887		
	\$ 52,067	32,906		

**RECONCILIATION FROM BUDGET/ACTUAL To GAAP**

Change in net assets (Budget Basis)	\$	(5,123)
To adjust applicable revenue accruals and deferrals		76
To adjust applicable expenditures and accruals and payments		87
Change in net assets (GAAP basis)	\$	(4,960)

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Community Development Block Grant - 048  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Grants and gifts	\$ -	44,994	14,051	(30,943)
Miscellaneous	-	-	-	-
Interest income	-	-	-	-
	<u>-</u>	<u>44,994</u>	<u>14,051</u>	<u>(30,943)</u>
<b>Total revenues</b>				
	<u>-</u>	<u>44,994</u>	<u>14,051</u>	<u>(30,943)</u>
<b>Expenditures</b>				
Current:				
	900	10,900	-	10,900
Non-current:				
Capital outlay	-	15,612	15,612	-
	<u>-</u>	<u>15,612</u>	<u>15,612</u>	<u>-</u>
<b>Total expenditures</b>				
	<u>900</u>	<u>26,512</u>	<u>15,612</u>	<u>10,900</u>
Excess (deficiency) of revenues over expenditures	<u>(900)</u>	<u>18,482</u>	<u>(1,561)</u>	<u>(20,043)</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	21,500	21,500	-
Transfers out	-	(19,940)	(19,939)	1
	<u>-</u>	<u>(19,940)</u>	<u>1,561</u>	<u>1</u>
<b>Total other financing sources (uses)</b>				
	<u>-</u>	<u>(19,940)</u>	<u>1,561</u>	<u>1</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(900)</u>	<u>(1,458)</u>	<u>-</u>	<u>(20,042)</u>
Budgeted cash carryover	<u>11,311</u>	<u>11,311</u>		
	<u>\$ 10,411</u>	<u>9,853</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ -
To adjust applicable revenue accruals and deferrals	(42,943)
To adjust applicable expenditures and accruals and payments	<u>-</u>
Change in net assets (GAAP basis)	<u>\$ (42,943)</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
1986 Gross Receipts Tax - 049  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Taxes and fees	\$ 1,417,362	1,480,859	1,552,763	71,904
Grants and gifts	-	312,617	-	(312,617)
Interest income	41,485	63,420	71,458	8,038
	<u>1,458,847</u>	<u>1,856,896</u>	<u>1,624,221</u>	<u>(232,675)</u>
<b>Total revenues</b>				
<b>Expenditures</b>				
Current:				
General government	140,000	375,384	49,398	325,986
Non-current:				
Capital outlay	-	1,866,037	188,142	1,677,895
	<u>140,000</u>	<u>2,241,421</u>	<u>237,540</u>	<u>2,003,881</u>
<b>Total expenditures</b>				
Excess (deficiency) of revenues over expenditures	<u>1,318,847</u>	<u>(384,525)</u>	<u>1,386,681</u>	<u>1,771,207</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	(456,901)	(1,083,754)	(147,364)	936,390
	<u>(456,901)</u>	<u>(1,083,754)</u>	<u>(147,364)</u>	<u>936,390</u>
<b>Total other financing sources (uses)</b>				
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>861,946</u>	<u>(1,468,279)</u>	<u>1,239,317</u>	<u>2,707,597</u>
Budgeted cash carryover	<u>4,797,585</u>	<u>4,797,585</u>		
	<u>\$ 5,659,531</u>	<u>3,329,306</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 1,239,317
To adjust applicable revenue accruals and deferrals	7,766
To adjust applicable expenditures and accruals and payments	<u>(175,074)</u>
Change in net assets (GAAP basis)	<u>\$ 1,072,009</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO**  
**CITY OF ALAMOGORDO**  
**Statement of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Property Acquisition - 050**  
**For The Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Taxes and fees	\$ -	-	-	-
Fines	-	-	-	-
Charges for services	12,000	12,000	13,222	1,222
Interest income	3,863	4,989	5,245	256
Miscellaneous	-	500	30,366	29,866
	15,863	17,489	48,833	31,345
<b>Total revenues</b>				
<b>Expenditures</b>				
Current:				
General government	4,133	3,488	1,935	1,553
Non-current:				
Capital outlay	-	324,333	4,176	320,157
	4,133	327,821	6,111	321,710
<b>Total expenditures</b>				
Excess (deficiency) of revenues over expenditures	11,730	(310,332)	42,722	353,055
<b>Other financing sources (uses)</b>				
Transfers in	-	124,572	-	(124,572)
Transfers out	-	-	-	-
Total other financing sources (uses)	-	124,572	-	(124,572)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	11,730	(185,760)	42,722	228,483
Budgeted cash carryover	387,294	387,294		
	\$ 399,024	201,534		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 42,722
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	(6,185)
Change in net assets (GAAP basis)	\$ 36,537

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Reverse Osmosis Prj Rsv - 054  
For The Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
<b>Revenues</b>				
Grants and gifts	\$ -	-	-	-
Loan and bond proceeds	-	2,188,716	17,338	(2,171,378)
Miscellaneous	-	-	-	-
Interest income	3,606	5,448	5,425	(23)
 Total revenues	 3,606	 2,194,164	 22,763	 (2,171,402)
<b>Expenditures</b>				
Current:				
Public works	-	271,460	10,677	260,783
Non-current:				
Capital outlay	-	2,586,684	35,010	2,551,674
 Total expenditures	 -	 2,858,144	 45,687	 2,812,457
 Excess (deficiency) of revenues over expenditures	 3,606	 (663,980)	 (22,924)	 641,055
<b>Other financing sources (uses)</b>				
Transfers in	-	252,281	9,668	(242,613)
Transfers out	-	-	-	-
Total other financing sources (uses)	-	252,281	9,668	(242,613)
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 3,606	 (411,699)	 (13,256)	 398,442
 Budgeted cash carryover	 429,449	 429,449		
	 \$ 433,055	 17,750		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (13,256)
To adjust applicable revenue accruals and deferrals	(2)
To adjust applicable expenditures and accruals and payments	-
Change in net assets (GAAP basis)	\$ (13,258)

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO**  
**CITY OF ALAMOGORDO**  
**Statement of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Alamogordo Flood Control - 056**  
**For The Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Interest income	\$ 25,755	29,369	39,501	10,132
Loan and bond proceedings	-	2,735,456	2,735,456	-
<b>Total revenues</b>	<u>25,755</u>	<u>2,764,825</u>	<u>2,774,957</u>	<u>10,132</u>
<b>Expenditures</b>				
Current:	21,000	103,486	33,665	69,821
Non-current:				
Capital outlay	1,320,000	2,839,075	162,981	2,676,094
<b>Total expenditures</b>	<u>1,341,000</u>	<u>2,942,561</u>	<u>196,646</u>	<u>2,745,916</u>
Excess (deficiency) of revenues over expenditures	<u>(1,315,245)</u>	<u>(177,736)</u>	<u>2,578,311</u>	<u>2,756,047</u>
<b>Other financing sources (uses)</b>				
Transfers in		383,408	383,018	(390)
Transfers out	-	(3,045,078)	(3,045,078)	0
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>(2,661,670)</u>	<u>(2,662,060)</u>	<u>(389)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(1,315,245)</u>	<u>(2,839,406)</u>	<u>(83,749)</u>	<u>2,755,658</u>
Budgeted cash carryover	<u>2,929,782</u>	<u>2,929,782</u>		
	<u>\$ 1,614,537</u>	<u>90,376</u>		

**RECONCILIATION FROM BUDGET/ACTUAL To GAAP**

Change in net assets (Budget Basis)	\$ (83,749)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	<u>(27,137)</u>
Change in net assets (GAAP basis)	<u>\$ (110,886)</u>

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Municipal Infrastructure - 061  
For The Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Taxes and fees	\$ 354,341	370,214	388,191	17,977
Grants	-	-	-	-
Interest income	7,366	10,599	11,368	769
	<u>361,707</u>	<u>380,813</u>	<u>399,559</u>	<u>18,746</u>
<b>Total revenues</b>				
<b>Expenditures</b>				
Current:				
	-	-	-	-
Non-current:				
	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total expenditures</b>				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>				
	<u>361,707</u>	<u>380,813</u>	<u>399,559</u>	<u>18,746</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	(770,016)	(984,520)	(426,482)	558,038
	<u>(770,016)</u>	<u>(984,520)</u>	<u>(426,482)</u>	<u>558,038</u>
<b>Total other financing sources (uses)</b>				
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>				
	<u>(408,309)</u>	<u>(603,707)</u>	<u>(26,923)</u>	<u>576,784</u>
<b>Budgeted cash carryover</b>				
	<u>820,335</u>	<u>820,335</u>		
	<u>\$ 412,026</u>	<u>216,628</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (26,923)
To adjust applicable revenue accruals and deferrals	1,941
To adjust applicable expenditures and accruals and payments	-
Change in net assets (GAAP basis)	<u>\$ (24,982)</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Economic Development - 105  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Taxes and fees	\$ 708,682	740,429	776,381	35,952
Grants	-	-	-	-
Interest income	<u>22,272</u>	<u>29,859</u>	<u>33,799</u>	<u>3,940</u>
 Total revenues	 <u>730,954</u>	 <u>770,288</u>	 <u>810,180</u>	 <u>39,892</u>
<b>Expenditures</b>				
Current:				
Other services	1,598,924	1,598,924	217,420	1,381,504
Non-current:				
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total expenditures	 <u>1,598,924</u>	 <u>1,598,924</u>	 <u>217,420</u>	 <u>1,381,504</u>
 Excess (deficiency) of revenues over expenditures	 <u>(867,970)</u>	 <u>(828,636)</u>	 <u>592,760</u>	 <u>1,421,396</u>
<b>Other financing sources (uses)</b>				
Transfers in				-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>(867,970)</u>	 <u>(828,636)</u>	 <u>592,760</u>	 <u>1,421,396</u>
 Budgeted cash carryover	 <u>2,332,594</u>	 <u>2,332,594</u>		
	<u>\$ 1,464,624</u>	<u>1,503,958</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 592,760
To adjust applicable revenue accruals and deferrals	3,883
To adjust applicable expenditures and accruals and payments	<u>108,971</u>
Change in net assets (GAAP basis)	<u>\$ 705,614</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
PRS RSV Flood Control - 106  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Interest income	<u>4,845</u>	<u>4,914</u>	<u>4,522</u>	<u>(390)</u>
Total revenues	<u>4,845</u>	<u>4,914</u>	<u>4,522</u>	<u>(390)</u>
<b>Expenditures</b>				
Current:	-	-	-	-
Non-current:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>4,845</u>	<u>4,914</u>	<u>4,522</u>	<u>(390)</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>(383,408)</u>	<u>(383,018)</u>	<u>390</u>
Total other financing sources (uses)	<u>-</u>	<u>(383,408)</u>	<u>(383,018)</u>	<u>390</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>4,845</u>	<u>(378,494)</u>	<u>(378,496)</u>	<u>(2)</u>
Budgeted cash carryover	<u>399,763</u>	<u>399,763</u>		
	<u>404,608</u>	<u>21,269</u>		
<b>RECONCILIATION FROM BUDGET/ACTUAL To GAAP</b>				
Change in net assets (Budget Basis)			(378,496)	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditures and accruals and payments			<u>-</u>	
Change in net assets (GAAP basis)			<u>(378,496)</u>	

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
2002 GRT Bond Acquisition - 108  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Interest income	\$ -	459	459	-
 Total revenues	 -	 459	 459	 -
<b>Expenditures</b>				
Current:				
Other services	-	6,000	4,257	1,743
Non-current:				
Capital outlay	-	32,260	23,567	8,693
 Total expenditures	 -	 38,260	 27,824	 10,436
 Excess (deficiency) of revenues over expenditures	 -	 (37,801)	 (27,365)	 10,436
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 -	 (37,801)	 (27,365)	 10,436
 Budgeted cash carryover	 39,808	 39,808		
	<u>\$ 39,808</u>	<u>2,007</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (27,365)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	<u>271</u>
Change in net assets (GAAP basis)	<u>\$ (27,094)</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
2004 GRT Capital Outlay - 109  
For The Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
<b>Revenues</b>				
Taxes and fees	\$ 1,417,362	1,480,869	1,522,763	41,894
Loan and bond proceeds	-	-	-	-
Interest income	77,241	68,307	71,936	3,629
 Total revenues	 1,494,603	 1,549,176	 1,594,699	 45,523
<b>Expenditures</b>				
Current:	18,500	68,850	50,000	18,850
Non-current:				
Capital outlay	2,265,000	5,952,019	2,332,321	3,619,698
 Total expenditures	 2,283,500	 6,020,869	 2,382,321	 3,638,548
 Excess (deficiency) of revenues over expenditures	 (788,897)	 (4,471,693)	 (787,622)	 3,684,070
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	(584,903)	(584,903)	(584,903)	1
 Total other financing sources (uses)	 (584,903)	 (584,903)	 (584,903)	 1
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 (1,373,800)	 (5,056,596)	 (1,372,525)	 3,684,071
 Budgeted cash carryover	 6,344,406	 6,344,406		
	 \$ 4,970,606	 1,287,810		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (1,372,525)
To adjust applicable revenue accruals and deferrals	37,765
To adjust applicable expenditures and accruals and payments	124,073
Change in net assets (GAAP basis)	\$ (1,210,687)

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
04 GRT Bond Acquisition - 111  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Miscellaneous	\$ -	-	-	-
Interest income	-	522	480	(42)
	<u>-</u>	<u>522</u>	<u>480</u>	<u>(42)</u>
Total revenues	<u>-</u>	<u>522</u>	<u>480</u>	<u>(42)</u>
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Non-current:				
Capital outlay	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>522</u>	<u>480</u>	<u>(42)</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	-	(55,082)	(55,039)	43
Total other financing sources (uses)	<u>-</u>	<u>(55,082)</u>	<u>(55,039)</u>	<u>43</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>-</u>	<u>(54,560)</u>	<u>(54,559)</u>	<u>1</u>
Budgeted cash carryover	<u>54,560</u>	<u>54,560</u>		
	<u>\$ 54,560</u>	<u>-</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (54,559)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	<u>-</u>
Change in net assets (GAAP basis)	<u>\$ (54,559)</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
09 G.O. Bond Acq - 113  
For The Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Interest income	\$ -	94,359	95,719	1,360
 Total revenues	-	94,359	95,719	1,360
 <b>Expenditures</b>				
Current:				
General government	-	589,206	251,884	564,018
Non-current:				
Capital outlay	-	8,212,819	1,029,739	7,183,080
 Total expenditures	-	8,802,025	1,281,623	7,747,098
 Excess (deficiency) of revenues over expenditures	-	(8,707,666)	(1,185,904)	7,748,458
 <b>Other financing sources (uses)</b>				
Transfers in	-	1,435,769	750,111	(685,658)
Transfers out	-	-	-	-
 Total other financing sources (uses)	-	1,435,769	750,111	(685,658)
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	(7,271,897)	(435,793)	7,062,801
 Budgeted cash carryover	7,376,708	7,376,708		
	\$ 7,376,708	104,811		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (435,793)
To adjust applicable revenue accruals and deferrals	(750,111)
To adjust applicable expenditures and accruals and payments	962,503
Change in net assets (GAAP basis)	\$ (223,401)

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Sidewalk Revolving Loans - 114  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Miscellaneous	\$ -	-	-	-
Interest income	-	690	715	25
	<u>-</u>	<u>690</u>	<u>715</u>	<u>25</u>
Total revenues	-	690	715	25
<b>Expenditures</b>				
Current:				
General government	-	2,701	-	2,701
Non-current:				
Capital outlay	-	50,000	-	50,000
	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Total expenditures	-	52,701	-	52,701
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(52,011)</u>	<u>715</u>	<u>52,726</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>-</u>	<u>(52,011)</u>	<u>715</u>	<u>52,726</u>
Budgeted cash carryover	<u>53,033</u>	<u>53,033</u>		
	<u>\$ 53,033</u>	<u>1,022</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 715
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	<u>-</u>
Change in net assets (GAAP basis)	<u>\$ 715</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO**  
**CITY OF ALAMOGORDO**  
**Statement of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Reg Water Supply Trans Ln - 116**  
**For The Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Grants	\$ -	4,508,000	-	(4,508,000)
Loan Proceeds	-	1,127,000	40,500	(1,086,500)
Interest income	-	-	-	-
<b>Total revenues</b>	<b>-</b>	<b>5,635,000</b>	<b>40,500</b>	<b>(5,594,500)</b>
<b>Expenditures</b>				
Current:				
General government	-	250,001	13,160	236,841
Non-current:				
Capital outlay	-	5,627,650	536,957	5,090,693
<b>Total expenditures</b>	<b>-</b>	<b>5,877,651</b>	<b>550,117</b>	<b>5,327,534</b>
Excess (deficiency) of revenues over expenditures	-	(242,651)	(509,617)	(266,966)
<b>Other financing sources (uses)</b>				
Transfers in	-	250,000	509,617	(238,997)
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>250,000</b>	<b>509,617</b>	<b>(238,997)</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	7,349	-	(505,963)

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ -
To adjust applicable revenue accruals and deferrals	92,003
To adjust applicable expenditures and accruals and payments	(550,118)
Change in net assets (GAAP basis)	<u>\$ (458,115)</u>

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Water and Sewer - Operating - 081  
For The Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
<b>Revenues</b>				
Taxes and fees	\$ -	-	-	-
Charges for services	9,233,596	9,455,213	9,184,547	(270,666)
Interest income	77,265	93,939	104,499	10,560
Loan and bond proceeds	-	-	-	-
Grants and gifts	-	52,757	-	(52,757)
Miscellaneous	109,873	48,295	226,475	178,180
	<u>9,420,734</u>	<u>9,650,204</u>	<u>9,515,521</u>	<u>(134,684)</u>
<b>Total revenues</b>				
<b>Expenditures</b>				
Operating:				
Salaries and benefits	1,308,771	1,379,594	1,324,945	54,649
Supplies	152,154	168,354	155,505	12,849
Insurance Premiums	82,496	64,269	60,259	4,010
Maintenance	419,487	358,969	319,140	39,829
Utilities	50,438	76,114	69,219	6,895
Infrastructure	949,595	1,510,703	604,839	905,864
Capital Improvements	-	223,365	132,929	90,436
Fees	-	10,921	-	10,921
Other services	3,756,674	3,532,641	3,089,665	442,976
Non-operating:				
Capital outlay	1,112,135	1,877,177	340,801	1,536,376
	<u>7,831,750</u>	<u>9,202,107</u>	<u>6,097,302</u>	<u>3,104,805</u>
<b>Total expenditures</b>				
Excess (deficiency) of revenues over expenditures	1,588,984	448,097	3,418,219	2,970,122
<b>Other financing sources (uses)</b>				
Transfers in	85,834	108,334	91,531	(16,803)
Transfers out	(2,311,630)	(3,000,743)	(1,714,626)	1,286,117
Total other financing sources (uses)	(2,225,796)	(2,892,409)	(1,623,095)	1,269,314
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(636,812)	(2,444,312)	1,795,124	4,239,435
Budgeted cash carryover	7,375,923	7,375,923		
	<u>\$ 6,739,111</u>	<u>4,931,611</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 1,795,124
To adjust applicable revenue accruals and deferrals	2,074,832
To adjust applicable expenditures and accruals and payments	<u>602,990</u>
Change in net assets (GAAP basis)	<u>\$ 4,472,946</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO**  
**CITY OF ALAMOGORDO**  
**Statement of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**98 Joint Water and Sewer Improvement Bond P & I - 082**  
**For The Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
<b>Revenues</b>				
Interest income	\$ 8,984	11,934	12,222	288
Total revenues	<u>8,984</u>	<u>11,934</u>	<u>12,222</u>	<u>288</u>
<b>Expenditures</b>				
Current:				
General government	24,823	25,219	15,433	9,786
Non-current:				
Principal payments	1,334,330	1,109,353	833,879	275,474
Interest payments	<u>866,936</u>	<u>691,936</u>	<u>658,442</u>	<u>33,495</u>
Total expenditures	<u>2,226,089</u>	<u>1,826,508</u>	<u>1,507,754</u>	<u>318,754</u>
Excess (deficiency) of revenues over expenditures	<u>(2,217,105)</u>	<u>(1,814,574)</u>	<u>(1,495,532)</u>	<u>319,043</u>
<b>Other financing sources (uses)</b>				
Transfers in	1,763,589	1,821,508	1,489,729	(331,779)
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>1,763,589</u>	<u>1,821,508</u>	<u>1,489,729</u>	<u>(331,779)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(453,516)</u>	<u>6,934</u>	<u>(5,803)</u>	<u>(12,737)</u>
Budgeted cash carryover	<u>880,115</u>	<u>880,115</u>		
	<u>\$ 426,599</u>	<u>887,049</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (5,803)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	<u>849,593</u>
Change in net assets (GAAP basis)	<u>\$ 843,790</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Solid Waste - 086  
For The Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
<b>Revenues</b>				
User Fees	\$ 1,924,960	1,911,861	1,912,952	1,091
Interest income	389	2,055	1,827	(228)
Miscellaneous	4,000	4,000	6,489	2,489
	<u>1,929,349</u>	<u>1,917,916</u>	<u>1,921,268</u>	<u>3,351</u>
<b>Expenditures</b>				
Operating:				
Salaries and benefits	150,422	150,164	148,963	1,201
Supplies	16,791	20,205	21,146	(941)
Insurance Premiums	5,762	5,089	4,604	485
Maintenance	5,673	11,757	11,622	135
Utilities	5,916	5,945	6,138	(193)
Other Services	1,555,490	1,545,032	1,509,456	35,576
Non-operating:				
Capital outlay	100,000	166,404	8,889	157,515
	<u>1,840,054</u>	<u>1,904,596</u>	<u>1,710,818</u>	<u>193,777</u>
Excess (deficiency) of revenues over expenditures	<u>89,295</u>	<u>13,320</u>	<u>210,450</u>	<u>(190,426)</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	(110,906)	(109,109)	(105,017)	4,092
Total other financing sources (uses)	<u>(110,906)</u>	<u>(109,109)</u>	<u>(105,017)</u>	<u>4,092</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(21,611)</u>	<u>(95,789)</u>	<u>105,433</u>	<u>(186,334)</u>
Budgeted cash carryover	<u>165,666</u>	<u>165,666</u>		
	<u>\$ 144,055</u>	<u>69,877</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 105,433
To adjust applicable revenue accruals and deferrals	69
To adjust applicable expenditures and accruals and payments	(15,829)
Change in net assets (GAAP basis)	<u>\$ 89,673</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO**  
**CITY OF ALAMOGORDO**  
**Statement of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Bonito Lake - 088**  
**For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for services	\$ 186,250	206,250	154,300	(51,950)
Grants	-	-	-	-
Miscellaneous	44,020	24,020	6,493	(17,527)
Interest income	<u>5,572</u>	<u>3,954</u>	<u>3,641</u>	<u>(313)</u>
 Total revenues	 <u>235,842</u>	 <u>234,224</u>	 <u>164,434</u>	 <u>(69,790)</u>
<b>Expenditures</b>				
Operating:				
Salaries and benefits	158,939	149,602	137,584	12,018
Emergency disaster	-	-	-	-
Supplies	21,957	22,057	17,285	4,772
Maintenance	22,824	24,386	12,971	11,415
Utilities	9,256	9,365	7,261	2,104
Insurance Premiums	6,907	6,626	5,048	1,578
Other services		96,729	32,371	64,358
Non-operating:				
Capital outlay	<u>120,000</u>	<u>85,555</u>	<u>19,521</u>	<u>66,034</u>
 Total expenditures	 <u>339,883</u>	 <u>394,320</u>	 <u>232,041</u>	 <u>162,278</u>
 Excess (deficiency) of revenues over expenditures	 <u>(104,041)</u>	 <u>(160,096)</u>	 <u>(67,607)</u>	 <u>92,488</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	<u>(17,377)</u>	<u>(30,312)</u>	<u>(25,364)</u>	<u>4,948</u>
Total other financing sources (uses)	<u>(17,377)</u>	<u>(30,312)</u>	<u>(25,364)</u>	<u>4,948</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>(121,418)</u>	 <u>(190,408)</u>	 <u>(92,971)</u>	 <u>97,436</u>
 Budgeted cash carryover	 <u>323,565</u>	 <u>323,565</u>		
	<u>\$ 202,147</u>	<u>133,157</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (92,971)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	<u>17,107</u>
Change in net assets (GAAP basis)	<u>\$ (75,864)</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO**  
**CITY OF ALAMOGORDO**  
**Statement of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Desert Lakes Golf Course - 090**  
**For The Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
<b>Revenues</b>				
Charges for services	\$ 1,134,000	1,141,025	1,137,467	(3,558)
Interest income	1,154	2,886	2,850	(36)
Miscellaneous	1,400	1,400	1,802	402
Total revenues	<u>1,136,554</u>	<u>1,145,311</u>	<u>1,142,119</u>	<u>(3,191)</u>
<b>Expenditures</b>				
Operating:				
Salaries and benefits	269,226	269,426	255,542	13,884
Supplies	96,858	102,352	85,402	16,950
Maintenance	43,914	39,114	34,881	4,233
Utilities	50,200	50,246	42,158	8,088
Insurance Premiums	9,049	7,226	7,074	152
Other services	689,568	713,900	736,360	(22,460)
Non-operating:				
Capital outlay	124,500	127,275	76,929	50,346
Total expenditures	<u>1,283,315</u>	<u>1,309,539</u>	<u>1,238,346</u>	<u>71,194</u>
Excess (deficiency) of revenues over expenditures	<u>(146,761)</u>	<u>(164,228)</u>	<u>(96,227)</u>	<u>68,003</u>
<b>Other financing sources (uses)</b>				
Transfers in	143,834	143,834	-	(143,834)
Transfers out	(71,260)	(80,548)	(53,093)	27,455
Total other financing sources (uses)	<u>72,574</u>	<u>63,286</u>	<u>(53,093)</u>	<u>(116,379)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(74,187)</u>	<u>(100,942)</u>	<u>(149,320)</u>	<u>(48,376)</u>
Budgeted cash carryover	<u>284,723</u>	<u>284,723</u>		
	<u>\$ 210,536</u>	<u>183,781</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (149,320)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	<u>(72,781)</u>
Change in net assets (GAAP basis)	<u>\$ (222,101)</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO**  
**CITY OF ALAMOGORDO**  
**Statement of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**White Sands Regional Airport - 091**  
**For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Charges for services	\$ 174,396	159,668	204,983	45,315
Investment Income	1,906	4,008	3,594	(414)
Miscellaneous	<u>4,000</u>	<u>4,000</u>	<u>21,046</u>	<u>17,046</u>
 Total revenues	 <u>180,302</u>	 <u>167,676</u>	 <u>229,623</u>	 <u>61,946</u>
<b>Expenditures</b>				
Operating:				
Salaries and benefits	107,565	107,565	106,703	862
Supplies	9,466	8,916	7,491	1,425
Utilities	25,132	34,974	31,297	3,677
Maintenance	26,360	26,360	18,909	7,451
Insurance Premiums	4,706	4,667	3,847	820
Other Services	5,100	30,150	1,627	28,523
Non-operating:				
Capital outlay	<u>43,000</u>	<u>50,845</u>	<u>40,387</u>	<u>10,458</u>
 Total expenditures	 <u>221,329</u>	 <u>263,477</u>	 <u>210,261</u>	 <u>53,216</u>
 Excess (deficiency) of revenues over expenditures	 <u>(41,027)</u>	 <u>(95,801)</u>	 <u>19,362</u>	 <u>115,162</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	<u>(47,225)</u>	<u>(42,739)</u>	<u>(39,256)</u>	<u>3,483</u>
Total other financing sources (uses)	<u>(47,225)</u>	<u>(42,739)</u>	<u>(39,256)</u>	<u>3,483</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>(88,252)</u>	 <u>(138,540)</u>	 <u>(19,894)</u>	 <u>118,645</u>
 Budgeted cash carryover	 <u>320,221</u>	 <u>320,221</u>		
	<u>\$ 231,969</u>	<u>181,681</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (19,894)
To adjust applicable revenue accruals and deferrals	218,707
To adjust applicable expenditures and accruals and payments	<u>(113,329)</u>
Change in net assets (GAAP basis)	<u>\$ 85,484</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
04W/S RevBd Emer Swr Proj. - 110  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Bond proceeds	\$ -	-	-	-
Interest income	-	1,077	1,012	(65)
	<u>-</u>	<u>1,077</u>	<u>1,012</u>	<u>(65)</u>
Total revenues				
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Non-current:				
Capital outlay	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>1,077</u>	<u>1,012</u>	<u>(65)</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	-	(119,945)	(103,142)	16,803
	<u>-</u>	<u>(119,945)</u>	<u>(103,142)</u>	<u>16,803</u>
Total other financing sources (uses)				
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>-</u>	<u>(118,868)</u>	<u>(102,130)</u>	<u>16,738</u>
Budgeted cash carryover	<u>119,945</u>	<u>119,945</u>		
	<u>\$ 119,945</u>	<u>1,077</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (102,130)
To adjust applicable revenue accruals and deferrals	(5,697)
To adjust applicable expenditures and accruals and payments	<u>-</u>
Change in net assets (GAAP basis)	<u>\$ (107,827)</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO**  
**CITY OF ALAMOGORDO**  
**Statement of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Public Housing Authority - 092**  
**For The Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance Favorable/ (Unfavorable)
	Original	Final		
<b>Operating revenues</b>				
Miscellaneous	\$ -	5,813	5,813	-
Total operating revenues	-	5,813	5,813	-
<b>Operating expenses</b>				
Tenant services	-	-	-	-
Other operating	-	7,360	7,360	-
Total operating expenses	-	7,360	7,360	-
<b>Non-operating revenues</b>				
Interest Income	-	-	-	-
Transfers In	-	19,940	1,993,923	1,973,983
Transfers Out	-	-	-	-
Total non-operating revenues (expenses)	-	19,940	1,993,923	-
Excess (deficiency) of revenues over expenditures	-	18,393	1,992,376	1,973,983
Budgeted cash carryover	(18,393)	(18,393)		
	<u>\$ (18,393)</u>	<u>-</u>		
Change in net assets (Budget Basis)			\$ 1,992,376	
To adjust applicable revenue accruals and deferrals			19,939	
To adjust applicable expenditures and accruals and payments			<u>(1,993,923)</u>	
Change in net assets (GAAP basis)			<u>\$ 18,392</u>	

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Housing Low Rent Operating - 901  
For The Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
<b>Revenues</b>				
Charges for services	\$ 277,000	277,000	307,768	30,768
Fines & Fees	1,700	1,700	1,371	(329)
Miscellaneous	19,000	26,360	30,242	3,882
Grants	378,000	569,457	616,008	46,551
Investment Income	2,000	2,556	2,831	275
 Total revenues	 677,700	 877,073	 958,220	 81,148
<b>Expenditures</b>				
Operating:				
Salaries and benefits	413,774	391,051	385,992	5,059
Supplies	36,891	54,606	51,803	2,803
Utilities	140,061	168,071	150,534	17,537
Maintenance	8,960	9,005	7,419	1,586
Insurance Premiums	74,203	74,563	69,132	5,431
Other Services	118,442	388,402	328,836	59,566
Non-operating:				
Capital outlay	4,000	38,136	27,178	10,958
 Total expenditures	 796,331	 1,123,834	 1,020,894	 102,940
 Excess (deficiency) of revenues over expenditures	 (118,631)	 (246,761)	 (62,674)	 184,088
<b>Other financing sources (uses)</b>				
Transfers in	125,800	125,800	-	(125,800)
Transfers out	-	-	-	-
Total other financing sources (uses)	125,800	125,800	-	(125,800)
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 7,169	 (120,961)	 (62,674)	 58,288
 Budgeted cash carryover	 822,979	 822,979		
	 \$ 830,148	 702,018		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (62,674)
To adjust applicable revenue accruals and deferrals	(32,005)
To adjust applicable expenditures and accruals and payments	(4,462)
Change in net assets (GAAP basis)	\$ (99,141)

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Housing Homeownership Operating - 903  
For The Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
<b>Revenues</b>				
Charges for services	\$ 215,416	215,416	(478)	(215,894)
Fines & Fees	250	250	125	(125)
Miscellaneous	24,100	13,000	11,087	(1,913)
Investment Income	1,600	5,022	2,508	(2,514)
 Total revenues	 241,366	 233,688	 13,242	 (220,446)
<b>Expenditures</b>				
Operating:				
Salaries and benefits	33,296	30,564	27,937	2,627
Supplies	940	792	545	247
Utilities	962	11,368	8,050	3,318
Maintenance	20,288	15,529	9,761	5,768
Insurance Premiums	4,041	33,874	31,927	1,947
Other Services	202,546	206,102	6,066	200,036
Non-operating:				
Capital outlay	177,200	131,137	7,769	123,368
 Total expenditures	 439,273	 429,366	 92,055	 337,311
 Excess (deficiency) of revenues over expenditures	 (197,907)	 (195,678)	 (78,813)	 116,865
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 (197,907)	 (195,678)	 (78,813)	 116,865
 Budgeted cash carryover	 567,341	 567,341		
	 \$ 369,434	 371,663		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)		\$ (78,813)
To adjust applicable revenue accruals and deferrals		4,111
To adjust applicable expenditures and accruals and payments		(4,749)
Change in net assets (GAAP basis)		\$ (79,451)

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Housing Capital Projects Fund - 904  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Grants	\$ 360,000	995,070	126,050	(869,020)
Interest income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total revenues	 <u>360,000</u>	 <u>995,070</u>	 <u>126,050</u>	 <u>(869,020)</u>
<b>Expenditures</b>				
Current:				
General government	-	21,461	21,460	1
Non-current:				
Capital outlay	<u>234,200</u>	<u>847,809</u>	<u>91,470</u>	<u>756,339</u>
 Total expenditures	 <u>234,200</u>	 <u>869,270</u>	 <u>112,930</u>	 <u>756,340</u>
 Excess (deficiency) of revenues over expenditures	 <u>125,800</u>	 <u>125,800</u>	 <u>13,120</u>	 <u>(112,680)</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	<u>(125,800)</u>	<u>(125,800)</u>	<u>-</u>	<u>125,800</u>
Total other financing sources (uses)	<u>(125,800)</u>	<u>(125,800)</u>	<u>-</u>	<u>125,800</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>-</u>	 <u>-</u>	 <u>13,120</u>	 <u>13,120</u>
 Budgeted cash carryover	 <u>-</u>	 <u>-</u>		
	<u>\$ -</u>	<u>-</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ 13,120
To adjust applicable revenue accruals and deferrals	(49,402)
To adjust applicable expenditures and accruals and payments	<u>17,275</u>
Change in net assets (GAAP basis)	<u>\$ (19,007)</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Housing Low Rent Deposits - 905  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ (Unfavorable)
<b>Revenues</b>				
Charges for services	-	-	-	-
Interest income	<u>600</u>	<u>135</u>	<u>122</u>	<u>(13)</u>
Total revenues	<u>600</u>	<u>135</u>	<u>122</u>	<u>(13)</u>
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Non-current:				
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>600</u>	<u>135</u>	<u>122</u>	<u>(13)</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>600</u>	<u>135</u>	<u>122</u>	<u>(13)</u>
Budgeted cash carryover	<u>30,141</u>	<u>30,141</u>		
	<u>30,741</u>	<u>30,276</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	122
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	<u>-</u>
Change in net assets (GAAP basis)	<u>122</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Housing Homeownership Reserve - 906  
For The Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
<b>Revenues</b>				
Charges for services	\$ -	-	-	-
Interest income	600	375	-	(375)
Total revenues	600	375	-	(375)
<b>Expenditures</b>				
Current:				
General government	2,500	2,450	1,261	1,189
Non-current:				
Capital outlay	-	-	-	-
Total expenditures	2,500	2,450	1,261	1,189
Excess (deficiency) of revenues over expenditures	(1,900)	(2,075)	(1,261)	814
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(1,900)	(2,075)	(1,261)	814
Budgeted cash carryover	75,777	75,777		
	\$ 73,877	73,702		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (1,261)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	1,261
Change in net assets (GAAP basis)	\$ -

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
Statement of Revenues and Expenditures  
Budget and Actual (Non-GAAP Budgetary Basis)  
Landfill - Operating - 094  
For The Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable/ <u>(Unfavorable)</u>
<b>Operating revenues</b>				
Charges for services	\$ 1,181,202	878,721	1,099,234	220,513
Investment Income	45,145	43,269	41,246	(2,023)
Miscellaneous	3,211	5,500	10,170	4,670
Total operating revenues	<u>1,229,558</u>	<u>927,490</u>	<u>1,150,650</u>	<u>223,159</u>
<b>Operating expense</b>				
Operating:				
Salaries and benefits	301,781	318,951	297,301	21,650
Supplies	145,884	162,564	125,516	37,048
Maintenance	128,259	124,593	78,770	45,823
Utilities	13,247	14,107	10,261	3,846
Insurance Premiums	10,947	9,752	10,162	(410)
Other Services	227,518	176,331	153,347	22,984
Capital Outlay	650,000	615,632	605,632	10,000
Total expenditures	<u>1,477,636</u>	<u>1,421,930</u>	<u>1,280,989</u>	<u>140,941</u>
Excess (deficiency) of revenues over expenditures	<u>(248,078)</u>	<u>(494,440)</u>	<u>(130,339)</u>	<u>364,100</u>
<b>Non-operating revenues (expenses)</b>				
Transfers in	-	-	-	-
Transfers out	(2,955)	(1,450)	(1,450)	-
Total non-operating revenues (expenses)	<u>(2,955)</u>	<u>(1,450)</u>	<u>(1,450)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(251,033)</u>	<u>(495,890)</u>	<u>(131,789)</u>	<u>364,100</u>
Budgeted cash carryover	<u>3,341,232</u>	<u>3,341,232</u>		
	<u>\$ 3,090,199</u>	<u>2,845,342</u>		

RECONCILIATION FROM BUDGET/ACTUAL To GAAP

Change in net assets (Budget Basis)	\$ (131,789)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditures and accruals and payments	<u>352,661</u>
Change in net assets (GAAP basis)	<u>\$ 220,872</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Year Ended June 30, 2011**

<u>Federal Grantor/Pass-Through Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through / Grantor No.</u>	<u>Grant Award Expended</u>
<b>DIRECT</b>			
<b>U.S. Department of Housing and Urban Development</b>			
Low Income Housing Rent Subsidy	14.850	* NM00400110D	334,914
Low Income Housing Rent Subsidy	14.850	* NM00400111D	255,033
			<u>589,947</u>
Public Housing Capital Fund	14.872	NM02P04501-06	20,425
Public Housing Capital Fund	14.872	NM02P04501-07	22,738
Public Housing Capital Fund	14.872	NM02P04501-08	2,330
<b>ARRA</b> - Public Housing Capital Fund	14.872	NM02S004501-09	1,676
Public Housing Capital Fund	14.872	NM02P045-09	29,752
			<u>76,921</u>
CDBG Funds - Plaza Hacienda	14.228	09-C-NR-I-03-G-013	14,051
CDBG Funds - Planning	14.228	08-C-NR-I-04-G-41	255
			<u>14,306</u>
<b>Total - U.S. Department of Housing and Urban Development</b>			<b><u>681,174</u></b>
<b>U.S. Department of Transportation</b>			
Passed through - New Mexico Department of Transportation			
<b>ARRA</b> - Ninth Street Bridge Replacement	20.205	ECO-4616(2)Control#ES21190	59,255
LaVelle Road Recreation Trail	20.205	TPE-5910(2)	12,467
			<u>71,722</u>
<b>DIRECT</b>			
Airport Improvement Program	20.106	3-35-0001-018-2010	207,672
<b>Total - U.S. Department of Transportation</b>			<b><u>279,394</u></b>
<b>U.S. Department of Health and Human Services</b>			
Passed through - NCNMEDD			
Non-Metro Area Agency on Aging			
<b>Aging Cluster</b>			
Title III, Part B - Supportive Services and Senior Centers	93.044	* 2009-10-64012	29,008
Title III, Part C-I - Nutrition Services, Congregate	93.045	* 2009-10-64012	49,434
Title III, Part C-II - Nutrition Services, Home Delivered	93.045	* 2009-10-64012	21,487
Nutrition Services Incentive Program (NSIP)	93.053	* 2009-10-64012	48,627
			<u>148,556</u>
<b>DIRECT</b>			
<b>Corporation For National and Community Service</b>			
Retired and Senior Volunteer Program	94.002	09SR102198	53,643
<b>DIRECT</b>			
<b>U.S. Department of Justice</b>			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	3,590
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2009-DJ-BX-1346	4,945
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2009-SB-B9-0188	24,618
			<u>33,153</u>
<b>Federal Emergency Management Agency</b>			
Passed through New Mexico Department of Homeland Security - Disaster Relief and Emergency Assistance			
	97.036	FEMA-1962-045	26,018
Total federal awards expended			<b><u>\$ 1,221,938</u></b>
*Major Program			

**Note 1. Basis for Presentation**

The accompanying schedule of federal awards is presented on the budgetary GAAP 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.

**Note 2.** The City did not receive any non-cash federal assistance, federal loan or loan guarantees, or federal insurance benefits during the fiscal year ended June 30, 2011.

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
SCHEDULE OF REVENUE & EXPENSES- AGING PROGRAMS  
Fund 71 - Senior Center III  
For the Year Ended June 30, 2011**

	<b>NCNMEDD Non-Metro AAA Programs</b>						
	<b>Congregate Meals (8023)</b>	<b>Home Delivered Meals (8024)</b>	<b>Assisted Transportation (8025)</b>	<b>Homemaker (8026)</b>	<b>Total</b>	<b>Other</b>	<b>Total</b>
<b>Revenue and other support</b>							
Contributions	\$ -	-	-	-	-	-	-
Governmental grants & contracts							
NCNMEDD - Non-Metro AAA							
Title IIIB	-	-	29,008	-	<b>29,008</b>	-	<b>29,008</b>
Title IIIC-1	49,434	-	-	-	<b>49,434</b>	-	<b>49,434</b>
Title IIIC-2	-	21,487	-	-	<b>21,487</b>	-	<b>21,487</b>
NSIP	25,286	23,341	-	-	<b>48,627</b>	-	<b>48,627</b>
State funds - program	70,039	90,093	29,895	19,557	<b>209,584</b>	-	<b>209,584</b>
State funds - capital outlay	-	-	-	-	<b>46,150</b>	-	<b>46,150</b>
Other grants & contracts							
Otero County	-	27,679	20,880	-	<b>48,559</b>	-	<b>48,559</b>
United Way	-	7,057	4,326	-	<b>11,383</b>	-	<b>11,383</b>
Local match (transfer from City)	44,930	92,687	50,981	16,277	<b>204,875</b>	215,125	<b>420,000</b>
Program service revenue	67,810	33,666	9,435	5,671	<b>116,582</b>	27,890	<b>144,472</b>
Miscellaneous	-	-	-	-	-	22,634	<b>22,634</b>
Total revenue and other support	<u>257,499</u>	<u>296,010</u>	<u>144,525</u>	<u>41,505</u>	<u><b>785,689</b></u>	<u>265,649</u>	<u><b>1,051,338</b></u>
<b>Expenses</b>							
Program services	192,525	190,582	87,182	21,042	<b>491,331</b>	82,152	<b>573,483</b>
Supporting services	145,295	156,029	91,542	24,109	<b>416,975</b>	104,556	<b>521,531</b>
Total expenses	<u>337,820</u>	<u>346,611</u>	<u>178,724</u>	<u>45,151</u>	<u><b>908,306</b></u>	<u>186,708</u>	<u><b>1,095,014</b></u>
Excess (deficiency) of revenue over expenses	\$ <u>(80,321)</u>	<u>(50,601)</u>	<u>(34,199)</u>	<u>(3,646)</u>	<u><b>(122,617)</b></u>	<u>78,941</u>	<u><b>(43,675)</b></u>
Units provided	<u>40,922</u>	<u>37,434</u>	<u>13,133</u>	<u>1,279</u>			

The accompanying notes are integral to these financial statements

**City of Alamogordo**  
**Schedule of Joint Powers Agreements and Memorandums of Understanding**  
**For The Year Ended June 30, 2011**

Joint Powers Agreement	Participants	Responsible Party	Description	Beginning and Ending Dates	Total estimated project amount and amount applicable to Agency	Amount contributed by City during current fiscal year	Audit Responsibility	Fiscal agent and responsible reporting entity
1 Dispatch Services (C-1)	City of Alamogordo Otero County Village of Tularosa	Otero County City of Alamogordo	Utilization of ambulance services as required with dispatch services.	7/1/2004 thru 6/30/2011 Indefinite	\$ 169,030.75	\$ 108,264.20 or 64.05%	Otero County	Otero County
2 Regarding Retired senior volunteer services (C-1)	City of Alamogordo Otero County	City of Alamogordo	Transportation services case management & nutrition for retired senior residents.	7/1/2006 thru 6/30/2011 Indefinite	\$ 603,198.00	\$ 181,252.00	City of Alamogordo	City of Alamogordo
3 Mutual aid contract for fire protection and rescue services. (E-4)	Otero County Volunteer Fire Dept. City of Alamogordo	DPS (Dept. Public S. Otero County Volunteer Fire Dept.	Mutual aid for both Volunteer fire depts. in Otero County & City of Alamogordo	7/1/2004 thru 6/30/2011 Indefinite	As Budgeted per each Department	As Budgeted per each Department	City of Alamogordo Otero County	City of Alamogordo Otero County
4 Voting Machines (C-1)	Otero County City of Alamogordo	Otero County	Agreement with Otero County & City of Alamogordo to have sufficient voting machines as needed for elections	7/1/2004 thru 6/30/2011 Indefinite	\$ 25.00 plus hourly rate as deemed necessary for tech.	N/A	Otero County City of Alamogordo	Otero County City of Alamogordo
5 Wildfire suppression (C-1)	State of NM Forestry Division City of Alamogordo	State of NM Forestry Division City of Alamogordo	Support wildland fire suppression and services outside the city boundaries, as needed.	7/1/2004 thru 6/30/2011 Indefinite	As Budgeted per each Department	As Budgeted per each Department	City of Alamogordo State of NM Forestry Division	City of Alamogordo State of NM Forestry Division
6 Development of Scenic Drive for use by New Mexico State University (D-1 Projects)	City of Alamogordo Otero County NM State University	City of Alamogordo	Agreement for the use of approx. 23 acres for development equipment, maintenance & facilities.	12/17/1985 thru 12/17/2035	N/A	N/A	City of Alamogordo	City of Alamogordo
7 Issue business licenses through the City of Alamogordo (C-1)	City of Alamogordo NM Taxation & Rev.	City of Alamogordo	The City issues business licenses to businesses operating within the City limits and NM Tax & Rev enables the City to register & assign taxpayer ID numbers.	8/9/1996 thru 1/10/2011 Indefinite	As Budgeted per each Department	As Budgeted per each Department	City of Alamogordo	City of Alamogordo

**City of Alamogordo**  
**Schedule of Joint Powers Agreements and Memorandums of Understanding**  
**For The Year Ended June 30, 2011**

Joint Powers Agreement	Participants	Responsible Party	Description	Beginning and Ending Dates	Total estimated project amount and amount applicable to Agency	Amount contributed by City during current fiscal year	Audit Responsibility	Fiscal agent and responsible reporting entity
8 Ambulance services & Medical Response (A-1)	City of Alamogordo Otero County Village of Tularosa Village of Cloudcroft	City of Alamogordo Otero County Village of Tularosa Village of Cloudcroft	Participation in a combined ambulance operation to provide efficient & emergency medical services	7/1/2004 thru 6/30/2012	\$ 163,169.09	\$ 163,169.09	City of Alamogordo Otero County Village of Tularosa Village of Cloudcroft	City of Alamogordo Otero County Village of Tularosa Village of Cloudcroft
9 40 Year water study (A-4)	City of Alamogordo Village of Tularosa Otero County Lincoln County	City of Alamogordo Village of Tularosa Otero County Lincoln County	This 40 year water plan is done in consideration for the population/water demand and supply available for the future with the recommendations	6/19/1987 thru 6/19/2027	As Budgeted per each Department	As Budgeted per each Department	City of Alamogordo Village of Tularosa Otero County Lincoln County	City of Alamogordo Village of Tularosa Otero County Lincoln County
10 Affordable housing for low to moderate income (A-3)	NM State Housing City of Alamogordo	City of Alamogordo	Disbursement of State affordable housing program funds and/or home investment partnerships program funds	5/8/1995 thru 6/30/2011  Indefinite	As Budgeted per each Department	As Budgeted per each Department	City of Alamogordo	City of Alamogordo
11 Solid Waste (C-1)	City of Alamogordo Otero County Village of Cloudcroft Village of Tularosa	City of Alamogordo Otero County Village of Cloudcroft Village of Tularosa	Disposal and maintenance of Solid waste as required.	6/2/1995 thru 6/30/2011  Indefinite	As Budgeted per each Department	As Budgeted per each Department	City of Alamogordo Otero County Village of Cloudcroft Village of Tularosa	City of Alamogordo Otero County Village of Cloudcroft Village of Tularosa
12 Regional Landfill "Otero County Solid Waste Authority" & "Lincoln County Solid Waste Authority" (C-1)	City of Alamogordo Otero County Village of Cloudcroft Village of Tularosa Lincoln County Village of Ruidoso VillageofRuidosoDwn Town of Carrizozo Village of Capitan Village of Corona	City of Alamogordo Otero County Village of Cloudcroft Village of Tularosa Lincoln County Village of Ruidoso VillageofRuidosoDwn Town of Carrizozo Village of Capitan Village of Corona	Operation of the landfill as is required for the purpose of the environmental services and solid waste disposal.	9/30/1993 thru 6/30/2011  Indefinite	As Budgeted per each Department	As Budgeted per each Department	City of Alamogordo Otero County Village of Cloudcroft Village of Tularosa Lincoln County Village of Ruidoso VillageofRuidosoDwn Town of Carrizozo Village of Capitan Village of Corona	City of Alamogordo Otero County Village of Cloudcroft Village of Tularosa Lincoln County Village of Ruidoso VillageofRuidosoDwn Town of Carrizozo Village of Capitan Village of Corona
13 Provide meals for home bound citizens (C-1)	City of Alamogordo Otero County (La Luz Area)	City of Alamogordo	Provide meal services for the home bound citizens in the La Luz area	7/1/2006 thru 6/30/2011	\$ 13,484.00	\$ -	City of Alamogordo	City of Alamogordo

**City of Alamogordo**  
**Schedule of Joint Powers Agreements and Memorandums of Understanding**  
**For The Year Ended June 30, 2011**

Joint Powers Agreement	Participants	Responsible Party	Description	Beginning and Ending Dates	Total estimated project amount and amount applicable to Agency	Amount contributed by City during current fiscal year	Audit Responsibility	Fiscal agent and responsible reporting entity
14 Provide meals for home bound citizens (C-1)	City of Alamogordo Otero County	City of Alamogordo	Provide meal at the Alamogordo Senior Center for the citizens of Otero County	7/1/2006 thru 6/30/2011	\$ 81,917.18	\$ 44,358.00	City of Alamogordo	City of Alamogordo
15 Library services (C-1)	City of Alamogordo Otero County	City of Alamogordo	Library services for the residents of Otero County	7/1/2006 thru 6/30/2011	\$ 779,253.00	\$ 535,659.00	City of Alamogordo	City of Alamogordo
16 Reciprocal use of land facilities, & equipment (A-1)	City of Alamogordo Alamogordo Municipal School District #1	City of Alamogordo Alamogordo Municipal School District #1	Cooperative agreements for both parties for the use of lands,	7/1/2004 thru 6/30/2014	\$38.01/hr for service \$10.33/hr for lifeguard	\$38.01/hr for service \$10.33/hr for lifeguard	City of Alamogordo	City of Alamogordo
17 06-521-04GG-0103 Bonito Lake Hazardous Fuels Reduction (B-3)	NM Energy Minerals & Natural Resources Dept. & City of Alamogordo	City of Alamogordo	Reduces the fire hazard in the treated areas to "low". This will adjoin future thinning projects that are planned on Forest Service Lands and adjacent private lands.	3/29/2006 thru 12/31/2011	\$475,000	\$39,900.00	City of Alamogordo	
18 Use of Facilities, Equipment, and Land (A-1)	Alamogordo Municipal School District No. 1 & the City of Alamogordo	Alamogordo Municipal School District No. 1	Use of City Facilities, Equipment and Land	7/1/2006 thru 6/30/2014				

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
SCHEDULE OF PLEDGED COLLATERAL  
BY BANK AND ACCOUNT  
As of June 30, 2011**

<u>Account Name</u>	<u>Account Type</u>	<u>First National Bank</u>	<u>Wells Fargo Bank</u>	<u>First National Bank of Ruidoso</u>	<u>New Mexico Finance Authority</u>	<u>Bank of New York Mellon Trust Company NA</u>	<u>Pioneer Savings Bank</u>	<u>Bank'34</u>	<u>RBC</u>	<u>Book Balance</u>
<b>Non-interest bearing accounts</b>										
General Operating	Checking	\$ -	309,085	-	-	-	-	-	-	309,295
		-	309,085	-	-	-	-	-	-	309,295
<b>Interest bearing accounts</b>										
General Operating	Checking	4,333,254	-	2,001	-	-	-	-	-	4,098,107
PHA-Home Ownership	Checking	370,659	-	-	-	-	-	-	-	370,654
PHA-Operations	Checking	409,395	-	-	-	-	-	-	-	412,038
PHA-Low Rent	Checking	26,968	-	-	-	-	-	-	-	26,968
PHA-Home Ownership Reserve	Checking	123,429	-	-	-	-	-	-	-	123,429
ACE-Flood Control	Fiduciary	-	1,166,000	-	-	-	-	-	-	1,166,000
Money Market	Savings	-	2,653,157	-	-	-	-	-	-	2,653,157
New Mexico Finance Authority	Debt Service	-	-	-	2,872	-	-	-	-	2,872
Bank of New York Mellon	Fire Program	-	-	-	-	514,804	-	-	-	514,804
Certificate of deposit	CD	-	101,178	-	-	-	-	-	-	100,000
Certificate of deposit	CD	-	96,449	-	-	-	-	-	-	95,000
Certificate of deposit	CD	-	96,449	-	-	-	-	-	-	95,000
Certificate of deposit	CD	-	96,470	-	-	-	-	-	-	95,000
Certificate of deposit	CD	-	96,453	-	-	-	-	-	-	95,000
Certificate of deposit	CD	-	250,633	-	-	-	-	-	-	250,000
Certificate of deposit	CD	-	250,674	-	-	-	-	-	-	250,000
Certificate of deposit	CD	-	250,778	-	-	-	-	-	-	250,000
Certificate of deposit	CD	-	250,915	-	-	-	-	-	-	250,000
Certificate of deposit	CD	-	249,849	-	-	-	-	-	-	250,000
Certificate of deposit	CD	-	249,821	-	-	-	-	-	-	250,000
Certificate of deposit	CD	-	249,845	-	-	-	-	-	-	250,000
Certificate of deposit	CD	-	249,855	-	-	-	-	-	-	250,000
Certificate of deposit	CD	-	244,742	-	-	-	-	-	-	245,000
Certificate of deposit	CD	-	249,973	-	-	-	-	-	-	250,000
Certificate of deposit	CD	-	249,846	-	-	-	-	-	-	250,000
Certificate of deposit	CD	-	249,736	-	-	-	-	-	-	250,000
Certificate of deposit	CD	-	249,935	-	-	-	-	-	-	250,000
Certificate of deposit	CD	-	249,935	-	-	-	-	-	-	250,000
Certificate of deposit	CD	-	249,734	-	-	-	-	-	-	250,000
Certificate of deposit	CD	-	249,754	-	-	-	-	-	-	250,000
Certificate of deposit	CD	-	249,725	-	-	-	-	-	-	250,000
Certificate of deposit	CD	-	249,633	-	-	-	-	-	-	250,000
Certificate of deposit	CD	-	149,465	-	-	-	-	-	-	150,000
Certificate of deposit	CD	-	249,108	-	-	-	-	-	-	250,000
Certificate of deposit	CD	-	249,136	-	-	-	-	-	-	250,000
Certificate of deposit	CD	-	249,272	-	-	-	-	-	-	250,000
Certificate of deposit	CD	-	248,763	-	-	-	-	-	-	250,000
Certificate of deposit	CD	250,000	-	-	-	-	-	-	-	250,000
Certificate of deposit	CD	500,000	-	-	-	-	-	-	-	500,000
Certificate of deposit	CD	500,000	-	-	-	-	-	-	-	500,000
Certificate of deposit	CD	-	-	-	-	-	-	525,378	-	525,378
Certificate of deposit	CD	-	-	-	-	-	500,720	-	-	500,720
Total amount of deposit in bank		6,513,705	10,256,368	2,001	2,872	514,804	500,720	525,378	-	18,078,423
FDIC coverage		(500,000)	(8,000,000)	(2,001)	N/A	N/A	(250,000)	(250,000)	-	
Total uninsured public funds		6,013,705	2,256,368	-	-	514,804	250,720	275,378	-	
50% Collateral Requirement (Section 6-10-17 NMSA 1978)		\$ 3,006,852	1,128,184	-	-	-	125,360	137,689	-	

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
SCHEDULE OF PLEDGED COLLATERAL  
BY BANK AND ACCOUNT  
As of June 30, 2011**

	First National <u>Bank</u>	Wells Fargo <u>Bank</u>	First National Bank of <u>Ruidoso</u>	New Mexico Finance <u>Authority</u>	Bank of New York Mellon Trust <u>Company NA</u>	Pioneer Savings <u>Bank</u>	<u>Bank 34</u>	<u>RBC</u>	Book <u>Balance</u>
Pledged security at:									
Federal Home Loan Bank-Dallas									
FHLB 31384YAH9 Due 09/01/27	\$ 69,337	-	-	-	-	-	-	-	-
FHLB 31371ND51 Due 05/01/37	1,000,703	-	-	-	-	-	-	-	-
FHLB 31410GLS0 Due 10/01/37	833,074	-	-	-	-	-	-	-	-
FHLB 31415BEU9 Due 08/01/38	1,565,296	-	-	-	-	-	-	-	-
FNMA 845529 Due 12/01/35	-	-	-	-	-	337,601	-	-	-
FHLMC 847032 Due 01/01/32	-	-	-	-	-	85,938	-	-	-
FG3128PSSF5 Due 10/01/25	-	160,434	-	-	-	-	-	-	-
FN31410FZ99 Due 03/01/37	-	66,804	-	-	-	-	-	-	-
FNMA 31416BL63 Due 02/01/38	-	939,364	-	-	-	-	-	-	-
Irrevocable Standby Letter of Credit	-	-	-	-	-	-	200,000	-	-
	<u>3,468,410</u>	<u>1,166,602</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>423,539</u>	<u>200,000</u>	<u>-</u>	<u>-</u>
Freddie Mac Discount Note	-	700,956	-	-	-	-	-	-	703,423
Federal Home Loan Note	-	852,410	-	-	-	-	-	-	850,000
Federal Home Loan Note	-	230,792	-	-	-	-	-	-	230,923
Federal Home Loan Note	-	1,002,873	-	-	-	-	-	-	1,000,000
Federal Home Loan Note	-	2,469,660	-	-	-	-	-	-	2,500,000
Federal Home Loan Note	-	641,471	-	-	-	-	-	-	650,000
Federal Home Loan Note	-	500,263	-	-	-	-	-	-	500,021
Federal Farm Credit Note	-	497,352	-	-	-	-	-	-	500,854
Freddie Mac Discount Note	-	497,693	-	-	-	-	-	-	500,000
Federal Home Loan Note	-	501,661	-	-	-	-	-	-	500,000
Fannie Mae Note	-	-	-	-	-	-	-	70,186	69,912
Fannie Mae Note	-	-	-	-	-	-	-	63,603	62,977
Fannie Mae Note	-	-	-	-	-	-	-	125,207	123,132
Fannie Mae Note	-	-	-	-	-	-	-	70,546	70,346
Fannie Mae Note	-	-	-	-	-	-	-	701,612	754,252
Fannie Mae Note	-	-	-	-	-	-	-	57,030	56,959
Fannie Mae Note	-	-	-	-	-	-	-	1,499	2,781
Fannie Mae Note	-	-	-	-	-	-	-	126,073	138,803
Small Business Administration Loan	-	-	-	-	-	-	-	229,850	244,164
Fannie Mae Note	-	-	-	-	-	-	-	1,496,212	1,584,429
Fannie Mae Note	-	-	-	-	-	-	-	56,036	64,856
Fannie Mae Note	-	-	-	-	-	-	-	204,324	217,850
Fannie Mae Note	-	-	-	-	-	-	-	41,669	41,336
Fannie Mae Note	-	-	-	-	-	-	-	115,581	122,283
Fannie Mae Note	-	-	-	-	-	-	-	101,430	100,876
Fannie Mae Note	-	-	-	-	-	-	-	51,958	51,990
Fannie Mae Note	-	-	-	-	-	-	-	50,862	52,850
Fannie Mae Note	-	-	-	-	-	-	-	27,357	28,654
Federal Home Loan Note	-	-	-	-	-	-	-	51,878	58,758
Fannie Mae Note	-	-	-	-	-	-	-	21,885	20,714
Fannie Mae Note	-	-	-	-	-	-	-	15,193	15,533
Fannie Mae Note	-	-	-	-	-	-	-	30,973	31,061
Fannie Mae Note	-	-	-	-	-	-	-	50,702	50,662
Fannie Mae Note	-	-	-	-	-	-	-	14,944	16,034
Federal Home Loan Note	-	-	-	-	-	-	-	21,587	22,543
Fannie Mae Note	-	-	-	-	-	-	-	79,883	83,650
Fannie Mae Note	-	-	-	-	-	-	-	48,838	49,060
Federal Home Loan Note	-	-	-	-	-	-	-	66,054	70,146

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
SCHEDULE OF PLEDGED COLLATERAL  
BY BANK AND ACCOUNT  
As of June 30, 2011**

	First National <u>Bank</u>	Wells Fargo <u>Bank</u>	First National Bank of <u>Ruidoso</u>	New Mexico Finance <u>Authority</u>	Bank of New York Mellon Trust <u>Company NA</u>	Pioneer Savings <u>Bank</u>	<u>Bank 34</u>	<u>RBC</u>	Book <u>Balance</u>
Pledged security at:									
Fannie Mae Note	-	-	-	-	-	-	-	16,014	34,482
Fannie Mae Note	-	-	-	-	-	-	-	104,163	108,400
Fannie Mae Note	-	-	-	-	-	-	-	51,124	49,839
Federal Home Loan Note	-	-	-	-	-	-	-	185,666	185,729
Fannie Mae Note	-	-	-	-	-	-	-	827,087	826,907
Federal Home Loan Note	-	-	-	-	-	-	-	189,620	194,095
Federal Home Loan Note	-	-	-	-	-	-	-	111,312	114,179
Federal Home Loan Note	-	-	-	-	-	-	-	559,928	588,241
Fannie Mae Note	-	-	-	-	-	-	-	727,632	733,582
Fannie Mae Note	-	-	-	-	-	-	-	329,367	355,628
Fannie Mae Note	-	-	-	-	-	-	-	422,732	445,732
Fannie Mae Note	-	-	-	-	-	-	-	1,563,082	1,571,290
Federal Home Loan Note	-	-	-	-	-	-	-	1,007,110	1,016,370
Fannie Mae Note	-	-	-	-	-	-	-	88,611	93,365
Federal Home Loan Note	-	-	-	-	-	-	-	550,330	549,677
Fannie Mae Note	-	-	-	-	-	-	-	260,190	271,494
Federal Home Loan Note	-	-	-	-	-	-	-	288,016	302,366
US Treasury Note	-	-	-	-	-	-	-	201,226	201,800
Fannie Mae Note	-	-	-	-	-	-	-	263,810	269,893
Fannie Mae Note	-	-	-	-	-	-	-	181,292	184,422
Fannie Mae Note	-	-	-	-	-	-	-	417,723	427,622
Fannie Mae Note	-	-	-	-	-	-	-	146,267	149,702
Federal Home Loan Note	-	-	-	-	-	-	-	534,470	543,451
Federal Home Loan Note	-	-	-	-	-	-	-	330,137	341,414
Fannie Mae Note	-	-	-	-	-	-	-	99,872	99,830
Money Market	-	-	-	-	-	-	-	3,757,882	3,757,882
Pledged security at:									
State of New Mexic LGIP Fund	-	-	-	-	-	-	-	-	14,660,345
State of New Mexic LGIP Fund PHA	-	-	-	-	-	-	-	-	709,140
Petty cash	-	-	-	-	-	-	-	-	2,675
Start-up cash	-	-	-	-	-	-	-	-	3,905
Amount (over) collateralized	\$ (461,558)	(38,418)	-	-	-	(298,179)	(62,311)	-	40,935,289
Total book balance	\$ 6,513,705	10,256,368	2,001	2,872	514,804	500,720	525,378		59,013,712



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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING  
STANDARDS**

Mr. Hector Balderas,  
New Mexico State Auditor  
and  
The Honorable Mayor  
Ron Griggs  
and  
City Commission of the City of Alamogordo  
Alamogordo, New Mexico

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, the budgetary comparisons for the general fund and major special revenue funds, the aggregate remaining fund information, and the combining and individual funds including budgetary comparisons presented as supplementary information of the City of Alamogordo, New Mexico, as of and for the year ended June 30, 2011, and have issued our report thereon dated November 29, 2011. We conducted our audit in accordance with auditing standards general accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Alamogordo, State of New Mexico's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Alamogordo, State of New Mexico's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Alamogordo, State of New Mexico's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

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

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS,  
continued**

November 29, 2011

timely basis. We consider the deficiencies described in the accompanying *schedule of findings and questioned costs* to be material weaknesses: 07-06.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Alamogordo, State of New Mexico's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The City of Alamogordo, State of New Mexico's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit City of Alamogordo, State of New Mexico's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the City Commission, Legislative Finance Committee, Department of Finance and Administration, the State Auditor, 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.



Hinkle + Landers, P.C.  
November 29, 2011



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**REPORT 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 Balderas,  
New Mexico State Auditor  
and  
The Honorable Mayor  
Ron Griggs  
and  
City Commission of the City of Alamogordo  
Alamogordo, New Mexico

Compliance

We have audited the City of Alamogordo, State of New Mexico's 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 of Alamogordo, State of New Mexico's major federal programs for the year ended June 30, 2011. The City of Alamogordo, State of New Mexico'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 of Alamogordo, State of New Mexico's management. Our responsibility is to express an opinion on the City of Alamogordo, State of New Mexico's compliance based on our audit.

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 of Alamogordo, State of New Mexico'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 of Alamogordo, State of New Mexico's compliance with those requirements.

In our opinion, the City of Alamogordo, State of New Mexico, 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, 2011.

November 29, 2011

**REPORT 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, continued**

Internal Control Over Compliance

Management of the City of Alamogordo, State of New Mexico, 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 of Alamogordo, State of New Mexico'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 City of Alamogordo, State of New Mexico'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.

City of Alamogordo, State of New Mexico's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit City of Alamogordo, State of New Mexico's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the City Commission, management, Legislative Finance Committee, Department of Finance and Administration, the State Auditor, 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.



Hinkle + Landers, P.C.  
November 29, 2011

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 2011**

**SECTION I – SUMMARY OF AUDITORS’ RESULTS**

**Financial Statements**

Type of report issued	Unqualified
Internal control over financial reporting:	
Material weakness identified?	Yes
Significant deficiencies identified that are not considered to be material weaknesses?	No
Non-compliance material to financial statements noted?	No

**Federal Awards**

Internal Control	
Material weaknesses identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	No
Type of auditors’ report issued on major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Programs</u>	<u>Funding Source</u>
14.850	Low Income Housing Rent Subsidy	US Department of Housing and Urban Development
<b>Aging Cluster</b>		
93.044	Title III, Part B - Supportive Services and Senior Centers	U.S. Department of Health and Human Services
93.045	Title III, Part C-I - Nutrition Services, Congregate	U.S. Department of Health and Human Services
93.045	Title III, Part C-II - Nutrition Services, Home Delivered	U.S. Department of Health and Human Services
93.053	Nutrition Services Incentive Program (NSIP)	U.S. Department of Health and Human Services

Dollar threshold used to distinguish between A and B programs: \$300,000

Auditee qualified as low-risk auditee?	No
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**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 2011**

**SECTION II AND III – FINANCIAL STATEMENTS AND FEDERAL AWARD FINDINGS**

	<b>Status of Current and Prior Year Findings</b>	<b>Financial Statement Finding</b>	<b>Federal Awards Finding</b>	<b>State Audit Rule Finding</b>
<b><u>Prior Year Findings:</u></b>				
07-06 SAS 115 MATERIAL ADJUSTMENTS BY AUDITOR	Revised/ Repeated	yes	no	no
08-01 PROPER MAINTENANCE OF CAPITAL ASSET LISTINGS	Resolved	yes	no	no
09-03 CERTIFICATION & RECERTIFICATION DOCUMENTATION	Resolved	no	yes	no
09-06 LEASE DOCUMENTATION	Resolved	no	yes	no
09-09 PHA ACCOUNTS RECEIVABLE	Resolved	yes	yes	no
09-10 PHA TIMELINESS OF FINANCIAL REPORTING	Resolved	yes	yes	no
10-01 PHA- IMPROVE SEGREGATION OF DUTIES	Resolved	yes	yes	no
10-02 PHA - IMPROVE CONTROLS OVER RECEIPTS	Resolved	yes	yes	no
10-03 PHA - IMPROVE OVERSIGHT OF SERVICE PROVIDER	Resolved	yes	yes	no
10-04 IMPROVE OVERSIGHT OF PHA	Resolved	yes	yes	no
<b><u>Current Year Findings:</u></b>				
<b>None</b>				

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 2011**

**PRIOR YEAR FINDINGS**

**07-06 – SAS 115 MATERIAL ADJUSTMENTS BY AUDITOR –  
REVISED/REPEATED – Material weakness**

**Statement of Condition**

According to Statement on Auditing Standards 115 (SAS 115) identification by the auditor of a material misstatement of the financial statements under audit, in circumstances that indicate that the misstatement would not have been detected by the entity's internal control, is considered a material weakness. Specifically, the auditor made material adjustments to reconcile fund balance and to properly record debt-related transactions

**Criteria**

Some of the key underlying concepts of SAS 115 include:

- The auditor cannot be part of a client's internal control because becoming part of a client's internal control impairs auditor independence;
- The auditor's work is independent of the client's internal control over financial reporting, and the auditor cannot be a compensating control for the client; and
- A system of internal control over the financial reporting does not stop at the general ledger – it includes controls over the presentation of the financial statements.

Recording adjustments is considered a significant process of internal control and should be performed by City staff.

**Effect**

An internal control weakness in maintaining the general ledger exists because material adjustments were identified by the auditor and not by City staff. As a result, periodic financial statements reviewed by management and the governing body may be materially inaccurate.

**Cause**

Internal control procedures were not effective in identifying and correcting material errors.

**Recommendation**

We recommend that the City make adjustments to their general ledger in a timely manner.

**Management Response**

We have reviewed the "close the books" checklist and made the necessary additions to include the noted areas to reconcile and perform required adjusting entries in a timely manner going forward. We have also incorporated a more formalized management review control to help assure checklist completeness on a monthly basis and at year-end. Moreover, the Accounting department only became fully staffed approximately halfway through the fiscal year with the addition of the Accounting Manager; only to have the Finance Director position become vacant for the last half of the fiscal year. The turnover left some continuing gaps in knowledge transfer at particularly important areas relating to closing the books procedures as noted last year.

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
EXIT CONFERENCE  
For the Year Ended June 30, 2011**

An exit conference was held in a closed session on November 29, 2011 and was attended by the following:

**For the City of Alamogordo**

Ron Griggs	Mayor and Chairman, PHA
Marion L. Ledford, Jr.	Commissioner
Mark Roath	City Manager & Executive Director of PHA
Ernie Bussell	Finance Director
Steve Boyle	Accounting Manager

**For Hinkle + Landers, PC**

Farley Vener, CPA, CFE	Audit Partner
Shannon Gilliland, CPA, CGFM	Audit Manager

**PREPARATION OF THE FINANCIAL STATEMENTS**

Presentation: The accompanying financial statements are the responsibility of the City and are based on information from the City's financial records. Assistance was provided by Hinkle + Landers, PC to the City in preparing the financial statements.



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**INDEPENDENT AUDITORS' REPORT  
FINANCIAL DATA SCHEDULE**

Mr. Hector Balderas,  
New Mexico State Auditor  
and  
The Honorable Mayor  
Ron Griggs  
and  
City Commission of the City of Alamogordo  
Alamogordo, New Mexico

We were engaged to perform an audit in accordance with OMB Circular A-133, Audits of States and Local Governments, and Non-Profit Organizations, for the City of Alamogordo, as of and for the year ended June 30, 2011, and have issued our report thereon dated November 29, 2011.

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 statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The accompanying Financial Data Schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Hinkle & Landers, P.C.*

Hinkle + Landers, PC  
November 29, 2011

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
PUBLIC HOUSING AUTHORITY  
FINANCIAL DATA SCHEDULE - BALANCE SHEET  
As of June 30, 2011**

	Low Rent (901) & Capital Projects Fund (904) less ARRA grant	ARRA Grant 14.885 Formula Capital Fund Stimulus Grant	HomeOwner (903, 906 & 907)	Total
	Project Total	State/Local	Total	Total
<b>ASSETS</b>				
111 Cash - Unrestricted	\$ 395,962	-	383,710	779,672
112 Cash - Restricted - Modernization and Development	-	-	-	-
113 Cash - Other Restricted	-	-	108,373	108,373
114 Cash - Tenant Security Deposits	37,862	-	2,000	39,862
115 Cash - Restricted for Payment of Current Liabilities	-	-	-	-
100 Total Cash	433,824	-	494,083	927,907
121 Accounts Receivable - PHA Projects	-	-	-	-
122 Accounts Receivable - HUD Other Projects	-	-	-	-
124 Accounts Receivable - Other Government	-	-	-	-
125 Accounts Receivable - Miscellaneous	-	-	-	-
126 Accounts Receivable - Tenants	64,883	-	3,426	68,309
126.1 Allowance for Doubtful Accounts - Tenants	(37,228)	-	-	(37,228)
126.2 Allowance for Doubtful Accounts - Other	-	-	-	-
127 Notes, Loans, & Mortgages Receivable - Current	-	-	-	-
128 Fraud Recovery	-	-	-	-
128.1 Allowance for Doubtful Accounts - Fraud	-	-	-	-
129 Accrued Interest Receivable	119	-	22	141
120 Total Receivables, Net of Allowances for Doubtful Accounts	27,774	-	3,448	31,222
131 Investments - Unrestricted	598,140	-	111,000	709,140
132 Investments - Restricted	-	-	-	-
135 Investments - Restricted for Payment of Current Liability	-	-	-	-
142 Prepaid Expenses and Other Assets	18,713	-	923	19,636
143 Inventories	21,128	-	-	21,128
143.1 Allowance for Obsolete Inventories	(2,113)	-	-	(2,113)
144 Inter Program Due From	7,376	-	-	7,376
145 Assets Held for Sale	-	-	-	-
<b>150 Total Current Assets</b>	<b>1,104,842</b>	<b>-</b>	<b>609,454</b>	<b>1,714,296</b>
161 Land	1,324,708	-	-	1,324,708
162 Buildings	11,097,846	-	-	11,097,846
163 Furniture, Equipment & Machinery - Dwellings	-	-	-	-
164 Furniture, Equipment & Machinery - Administration	232,631	-	3,735	236,366
165 Leasehold Improvements	-	-	-	-
166 Accumulated Depreciation	(8,686,955)	-	(3,735)	(8,690,690)
167 Construction in Progress	51,382	-	-	51,382
168 Infrastructure	-	-	-	-
160 Total Capital Assets, Net of Accumulated Depreciation	4,019,612	-	-	4,019,612
171 Notes, Loans and Mortgages Receivable - Non-Current	-	-	-	-
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	-	-	-	-
173 Grants Receivable - Non Current	-	-	-	-
174 Other Assets	-	-	807,364	807,364
176 Investments in Joint Ventures	-	-	-	-
<b>180 Total Non-Current Assets</b>	<b>4,019,612</b>	<b>-</b>	<b>807,364</b>	<b>4,826,976</b>
<b>190 Total Assets</b>	<b>\$ 5,124,454</b>	<b>-</b>	<b>1,416,818</b>	<b>6,541,272</b>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
PUBLIC HOUSING AUTHORITY  
FINANCIAL DATA SCHEDULE - BALANCE SHEET, CONTINUED  
As of June 30, 2011**

	Low Rent (901) & Capital Projects Fund (904) less ARRA grant	ARRA Grant 14.885 Formula Capital Fund Stimulus Grant	HomeOwner (903, 906 & 907)	Total
	Project Total		State/Local	
<b>LIABILITIES AND NET ASSETS</b>				
311 Bank Overdraft	\$ -	-	-	-
312 Accounts Payable <= 90 Days	29,577	-	148	29,725
313 Accounts Payable >90 Days Past Due	-	-	-	-
321 Accrued Wage/Payroll Taxes Payable	14,794	-	217	15,011
322 Accrued Compensated Absences - Current Portion	20,396	-	146	20,542
324 Accrued Contingency Liability	-	-	-	-
325 Accrued Interest Payable	-	-	-	-
331 Accounts Payable - HUD PHA Programs	-	-	-	-
332 Account Payable - PHA Projects	-	-	-	-
333 Accounts Payable - Other Government	-	-	-	-
341 Tenant Security Deposits	37,862	-	2,000	39,862
342 Deferred Revenues	6,028	-	3,426	9,454
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds	-	-	-	-
344 Current Portion of Long-term Debt - Operating Borrowings	-	-	-	-
345 Other Current Liabilities	-	-	-	-
346 Accrued Liabilities - Other	-	-	108,373	108,373
347 Inter Program - Due To	-	-	7,376	7,376
348 Loan Liability - Current	-	-	-	-
<b>310 Total Current Liabilities</b>	<b>108,657</b>	<b>-</b>	<b>121,686</b>	<b>230,343</b>
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	-	-	-	-
352 Long-term Debt, Net of Current - Operating Borrowings	-	-	-	-
353 Non-current Liabilities - Other	-	-	-	-
354 Accrued Compensated Absences - Non Current	-	-	-	-
355 Loan Liability - Non Current	-	-	-	-
356 FASB 5 Liabilities	-	-	-	-
357 Accrued Pension and OPEB Liabilities	-	-	-	-
350 Total Non-Current Liabilities	-	-	-	-
<b>300 Total Liabilities</b>	<b>108,657</b>	<b>-</b>	<b>121,686</b>	<b>230,343</b>
508.1 Invested In Capital Assets, Net of Related Debt	4,019,612	-	-	4,019,612
509.2 Fund Balance Reserved	-	-	-	-
511.2 Unreserved, Designated Fund Balance	-	-	-	-
511.1 Restricted Net Assets	-	-	807,364	807,364
512.1 Unrestricted Net Assets	996,185	-	487,768	1,483,953
512.2 Unreserved, Undesignated Fund Balance	-	-	-	-
513 Total Equity/Net Assets	5,015,797	-	1,295,132	6,310,929
<b>600 Total Liabilities and Equity/Net Assets</b>	<b>\$ 5,124,454</b>	<b>-</b>	<b>1,416,818</b>	<b>6,541,272</b>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
PUBLIC HOUSING AUTHORITY  
FINANCIAL DATA SCHEDULE - STATEMENT OF REVENUES AND EXPENDITURES  
For the Year Ended June 30, 2011**

	Low Rent (901) & Capital Projects Fund (904) less ARRA grant	ARRA Grant 14.885 Formula Capital Fund Stimulus Grant	HomeOwner (903, 906 & 907) State/Local	Total
<b>REVENUES</b>	<b>Project Total</b>	<b>ARRA Grant 14.885 Formula Capital Fund Stimulus Grant</b>	<b>State/Local</b>	<b>Total</b>
70300 Net Tenant Rental Revenue	300,225	-	-	300,225
70400 Tenant Revenue - Other	17,765	-	-	17,765
70500 Total Tenant Revenue	317,990	-	-	317,990
70600 HUD PHA Operating Grants	630,640	219	-	630,859
70610 Capital Grants	34,479	1,256	-	35,735
70710 Management Fee	-	-	-	-
70720 Asset Management Fee	-	-	-	-
70730 Book Keeping Fee	-	-	-	-
70740 Front Line Service Fee	-	-	-	-
70750 Other Fees	-	-	-	-
70700 Total Fee Revenue	665,119	1,475	-	666,594
70800 Other Government Grants	-	-	-	-
71100 Investment Income - Unrestricted	2,959	-	2,538	5,497
71200 Mortgage Interest Income	-	-	-	-
71300 Proceeds from Disposition of Assets Held for Sale	-	-	-	-
71310 Cost of Sale of Assets	-	-	-	-
71400 Fraud Recovery	-	-	-	-
71500 Other Revenue	15,441	-	14,816	30,257
71600 Gain or Loss on Sale of Capital Assets	-	-	-	-
72000 Investment Income - Restricted	-	-	-	-
<b>70000 Total Revenue</b>	<b>1,001,509</b>	<b>1,475</b>	<b>17,354</b>	<b>1,020,338</b>
<b>EXPENSES</b>				
91100 Administrative Salaries	158,990	-	8,142	167,132
91200 Auditing Fees	9,323	-	653	9,976
91300 Management Fee	-	-	-	-
91310 Book-keeping Fee	-	-	-	-
91400 Advertising and Marketing	-	-	137	137
91500 Employee Benefit contributions - Administrative	42,972	-	2,218	45,190
91600 Office Expenses	23,177	-	967	24,144
91700 Legal Expense	-	-	-	-
91800 Travel	7,563	-	-	7,563
91810 Allocated Overhead	-	-	-	-
91900 Other	70,420	-	15,726	86,146
91000 Total Operating - Administrative	312,445	-	27,843	340,288
92000 Asset Management Fee	-	-	-	-
92100 Tenant Services - Salaries	-	-	-	-
92200 Relocation Costs	-	219	-	219
92300 Employee Benefit Contributions - Tenant Services	-	-	-	-
92400 Tenant Services - Other	-	-	-	-
92500 Total Tenant Services	-	219	-	219

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
PUBLIC HOUSING AUTHORITY  
FINANCIAL DATA SCHEDULE - STATEMENT OF REVENUES AND EXPENDITURES, CONTINUED  
For the Year Ended June 30, 2011**

	Low Rent (901) & Capital Projects Fund (904) less ARRA grant	ARRA Grant 14.885 Formula Capital Fund Stimulus Grant	HomeOwner (903, 906 & 907) State/Local	Total
	Project Total			
93100 Water	3,337	-	6,609	9,946
93200 Electricity	98,986	-	301	99,287
93300 Gas	2,142	-	609	2,751
93400 Fuel	-	-	-	-
93500 Labor	-	-	-	-
93600 Sewer	2,463	-	411	2,874
93700 Employee Benefit Contributions - Utilities	-	-	-	-
93800 Other Utilities Expense	-	-	-	-
93000 Total Utilities	106,928	-	7,930	114,858
94100 Ordinary Maintenance and Operations - Labor	115,587	-	15,364	130,951
94200 Ordinary Maintenance and Operations - Materials and Other	64,017	-	6,952	70,969
94300 Ordinary Maintenance and Operations Contracts	68,824	-	4,691	73,515
94500 Employee Benefit Contributions - Ordinary Maintenance	37,643	-	1,175	38,818
94000 Total Maintenance	286,071	-	28,182	314,253
95100 Protective Services - Labor	-	-	-	-
95200 Protective Services - Other Contract Costs	-	-	-	-
95300 Protective Services - Other	-	-	-	-
95500 Employee Benefit Contributions - Protective Services	-	-	-	-
95000 Total Protective Services	-	-	-	-
96110 Property Insurance	31,679	-	1,129	32,808
96120 Liability Insurance	8,508	-	640	9,148
96130 Workmen's Compensation	11,550	-	874	12,424
96140 All Other Insurance	26,723	-	25	26,748
96100 Total insurance Premiums	78,460	-	2,668	81,128
96200 Other General Expenses	-	-	29,833	29,833
96210 Compensated Absences	25,123	-	349	25,472
96300 Payments in Lieu of Taxes	-	-	-	-
96400 Bad debt - Tenant Rents	19,158	-	-	19,158
96500 Bad debt - Mortgages	-	-	-	-
96600 Bad debt - Other	-	-	-	-
96800 Severance Expense	-	-	-	-
96000 Total Other General Expenses	44,281	-	30,182	74,463
96710 Interest of Mortgage (or Bonds) Payable	-	-	-	-
96720 Interest on Notes Payable (Short and Long Term)	-	-	-	-
96730 Amortization of Bond Issue Costs	-	-	-	-
96700 Total Interest Expense and Amortization Cost	-	-	-	-
<b>96900 Total Operating Expenses</b>	<b>828,185</b>	<b>219</b>	<b>96,805</b>	<b>925,209</b>
<b>97000 Excess of Operating Revenue over Operating Expenses</b>	<b>173,324</b>	<b>1,256</b>	<b>(79,451)</b>	<b>95,129</b>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
PUBLIC HOUSING AUTHORITY  
FINANCIAL DATA SCHEDULE - STATEMENT OF REVENUES AND EXPENDITURES, CONTINUED  
For the Year Ended June 30, 2011**

	Low Rent (901) & Capital Projects Fund (904) less ARRA grant	ARRA Grant 14.885 Formula Capital Fund Stimulus Grant	HomeOwner (903, 906 & 907) State/Local	Total
	<u>Project Total</u>	<u>ARRA Grant 14.885 Formula Capital Fund Stimulus Grant</u>	<u>State/Local</u>	<u>Total</u>
97100 Extraordinary Maintenance	3,223	-	-	3,223
97200 Casualty Losses - Non-capitalized	-	-	-	-
97300 Housing Assistance Payments	-	-	-	-
97350 HAP Portability-In	-	-	-	-
97400 Depreciation Expense	289,383	-	-	289,383
97500 Fraud Losses	-	-	-	-
97600 Capital Outlays - Governmental Funds	-	-	-	-
97700 Debt Principal Payment - Governmental Funds	-	-	-	-
97800 Dwelling Units Rent Expense	-	-	-	-
<b>90000 Total Expenses</b>	<b>1,120,791</b>	<b>219</b>	<b>96,805</b>	<b>1,217,815</b>
10010 Operating Transfer In	40,693	-	-	40,693
10020 Operating Transfer Out	(40,693)	-	-	(40,693)
10030 Operating Transfers from/to Primary Government	-	-	-	-
10040 Operating Transfers from/to Component Unit	-	-	-	-
10050 Proceeds from Notes, Loans and Bonds	-	-	-	-
10060 Proceeds from Property Sales	-	-	-	-
10070 Extraordinary Items, Net Gain/Loss	-	-	-	-
10080 Special Items (Net Gain/Loss)	-	-	-	-
10091 Inter Project Excess Cash Transfer In	-	-	-	-
10092 Inter Project Excess Cash Transfer Out	-	-	-	-
10093 Transfers between Program and Project - In	-	-	-	-
10094 Transfers between Project and Program - Out	-	-	-	-
10100 Total Other financing Sources (Uses)	-	-	-	-
<b>10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses</b>	<b>(119,282)</b>	<b>1,256</b>	<b>(79,451)</b>	<b>(197,477)</b>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
CITY OF ALAMOGORDO  
PUBLIC HOUSING AUTHORITY  
FINANCIAL DATA SCHEDULE - STATEMENT OF REVENUES AND EXPENDITURES, CONTINUED  
For the Year Ended June 30, 2011**

	<b>Low Rent (901) &amp; Capital Projects Fund (904) less ARRA grant</b>	<b>ARRA Grant 14.885 Formula Capital Fund Stimulus Grant</b>	<b>HomeOwner (903, 906 &amp; 907) State/Local</b>	<b>Total</b>
	<b>Project Total</b>	<b>ARRA Grant 14.885 Formula Capital Fund Stimulus Grant</b>	<b>State/Local</b>	<b>Total</b>
11020 Required Annual Debt Principal Payments	-	-	-	-
11030 Beginning Equity	5,223,823	-	1,455,947	6,679,770
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	1,256	(1,256)	(81,364)	(81,364)
11050 Changes in Compensated Absence Balance	-	-	-	-
11060 Changes in Contingent Liability Balance	-	-	-	-
11070 Changes in Unrecognized Pension Transition Liability	-	-	-	-
11080 Changes in Special Term/Severance Benefits Liability	-	-	-	-
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents	-	-	-	-
11100 Changes in Allowance for Doubtful Accounts - Other	-	-	-	-
11170 Administrative Fee Equity	-	-	-	-
11180 Housing Assistance Payments Equity	-	-	-	-
11190 Unit Months Available	2,640	-	-	2,640
11210 Number of Unit Months Leased	2,388	-	-	2,388
11270 Excess Cash	892,847	-	-	892,847
11610 Land Purchases	-	-	-	-
11620 Building Purchases	-	-	-	-
11630 Furniture & Equipment - Dwelling Purchases	35,735	-	-	35,735
11640 Furniture & Equipment - Administrative Purchases	-	-	-	-
11650 Leasehold Improvements Purchases	-	-	-	-
11660 Infrastructure Purchases	-	-	-	-
13510 CFFP Debt Service Payments	-	-	-	-
13901 Replacement Housing Factor Funds	-	-	-	-

The accompanying notes are integral to these financial statements